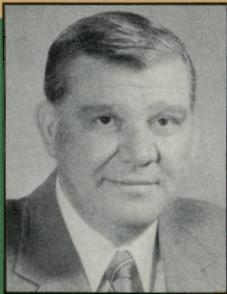
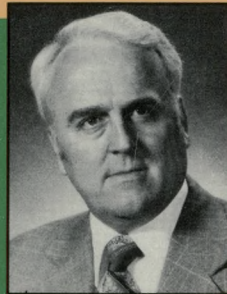


NORTHWESTERN Banker

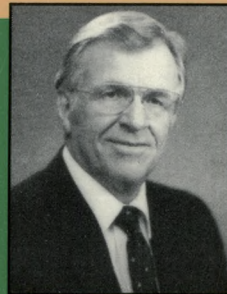
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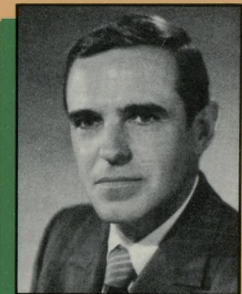
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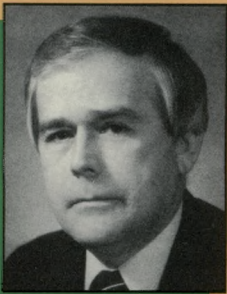
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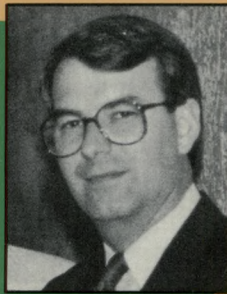
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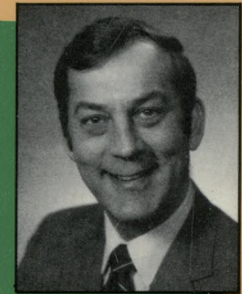
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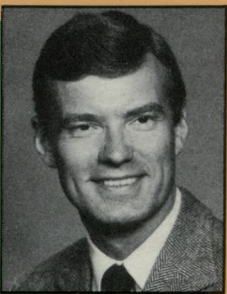
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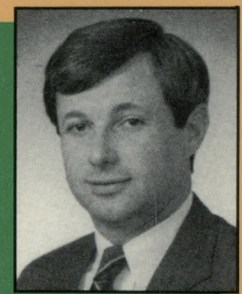
W.K. KLEIN



G.W. STEVENSON



D.A. NAHNSEN



M. AUSTIN



P. DeROSIER



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Best Sources for New Business in 1986

- Guidelines
for Down-Sizing



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- Understanding the Threats
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- Hostage Situations
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Loss Prevention Services Inc., through its Consulting Division provides a risk assessment and advisory service to Banking Institutions.

This one-day seminar will be offered in many cities throughout the United States. The February and March schedule is as follows:

•Rapid City, SD	Feb. 5	•Fort Dodge, IA	Feb. 20	•Mankato, MN	Mar. 6
•Sioux Falls, SD	Feb. 7	•Des Moines, IA	Feb. 21	•St. Cloud, MN	Mar. 7
•Aberdeen, SD	Feb. 12	•Grand Island, NE	Feb. 26	•Norfolk, NE	Mar. 12
•Bismarck, ND	Feb. 13	•Lincoln, NE	Feb. 27	•Minneapolis, MN	Mar. 14
• Fargo, ND	Feb. 14	•Omaha, NE	Feb. 28	•Rochester, MN	Mar. 19
•Sioux City, IA	Feb. 19	•Marshall, MN	Mar. 5	•Waterloo, IA	Mar. 20
				•Davenport, IA	Mar. 21

The cost for the seminar is \$100.00 per person. Included are coffee breaks, luncheon and all written materials.

To register for this seminar, or for further information, please call toll free 1-800-843-1300 Ext. 850, or write: Loss Prevention Services, Inc., 705 E. 41st St., Suite 230, Sioux Falls, SD 57105.

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1st Chicago Conference Speakers See Good Year

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Publisher & Editor Ben Haller, Jr. *Associate Publisher* Robert Cronin *Associate Editors* Carla Lukenbill Diane Nelson

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FDIC Disclosure Policy Is Delayed Six Months

William Seidman, recently named chairman of the Federal Deposit Insurance Corporation, announced in mid-December that the FDIC's earlier adopted disclosure policy that was to become effective January 1, 1986, has been put off until July 1, 1986, "unless it is superseded by a new plan that federal regulators may develop."

This announcement gave the banking industry the time delay it had been seeking in order to present its side of the disclosure picture to the all new three-man FDIC board. Mr. Seidman gave the initial hint that he might seek such a delay when he made his first banking convention appearance at the ABA convention in New Orleans in October. He was just receiving Senate approval at that time for his new post. He told ABA members he would take an immediate, serious look at the disclosure rule. Shortly thereafter, Robert Clarke was named the new Comptroller of the Currency, which gave him an automatic seat on the FDIC board. In addition, it is anticipated that North Carolina banker C.C. Hope, Jr., recently retired vice chairman of First Union Corp., Charlotte, N.C., and 1970-80 ABA president, will be nominated as the third FDIC board member.

The FDIC disclosure rule called for publishing through press releases, the names of all banks and persons participating in their affairs to whom the FDIC has issued final orders connected with formal enforcement actions. Such a press release would briefly describe the enforcement action taken and summarize the order. The policy applied to insurance termination orders, cease-and-desist orders, removal orders, suspension orders, civil money penalty orders and capital directives.

ABA and IBAA had worked in recent weeks to persuade Mr. Seidman to delay the effective date of the new rule. The FDIC news release announcing the delay did not give any hint that such disclosure rule would not be adopted but said, "The board of directors of the Federal Deposit Insurance Corporation today (December 16) decided to work with other federal bank regulators on a uniform approach for disclosure of material events concerning internal bank operations, thus postponing

the effective date of a limited disclosure plan developed last May by the Corporation."

Subsequent to FDIC's rule adopted in May, the Comptroller of the Currency issued a disclosure policy considered even more onerous by the banking industry. Among other things, it would require all national banks to inform shareholders and depositors of enforcement actions taken against them.

Continental Names 10 Sr. V.P.s

Continental Illinois Corporation, Chicago, has announced the appointment of 10 senior vice presidents to the official staff of Continental Bank.

They are: John H. Beirise, J. Michael Berry, John P. Caulfield, Philip M. Lewin, William H. Minihan, Jr., William A. Obenshain, James M. O'Keane, Albert D. Sonntag, Dennis M. Toolan, and Robert C. Vasko.

Mr. Beirise is a group head in the Corporate and Institutional Banking—Midwest Department.

Mr. Berry joined the bank on Sept. 9, 1985, as head of the Domestic Money Center Banks and Selected Other Financial Institutions Department.

Mr. Caulfield is a group head in the Treasury and Securities Department.

Mr. Lewin is a departmental credit officer in Credit and Sovereign Risk Management.

Mr. Minihan is a group head in the Centralized Processing Department.

Mr. Obenshain is a division manager in the International Banking Department at Continental's European headquarters in London.

Mr. O'Keane is a group head in the Special Industries Department.

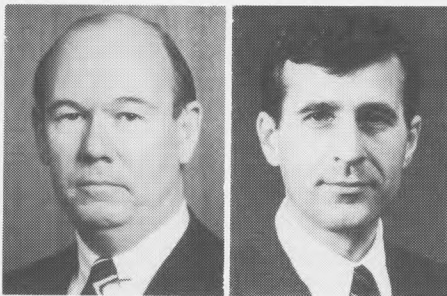
Mr. Sonntag is a division manager in the International Banking Department.

Mr. Toolan is department head for Domestic Corporate and Institutional Operations.

Mr. Vasko is a group head for the Commercial and Institutional Banking—Midwest Department and is widely known among correspondent banks. He joined the bank in 1963, and was made a second vice president in 1970 and a vice president in 1973. Mr. Vasko received a bachelor's degree in 1963 from Iowa State University.

LaSalle National to Be Lead Bank for Marketing ABN North American Business

FORMATION of a new management company, ABN/LASALLE North America, Inc., to oversee and market the operations of its subsidiaries, LaSalle National Bank of Chicago, nine United States ABN offices and three offices of ABN Bank Canada, was announced at a November 21 press conference in Chicago by officials of Algemene Bank Nederland N.V. (ABN Bank).



H.J. LIVINGSTON, JR. H.J. HIELKEMA

Homer J. Livingston, Jr., president and chief executive officer of LaSalle National Bank, introduced Hendrik J. Hielkema, general manager of the International Directorate of ABN Bank, who said "We believe that by locating in Chicago we are clearly showing our desire to establish an American identity. Many foreign banks locate their American headquarters on one of the coasts, and they retain much of their foreign banks style. We encourage local management, local oversight and local responsibility. In this sense, the location of our headquarters is a reflection of our management philosophy and our commitment to grow in the North American marketplace."

Mr. Hielkema said Mr. Livingston has been named chairman and CEO of the new Chicago-based management company. Ton J. de Boer, former manager of ABN's New York branch, has been named president. Mr. Livingston will continue as president and CEO of LaSalle National Bank.

Frank H. van Veenendaal relinquished his responsibilities December 31, 1985, as ABN's regional manager for North America and will be given several specific assignments until his retirement on June 30, 1986.

At the press conference, Mr. Livingston displayed the North Ameri-

can map pinpointing the present ABN affiliates in Montreal, Toronto and Vancouver in Canada, and offices in New York, Pittsburgh, Atlanta, Miami, Houston, Los Angeles, San Francisco and Seattle in addition to the Chicago office of LaSalle. He said, "All their services are backed with the full availability of the parent ABN Netherlands and its 900 branches in 43 countries around the world. This gives our large U.S. bank the international capability it desires to compete."

Mr. Livingston emphasized that "Legal entities of the individual banks and offices remain the same, so this is not a merger, but we will manage these North American offices in our marketing strategy as if they were merged. We think that by having a common name—ABN/LASALLE—we'll be positioned better to compete if interstate banking should occur. Locally, here in Chicago, we are still legally LaSalle National Bank, where we will continue mid-market lending with our retail, trust and bond services. We'll be adding the capability of dealing with the large corporations now with our international operations capability."

ABN LASALLE

Under the new structure, Mr. Livingston explained, ABN/LASALLE group relationship managers will have direct access to the resources necessary to meet all of their customer's needs; not just credit needs, but non-credit needs such as trade financing, trust operations, cash management services, letters of credit and foreign exchange. In addition, they will advise bank customers on investment banking products such as private placement and mergers and acquisitions. All services will be available to LaSalle National's expanding list of correspondent banks, he said.

Mr. Livingston likened the expanded capabilities of North American operations to merchant banking.

ABN is one of the world's largest banks, with about \$50 billion in assets, with more than 900 offices and affiliates in 43 countries. The North American offices have 1,300 employees. □

IBAA Offers Complete Payment Services

THE Independent Bankers Association of America announced in December that Telecredit, Inc., headquartered in Los Angeles, has been selected to provide a comprehensive range of payment services to be offered through the IBAA to its member banks across the country. Telecredit presently provides electronic payment and authentication services to more than 700 financial institutions and approximately 80,000 retail establishments in the United States.

The payment services Telecredit will provide under the agreement with IBAA Bancard, Inc., a service corporation managed by IBAA, include complete data processing support for Visa and Mastercard credit and debit cards, authorization service, billing, settlement, and security services. Telecredit also will offer check guarantee, point-of-sale terminals and other payment services to IBAA member banks.

"We believe this program will significantly enhance the competitive

position of our member banks by putting control of the credit card instrument in their hands," said Kenneth Guenther, IBAA executive vice president. "Until now, most independent banks could only offer their customers a competitor's card," he noted.

Mr. Guenther said there are a number of compelling reasons to be the card issuer and sell the independent bank's own product: 1) to control the customer service and credit decisions that affect the independent bank's own customers; 2) to protect the bank's customer base, both consumer and commercial accounts, from competitors; 3) to attract new customers and to build multiple banking relationships; 4) to expand the bank's consumer loan portfolio and to produce an additional revenue source; and 5) to increase the institution's visibility in the marketplace as a full-service bank, and to position it as a long-term contender in the consumer payments industry.

Charles Bruere Heads ABA Community Bankers Council

T. Charles Bruere, president of First State Bank, St. Charles, Mo., has been named 1985-86 chairman of the American Bankers Association Community Bankers Council.

Previously, Mr. Bruere was vice chairman of the Council, which represents the nation's 12,500 commercial banks with assets of \$150 million or less. The Council and the 190-member ABA Community Bankers Advisory Board assess the professional, regulatory and legislative needs of these banks and provide guidance to the ABA in how to most effectively meet these needs.

Mr. Bruere will also serve on ABA's operating committee, which coordinates all association activities.

BMA Sets National Sales Conference March 23-26

Commercial bank executives involved in the selling process will get a chance to share and exchange ideas as well as hear the latest in in-

Egadzilli

dustry selling trends at the Bank Marketing Association's National Sales Conference to be held March 23-26 at the Wyndham Franklin Plaza Hotel, Philadelphia, Pa.

"Much has been said in recent months about the urgent need for banks to become far more aggressive in selling their products and services, and so this conference has been designed to meet those needs by providing key bank personnel a forum to trade successful program ideas on selling," said Conference Chairman Harriet Irwin, who also is vice president of marketing at Commonwealth Bank and Trust Co. Williamsport, Pa.

Theme for the BMA conference is "A Team Approach to Sales."

General session speakers for the 2½ day meeting—the first of its kind for BMA—include: Charles Futrell, professor of marketing at Texas A&M University, College Station; Chicago banking consultant Jack W. Whittle and head of Whittle & Hanks, and James J. Hubbard, chairman of his own Chicago-based sales-training firm, Hubbard & Associates.

Also, Nick Ward, vice president of the sales training division of MOHR Development Inc., Stanford, Conn., and Dennis L. Driscoll, vice president and regional manager of the sales marketing division of Financial Institution Services Inc.

Also on the program are roundtable discussions and a series of concurrent sessions on such topics as "Building a Sales Team," "Sales Program Development," "Selling Products," and "Managing for Performance."

Two mini-workshops will be held, one on calling officers and the other on selling and cross-selling.

The registration fee for the conference is \$475 for members and \$625 for non-members. For registration materials or for more information, contact BMA's Training Development at 312-782-1442.

ABA Sponsors Bank Investments Conference

Newly confirmed Comptroller of the Currency Robert L. Clarke will be a keynote speaker at the Ameri-

can Bankers Association's 1986 Bank Investments and Funds Management Conference, scheduled for February 25-28 at the Hyatt Regency Hotel in New Orleans.

Conference co-chairmen are Lawrence H. Brown, senior vice president of The Northern Trust Company, Chicago, and Gerald Jurgensen, president of Norwest Investment Services, Inc., Minneapolis.

Topics in the portfolio management track include portfolio management and investment policy, liquidity and contingency planning, the basics of duration, and pricing retail liabilities.

The treasury issues track features sessions on corporate/treasury relations, swaps, options and futures, and applications of duration.

On the capital markets and dealer activities track, topics include asset liquidation, capital market activities, dealer activities, and the "how-to's and why's" of capital market subsidiaries.

For registration materials, or for more information, call the ABA Banker Education Network, (202) 467-6738.

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Deluxe Introduces One-Write System

A VARIETY of pegboard accounting systems have been introduced by Deluxe One-Write Systems, a new division of Deluxe Check Printers, Inc.

The One-Write product, which combines an accounting system with printed checks, is an easy-to-use and efficient way of organizing business records. The product is widely used by small and medium sized businesses.

"Our entry into the pegboard marketplace is an extension of what our company has done well for years — small quantity, fast turnaround printing," said Norm Mears, general manager of the One-Write Systems division. "Our long-standing expertise in the check printing business enables us to provide the best magnetic ink character recognition (MICR) quality in the industry," Mears added.

Deluxe offers a variety of systems, including payroll, cash disbursement, a combination payroll/cash disbursement and accounts receivable.

The One-Write system provides bookkeepers with a better way to organize records. Ledgers for payroll and accounts receivable are

automatically completed as checks and receipts are written, and journal sheets capture all information at the same time.

According to Mr. Mears, up-to-date records can result in faster collections, proper controls, and elimination of transposition errors, as well as streamlining of clerical procedures. Information is ready at all times for accounting and tax purposes.

Another advantage of the One-Write system is in organizing information that will be used in a data entry system. Input operators are less likely to make mistakes when the information is arranged in the format that the One-Write system provides. It comes assembled and ready to use. A complete color coded operations manual is included with each system. There is also an unconditional, money-back guarantee of satisfaction with the One-Write System.

A catalog featuring One-Write System products is available by calling Deluxe toll-free, 1-800-328-0304, or by writing Deluxe One-Write Systems, Department 046, 530 North Wheeler Street, P.O. Box 64865, St. Paul, Minn. 55164-0865.

printers. Both forms meet new IRS 1985 specifications.

LeFebure, Cedar Rapids, Ia.: Ray Seiberlich has been appointed sales engineer in the Chicago regional office. He will serve a territory that includes metropolitan Chicago and Grundy, Kankakee, Kendall and Will counties.

Modern Banking Systems, Inc., Omaha: The company is introducing its "RECAPS" (Remote Entry, Capture and Processing System) which features the new BTI 91690 document processor and a Texas Instruments Central Processing Unit. MBS President Robert B. Friend states that the system is totally driven "on-line" from the CPU. Mr. Friend said further that "RECAPS" can process a thousand documents per minute and is expandable from six to 36 pockets. It has options for ink jet spray (iyem sequence number) front and back, on-line endorser and on-line microfilm.

It offers the customer the flexibility to build his own float table, Mr. Friend states, and change sending points for cash letters and handle any other maintenance required without having to rely on a programmer. The multi-bank system features cash letter production, builds ACH tape, and includes transmission capabilities, float capture, on-line inquiry for today's activity by account number or dollar range, on-line reject/re-entry and exception items (NSF/OD, Stops and Holds) processing.

Corporate

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

Bell Investment Company, Burlington, Ia.: The 75-year old agricultural finance and management firm has been acquired by MONY Financial Services of New York. It will become a subsidiary of the newly-formed MONY Agricultural Financial Services, Inc., but will maintain a separate identity and management.

Named as president of MONY AFS is James O. Melton, who served as MONY's vice president of the agricultural investment department until 1974 when he left to become a partner in Bell. Bell Investment is involved in the private placement of land-based agribusiness loans and, through its subsidiary, Duff Farm Management Ser-

vice, Inc., is one of the fastest growing ag property management companies in the U.S. The firm currently manages an ag portfolio in excess of \$240 million. Thomas L. Steen assumes the presidency at Bell. Jay Luse is president of Duff Farm Management.

Check Technology Corporation, St. Paul, Minn.: Edward F. Preusser has been promoted to director of national sales. He was formerly eastern regional sales manager.

Deluxe Computer Forms, St. Paul, Minn.: A free computer forms catalog and compatibility guide for more than 400 software programs is now available. It offers checks, statements, invoices, stationery, mailers and labels for most computer needs, including standard and custom forms, as well as W-2 and 1099 MISC tax forms for computer

Continental Illinois Corp. Pays Dividend Arrearages

The board of directors of Continental Illinois Corporation, Chicago, voted to pay full preferred dividend arrearages and declare the current quarterly dividend on the corporation's Adjustable Rate Preferred Stock, Series 1, and Adjustable Rate Preferred Stock, Class A. In addition, the board of directors of Continental Bank voted to pay a \$60 million dividend from the bank to Continental Illinois Corporation.

The Continental Illinois Corporation board approved payment of dividend arrearages on the Series 1 preferred stock totalling \$6.925 per share, or \$12.4 million based on 1,788,000 shares outstanding, for the period July 1, 1984, through Sept. 30, 1985. A dividend of \$1.225

per share was declared on the Series 1 preferred stock for the fourth quarter of 1985. The cash dividends were payable on Dec. 31, 1985, to stockholders of record on Dec. 13, 1985.

In addition, payment of dividend arrearages on Class A preferred stock, which is held solely by the Federal Deposit Insurance Corporation (FDIC), was approved in the amount of \$2.981 per share, or \$33.4 million based on 11,200,000 shares outstanding, for the period Sept. 26, 1984, through Sept. 30, 1985. The board also declared a fourth-quarter dividend of 67.5 cents per share on Class A preferred stock. Under the terms of Continental's restructuring approved by stockholders on Sept. 26, 1984, Continental exercised its option to pay Class A dividends to the FDIC on Dec. 31, 1985 with additional shares of Class A stock, totaling approximately 1.6 million shares.

As required by the terms of the restructuring, prior approval for the declaration and payment of these Series 1 and Class A dividends was received from the FDIC. Approval of the Office of the Comptroller of the Currency and the FDIC also was required to allow Continental Bank to pay the dividend to its parent, Continental Illinois Corporation.

CSBS Gets New President

John E. Malarkey, state bank commissioner of Delaware, has succeeded Walter C. Madsen as chairman and president of the Conference of State Bank Supervisors.

Mr. Malarkey, who has served since April as president-elect of the Conference, was automatically elevated when Mr. Madsen resigned as superintendent of banks of Arizona to enter the private sector as president and chief executive officer of the First Central Bank of Phoenix, Arizona. His present appointment will run until the annual meeting of the Conference on April 13, 1986, when he is expected to stand for election to a full one-year term as chairman and president.

James L. Sexton, banking commissioner of Texas, has been elected president-elect and vice chairman of CSBS to fill the unexpired four-month term of Mr. Malarkey. He is expected to stand for re-election to a full one-year term at the CSBS annual convention in Colonial Williamsburg in April.

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Convention Calendar

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

National Conventions & Schools

1986

Jan. 20-21—BAI Bank Financial Analysis, Denver, Colo.
Jan. 24—RMA Loan Pricing and Profitability Analysis Workshops, Eldorado Hotel and Casino, Reno, Nev.
Jan. 26-29—BAI Community Bank Presidents' Forum, Vail, Colo.
Jan. 28-31—ABA National Insurance & Protection Conference, Hyatt Regency, New Orleans.
Jan. 29-31—BAI Introduction to Commercial Loan Operations, Denver, Colo.
Jan. 30-31—RMA Financing the Closely Held Business Workshop, Brown Palace Hotel, Denver.
Jan. 30-31—BAI Negotiating Agricultural Workout Loans, Wichita, Kan.
Feb. 2-3—RMA Loan Review Seminar, Chase Hotel, St. Louis, Mo.
Feb. 2-5—ABA National Trust & Financial Services Conference, Hyatt Regency Grand Cypress, Orlando, Fla.
Feb. 9-12—ABA National School of Retail Banking, University of Oklahoma, Norman, Okla.
Feb. 10-11—BAI Investment Strategies and Portfolio Management, Orlando, Fla.
Feb. 13-14—BAI Asset/Liability Management Seminar, Orlando, Fla.
Feb. 16-19—ABA National Assembly of Community Bankers, Hotel Intercontinental, San Diego, Calif.
Feb. 20-21—BAI Supervising Bank Operations, Denver, Colo.
Feb. 24-26—BAI Survival Course for Agricultural Lenders, Oklahoma City, Okla.
Feb. 26-29—ABA Bank Investments & Funds Management Conference, Hyatt Regency, New Orleans.
Mar. 2-5—BMA Electronic Banking Conference, Fairmont Hotel, San Francisco, Calif.
Mar. 9-11—ABA National Corporate Banking Conference, Westin St. Francis, San Francisco, Calif.
Mar. 9-12—RMA Commercial Loan Documentation Workshop, Hyatt Regency, Cambridge, Mass.
Mar. 9-13—IBAA National Convention, Las Vegas, Nevada.
Mar. 9-12—BMA Community Bank CEO Forum, Marco Island, Fla.
Mar. 9-12—BAI Community Bank Presidents' Marketing Seminar, Palm Springs, Calif.
Mar. 9-14—ABA National Compliance School, University of Oklahoma, Norman Okla.
Mar. 17-18—BAI Cost Accounting Seminar, Denver, Colo.
Mar. 17-21—KBA, NBA Schools of Banking

Fundamentals, Holiday Inn, Manhattan, Kan.

Mar. 18-21—BAI Check Processing Conference, Las Vegas, Nev.
Mar. 19-20—RMA Loan Participations and Purchase Workshop, Hotel Intercontinental, New Orleans.
Mar. 20-21—BAI Asset/Liability Management Seminar, Denver, Colo.
Mar. 23-26—BMA National Sales Conference, Philadelphia.
Apr. 1-4—BAI Bank Auditors Conference, Dallas, Tex.
Apr. 6-9—ABA National Conference on Real Estate Finance, Fairmont Hotel, Dallas, Tex.

Colorado:

Jan. 23—CBA Legislative Seminar & Annual Reception, Denver.
Jan. 26-29—BAI Community Bank Presidents' Forum, Vail.
Jan. 30-31—BAI Bank Directors' Seminar, Denver.
Feb. 6-7—CBA Annual Compliance Seminar & Video Teleconference, Clarion Airport Hotel, Denver.
Feb. 16-18—CBA Consumer Banking Conference, Broadmoor Hotel, Colorado Springs.
Mar. 9-12—CBA Washington Visitation, Washington, D.C.
Apr.—CBA Executive Bank Management Seminar, Denver.
Apr. 8—CBA Insurance Seminar, Stouffer Concourse Hotel, Denver.
Apr. 20-22—CBA Ag Banking Seminar, Westin Hotel Tabor Center, Denver.
May 8—CBA/BAI Annual Spring Conference, Denver.
May 9—CBA Legal & Compliance Spring Seminar, Denver.
May 14-15—CBA Investment & Funds Management Seminar, Denver.
May 15-17—NABW State Conference, Estes Park.
June 4-7—CBA Annual Convention, Broadmoor Hotel, Colorado Springs.
Oct. 6-7—Asset/Liability Mgmt Seminar, Denver.

Illinois:

Jan. 14-16—IBA Education/Security Workshop, location TBA.
Jan. 21-23/28-30—IBA New Accounts/Business Development Seminar, location TBA.
Feb. 4-5—BAI Bank Directors' Seminar, Oak Brook.
Feb. 26-27—IBA Commercial Credit Conference, location TBA.
Apr. 14-17—BAI Management Potential Assessment, Rolling Meadows.
May 1-2—BAI Selecting, Installing, and Managing an In-House Computer System, Chicago.
May 24—NABW State Conference, Indian Lakes, Bloomingdale.
May 19-21—BAI Operational Considerations in Mergers and Acquisitions, Chicago.
May 19-30—IBA Illinois Bankers School, SIU-Carbondale.
June 1-6—IBA Agricultural Lending School, ISU-Normal.

June 11-13—IBA Convention, Adams Mark Plaza, St. Louis.
 June 22-27—IBA Trust School, ISU-Normal.
 July 20-25—IBA Consumer Lending School, Bradley University, Peoria.
 July 27-Aug. 1—IBA Commercial Lending School, Bardley University, Peoria.
 Aug. 10-15—IBA Bank Compliance School, DePaul University, Chicago.
 Aug. 17-22—IBA Internal Auditing School, DePaul University, Chicago.
 Sept. 16-17—IBAA Commodity Marketing Seminar, Chicago.

Iowa:

Jan. 8—IBA IRA/SMP Workshop, Sioux City.
 Jan. 15—IBA IRA/SMP Workshop, Cedar Rapids.
 Jan. 16—IBA IRA/SMP Workshop, Des Moines.
 Jan. 28, 29, 30—What to Do With the Death of Reg Q, location TBA.
 Feb. 2-8—IBA Commercial Lending School, Ames.
 Feb. 3-4—BAI Negotiating Agricultural Workout Loans, Bettendorf.
 Feb. 6—IBA Compliance Update Teleconference, Ankeny.
 Feb. 7-8—IBA Group I Meeting, Sioux City.
 Feb. 16-17—IBA Group 11 Meeting, Burlington.
 Feb. 26-28—IBA Mid-Winter Management Conference, Vail, Colo.
 Mar. 5—IBA Legislative Briefing & Reception, Savery, Des Moines.
 Mar. 17-19—IBA Ag Credit Conference, Scheman Center, Ames.
 Mar. 23-25—IBA Marketing Conference, Savery, Des Moines.
 Apr. 7-9—EFT Conference, Marriott, Des Moines.
 Apr. 12-16—IBA Washington D.C. Trip, J.W. Marriott.
 Apr. 28-29—IBA CEO Conference, Savery, Des Moines.
 May 5-6—IBAA Ag Lender I Workshop, Des Moines.
 May 5—IBA Group 4 Meeting, Dubuque.
 May 6—IBA Group 7 Meeting, Waterloo.
 May 7—IBA Group 8 Meeting, Iowa City.
 May 8—IBA Group 6 Meeting, Des Moines.
 May 13-16—NABW State Conference, Holiday Inn, Iowa City.
 May 19—IBA Group 5 Meeting, Council Bluffs.
 May 20—IBA Group 2 Meeting, Fort Dodge.
 May 21—IBA Group 12 Meeting, Okoboji.
 May 22—IBA Group 3 Meeting, Clear Lake.
 June 5-6—IBAA Internal Auditing I Seminar, Des Moines.
 June 5-6—IYBA Annual Conference, location TBA.
 June 9-20—IBA Ag Credit School, Ames.
 June 22-27—IBA Iowa School of Banking, Iowa City.
 July 24-26—IIB Annual Meeting & Convention, The New Inn, Okoboji.
 Sept. 14-16—IBA 100th Annual Convention, Convention Center, Des Moines.

Minnesota:

Jan. 29—MBA Investments and Funds Management Conference, Radisson Metrodome, Minneapolis.
 Feb. 6—MBA Bank Compliance Teleconference, Holiday Inn International, Bloomington.
 Feb. 11-12—MBA-Senior Bank Management Conference, Radisson St. Paul Hotel.

Mar. 4—MBA Sales Management Seminar, Radisson South, Bloomington.
 Mar. 10-12—MBA Strategic Planning Seminar, Brainerd, Bloomington, North Mankato respectively.
 Apr. 9—MBA Insurance Risk Management Seminar, Radisson Inn, Plymouth.
 Apr. 22-24—MBA Bank Directors Seminar, North Mankato, Bloomington, Brainerd respectively.
 Apr. 27-May 2—MBA/ABA Executive Development Program, Hyatt Regency, Minneapolis.
 Apr. 30-May 2—NABW State Conference, Minneapolis Plaza Hotel, Minneapolis.
 May 14—MBA Bank Holding Company Seminar, Radisson Inn, Plymouth.
 June 2-4—MBA 96th Annual Convention, Radisson St. Paul Hotel.
 June 9-10—IBAA Asset/Liability Mgmt Workshop, Minneapolis.
 June 11—IBAA In-House Computer Seminar, Minneapolis.
 June 12-13—IBAA Ag Lender II Workshop, Minneapolis.
 June 22-27—Minnesota School of Banking, St. Olaf College, Northfield.
 July 20-25—MBA Midwest Banking Institute, University of Minnesota, Morris.
 Aug. 10-15—MBA Commercial Lending School, St. Olaf College, Northfield.

Montana:

Jan. 23-24—MBA Senior Bank Management and Counsel Conference, Holiday Inn, Billings.
 Feb. 5-7—MBA Ag Bankers Conference, Sheraton Hotel, Billings.
 Feb. 20-21—MBA Management Leadership School, Colonial Inn, Helena.
 Mar. 6-7—MBA-AIB Conference, Colonial Inn, Helena.
 Mar. 24-25—MBA Head Teller Workshop, Sheraton Hotel, Billings.
 Apr. 17-18—MBA Marketing Conference, Sheraton Hotel, Billings.
 Apr. 30-May 2—MBA Retail Bankers Conference, Heritage Inn, Great Falls.
 May 6—MBA White House Conference on Small Business, Billings.
 May 8-9—MBA Trust Conference, Sheraton Hotel, Billings.
 May 15-16—MBA Commercial Bankers Conference, Holiday Inn, Billings.
 June 5-7—NABW State Conference, Grouse Mountain Lodge, Whitefish.
 June 12-13—MBA Real Estate Bankers Conference, Heritage Inn, Great Falls.
 June 24-27—MBA Convention, Outlaw Inn, Kalispell.

Nebraska:

Feb. 12-13—NBA Management Development Conference, Kearney Ramada Inn.
 Feb. 19-23—NBA Bank Executives Conference, Loews, Scottsdale, Ariz.
 Mar. 3—NBA Bank Directors Seminar, Scottsbluff Inn.
 Mar. 4—NBA Bank Directors Seminar, North Platte Holiday Inn.
 Mar. 5—NBA Bank Directors Seminar, Lincoln Cornhusker.
 Mar. 6—NBA Bank Directors Seminar, Norfolk Country Inn.
 Mar. 19-20—NBA Ag Outlook Conference, Kearney Holiday Inn.
 Apr. 8-17—NBA Head Teller/Teller Staff Conference, locations around the state.
 Apr. 9-12—NABW State Conference, Holiday Inn Hotel, North Platte.

May 15-17—NBA 89th Annual Convention, Red Lion Inn, Omaha.
 May 22-23—IBAA Ag Lender I Workshop, Omaha.
 June 5—NBA Presidents Golf Tournament, Lochland Country Club, Hastings.

North Dakota:

Jan. 28-29—NDBA Bank Management Conference, Holiday Inn, Minot.
 Mar. 20-21—NDBA Marketing Conference, Doublewood Inn, Fargo.
 Apr. 17-18—NDBA Ag Credit Conference, Holiday Inn, Jamestown.
 Apr. 23-25—NABW State Conference, Doublewood Inn, Fargo.
 Apr. 27-29—NDBA/SDBA/MBA Trust Conference, Holiday Inn, Bismarck.
 Apr. 27-May 2—MBA Tri-State Trust Conference, Sheraton Galleria, Bismarck.
 May 18-23—North Dakota School of Banking, University of North Dakota, Grand Forks.
 June 8-10—NDBA Annual Convention, Holiday Inn, Fargo.

South Dakota:

Feb. 20—SDBA Bank Management Conference, Holiday Inn City Centre, Sioux Falls.
 Mar. 17-20—SDBA Annual Washington Legislative Trip (SDBA/NDBA), Washington, D.C.
 Apr. 2-4—NABW State Conference, Howard Johnsons Motor Lodge, Sioux Falls.
 Apr. 5—SDBA Teller/Staff Seminar, Ramada Inn, Rapid City.
 Apr. 9-10—SDBA Ag Credit Conference, Kings Inn Convention Center, Pierre.
 Apr. 12—SDBA Teller/Staff Seminar, Ramada Inn, Sioux Falls.
 May 11-13—SDBA Annual Convention, Ramada Inn, Sioux Falls.
 Sept. 15—SDBA Group II Meeting, Sheraton Inn, Aberdeen.
 Sept. 16—SDBA Group IV Meeting, Wrangler Motor Inn, Mobridge.
 Sept. 17—SDBA Group V Meeting, Rapid City.
 Sept. 18—SDBA Group III Meeting, Holiday Inn, Mitchell.
 Sept. 19—SDBA Group I Meeting, Holiday Inn City Centre, Sioux Falls.

Wisconsin:

Feb. 10-12—WBA Bank Executives Seminar, The Concourse Hotel, Madison.
 Feb. 14-15—WBA Group I Meeting, Hyatt Regency, Downtown, Minneapolis.
 Feb. 23-Mar. 2—WBA Mid-Winter Retreat, Las Hadas Resort, Manzanillo, Mexico.
 Mar. 9-15—WBA Personal Banking School, Westwood Training Center, Wausau.
 Apr. 16-17—WBA Ag Bankers Conference, Holiday Inn Holiday Inn, Stevens Point.
 May 14-15—WBA Bank Marketing Conference, The Abbey Resort, Fontana.
 June 1-6—WBA General Banking School, St. Norbert College, De Pere.
 June 8-14—WBA Commercial Lending School, St. Norbert College, De Pere.
 June 16-18—WBA Convention, Embassy Suites, Green Bay.
 July 14-15—IBAA Internal Auditing I Seminar, Madison.
 Aug. 3-9—WBA Consumer Credit School, St. Norbert College, De Pere.
 Aug. 10-15—WBA Basic Banking School, St. Norbert College, De Pere.
 Aug. 10-23—Graduate School of Banking, University of Wisconsin, Madison.

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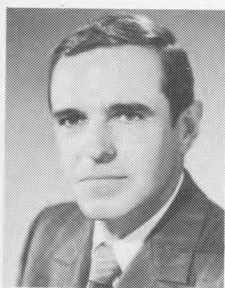
Best sources for new business in 1986!

A NORTHWESTERN BANKER Survey

IMPROVING the profit picture in 1986 will mean different things to different banks, according to comments received by the NORTHWESTERN BANKER in a survey aimed at pinpointing sources of new or increased business as well as pinpointing areas of caution. Some banks that have been subjected to considerable pressure because of the ailing midwest farm economy will be happy to find ways to help them move into or maintain a minimum profit position; other banks that enjoy a less stressed ag portfolio and those blessed with a mix of business emanating from a more robust economy in their communities will be looking

aggressively at ways to improve their generally good profit position.

Respondents to this survey generally have hearkened back to the fundamentals of banking—"the basic fundamentals," as one banker put it. One veteran banker urges that 1986 is a time for "selective, controlled growth." Others suggest enhancing fee income, re-structuring farm loans, managing personnel better, improving the pricing of products. One common thread running through most of the comments is the value in sticking with present customers and expanding one's base of business with these proven customers.



THOMAS M. KING
Vice President/Head
Community Banking
Institutions
The First National
Bank of Chicago

EACH Community Banker will have his or her own specific bank's personality, action niches and special strengths to build upon and weakness-challenges to correct. However, as I review my own and my unit's performance this week, these thoughts carry over and may apply to you, the reader.

What do I consider to be the best two or three sources of new or increased business for community banks in 1986?

- Reconsider the market segments comprising the 20% of your customers who are providing 80% of the profits to the bank in each department. Codify the strategies and tactics to enhance these relationships.

- Upgrade the perception and positive pro-active talents of managers in order to enhance the professionalism, environment and leadership they provide their subordinates to perform and produce for their unit and the bank. This means tough-minded evaluation, creative leadership, focused training and appropriate rewards.

- For CEOs, review day-to-day task-involvement in order to determine where delegation can free up time for planning, organizing, leading and controlling. Enhance your own leadership actions for your varied "publics": directors, shareholders, customers, employees and community.

I would urge fellow bankers to use the caution flag in 1986 in these areas:

- Product pricing. Isolate low-priced or under-priced deposit and operating products where you can price-up, retreat or withdraw emphasis.

- Articulate departmental/functional performance indicators more concisely to enhance goal-related productivity. Tie compensation and employment more closely to performance (pay for results, not attendance).

- Review your credit process even more closely,

along with loan pricing policies. Formalize prudent file, documentation, approval and monitoring procedures so that managers are even more alert to trends in the progress and potential problems of individual borrowers and in the portfolio.

1985 has been a tough year for almost everyone in some ways, but the winning manager goes back to the basics in an ongoing process.



MEL ADAMS

Chairman, Keith County
Bank & Trust Co.

Ogallala, Nebr.

President, Nebraska
Bankers Association

THE BEST SOURCE of new business is, as always, with the expansion of existing good customers. This may take the form of refinancing term debt held by other creditors (FLB, PCA, etc.).

It may also be worthwhile to re-introduce or re-emphasize current products available to our existing customer base from the solid long term IRA market, to the senior citizen affluence.

Another idea is to introduce new products, such as financial planning services (preparing cash flows, balance sheets, and possibly offering security brokerage services).

Areas to be cautious about would include rapid expansion of lending functions in such uncertain times. For example, unsecured loans, pursuit of loans outside our market area, second mortgages, including home equity loans in a declining real estate market.

Also, bankers should increase their sophistication of asset-liability management to avoid an interest rate and term mismatch that could impact profits. Banks should also increase their liquidity in case bank runs become prevalent next spring, should more banks fail.

But most important of all is to preserve the bank's native resources—your key personnel. Through these challenging times, you can't afford to lose good people and the teamwork that can help keep the bank's ship afloat through good communication and management skills with customers.



WILLIAM J. RICKERT

Senior Vice President

National Bank of Waterloo
Waterloo, Ia.

NEW OR INCREASED business for 1986 must come from those areas where perceived needs are not being met. I believe these include new and re-structured loans for some ag borrowers. With PCA pushing hard and punitive FLB rates, opportunities exist to

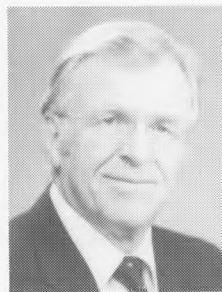
take on some of these customers. You may have to look at twenty to find one, but some loans can be made, even without FHA help.

What's wrong with a good farm mortgage loan? FLB has hundreds of loans where low land debt is the only debt the farmer has. These loans look good in your note case. An 11½% or 12% fixed-rate loan—five-year call, 20-year amortization, semi-annual or quarterly payment, 1% loan fee—seems attractive. Once booked, they take little servicing and should be reasonably secure if made at no more than 75% of current realistic values. They'll even cash flow. Let's use some of our excess liquidity to fund some loans in Iowa rather than sell so many Fed Funds to finance metropolitan and governmental needs. You will be helping yourself and your community.

If you have or can attract business with high receivables that are difficult to finance, take a look at "Flex-O-Pay," an inexpensive, computerized accounts receivable program that works well on your own P.C. It really helps your customer with cash flow by monetizing receivables and generates excellent yields for your bank.

With reduced loan demand and lower volumes, we either need to reduce staff or generate new business—after we've cleaned up our credit files and checked our documentation. Make some calls; check up on your customers and good prospects. If you have an insurance agency make some falls for it. With problems facing many agencies there is a lot of good business waiting for you.

Work with your customers. Be compassionate and helpful. These are trying times and we probably have to share some of the blame and some of the losses. Finally, be cautious. Some of the lawsuits that have been and will be filed are not as frivolous as they seem. Unfortunately, there will be judgments rendered that will make our job much tougher, and we don't need that.



WILLIAM M. SANGER

President

First Bank Wahpeton
Wahpeton, N.D.

President,
North Dakota Bankers
Association

WITH the problems confronting our customers at this time I don't want to devote a lot of time to enhancing fee income. Our customers have enough problems. I recognize that we should be paid for our services and stand by this decision. This dilemma might be likened to trying to solve the farm problem—it defies solution.

So far as warning flags are concerned I would just say that with the necessity of adhering to all the legalities related to doing daily business and the cost of D&O insurance that expanding attorney fees will be necessary.

"The basic fundamentals of banking really have not changed. . . My best advice is — just be a prudent banker!"



WILLIAM K. KLEIN
Vice President
Marquette Bank
Minneapolis
Minneapolis, Minn.

COMMUNITY bankers might identify and increase non-interest income sources such as:

- IRAs
- Personal and corporate DDA service charges especially for returned checks and float usage.
- Credit life and A&H insurance premiums.
- Ag and personal financial planning.
- Equipment leading.

They could also originate and service real estate mortgages.

A third area would be to utilize allowance activities open to your holding company to include discount brokerage ESOP financing.

I would exercise extreme caution with the following:

1. Speculative loans that represent a high degree of risk and are not supported by adequate collateral and debt service plans.
2. The phase-out of Regulation Q will require continuous monitoring of your cost of funds to prevent an interest rate sensitivity mis-match.
3. Be aware of brokered CDs, inadequate liquidity, and potential causes of capital erosion.
4. Carefully assess offers by investment firms to place the staff in your bank who cannot control their actions. You will be responsible for them.



H. PETER DeROSIER
Vice President
Valley National Bank
Des Moines, Ia.

AS MOST bankers are considered to be the local leaders, I feel it very important to consider being "upbeat."

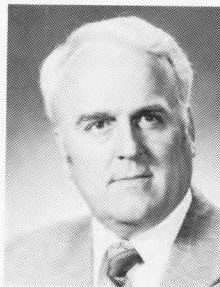
The opportunities for new sources of business are quite generally limited without going out of one's local trade area, and violating prudent credit standards. To breach these boundaries can be devastating.

One of the best known and seldom used sources of new business is satisfying existing customers who can serve as referrals. Many times when a new business is moving into your area a number of influential persons

within the community will have knowledge of the move beforehand.

The basic fundamentals of banking really have not changed. The continued monitoring of delinquency, documentation and available customer information has always been and will continue to be very important. In most cases, when one waits too long for signs of unproductive or uncooperative customers, notwithstanding rising delinquency, a bank probably has serious problems. It just haven't recognized them yet.

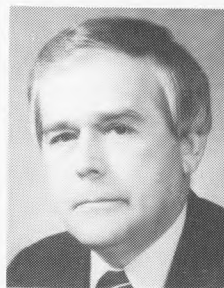
In almost all facets of business, or anything else, it still holds true that if "It's to good to be true," it probably is!



BURDETTE SOLUM
District President
Norwest Bank of
South Dakota, N.A.
President,
South Dakota Bankers
Association

IN ADDITION to the usual loans to farm and commercial customers, community bankers have an opportunity to attract new, small industry type of businesses, and also have the opportunity to expand some existing industries in their communities.

So far as caution flags for the coming year are concerned, my best advice is this—just be a prudent banker!



DELMAR ROGERS, JR.
Vice President
LaSalle National Bank
Chicago, Ill.

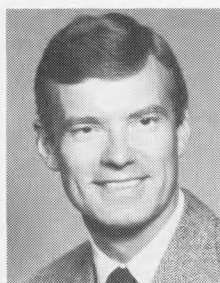
BANKING has become more competitive in past years and the community banks are constantly under pressure to increase or maintain market share. However, the community banker has a distinct advantage by being close to his market and having a direct relationship with the customer. The banker should concentrate on developing new business through this close relationship, particularly in improving upon convenience banking (i.e., ATM's and extended banking hours), and developing greater computer processing capability to offer a better banking product. The service level in banking is always important to the customer and the community bank has the greatest oppor-

tunity to enhance market share with an effective customer service program.

Community banks are always concerned with the loss of corporate customers because the needs of the customer have exceeded the capability of the local bank. Therefore, the community bankers should concentrate on developing a close correspondent relationship in order to offer more sophisticated services through a larger bank while maintaining the account relationship locally.

Banks need to continually monitor the status of current borrowing customers. Also, even though the economy has improved significantly in terms of the reduction in interest rates and the inflation rate, banks should be careful to not allow borrowers to become over-leveraged.

Further deregulation and increases in interest rates will mean a corresponding increase in expenses for the bank. Therefore, bankers need to carefully price loans and services to insure the appropriate profitability.



DENNIS A. NAHNSEN
Vice President/Mgr.
Correspondent Banking
Security National Bank
Sioux City, Ia.

TWO SOURCES that hold good potential for increased business for community banks are mortgage lending and indirect lending through car, truck or machinery dealers. Mortgage lending can be offered in two forms; either adjustable rate mortgages or the traditional fixed rate loans. The adjustable rate mortgage is most attractive to bankers due to our concern for asset-liability duration matching.

At Security National Bank, we offer an ARM that guarantees a rate for one year (presently around 9½%) with an annual cap of 2% and a lifetime cap of 5%. While the ARM is most attractive to us as bankers, due to the annual repricing feature, many of our customers have the same concern we do about the likelihood of rising interest rates. Therefore, we also offer fixed rate mortgages which we package and sell in the secondary market.

In offering this latter alternative, we recommend that community bankers work through us or another correspondent bank that may offer this expertise. It is good, clean, current fee business for the community bank, since they receive an origination fee while their responsibilities are to take the application, close the loan, and file the papers. We prepare documentation to obtain approval from the FHA, VA, or other conventional purchaser. We also prepare final closing papers and provide funding.

Not only does mortgage lending provide additional loans or current fee business, it also serves as an extremely important vehicle for getting and/or keeping a customer. We have found it gives us the competitive edge when the customer is considering his other banking needs and gives us a cross selling advantage.

Another service we would recommend community banks consider adding to their services is indirect lending through car, truck, or machinery dealers. This is a low cost method of adding loans, since much of the work is done by the dealer and no advertising is necessary. The community banker must decide what type of package to offer. We have recently quoted a 10.9% variable rate, while we have seen others offer a higher fixed rate. Obviously, it must be attractive to both the dealer and customer. But the community bank should be able to compete effectively with the captive finance companies, as most dealers will prefer to keep the money in the community.

Regarding caution, we would urge the community banks to thoroughly investigate the requirements and utilize correct documentation and use of standard forms. At our bank we are happy to assist banks getting started in either or both of these sources for additional business.

“We must use caution when pricing and/or bidding for deposits. . .to ensure we maximize spreads while providing for proper liquidity.”



MICHAEL AUSTIN
Vice President/Mgr.
Correspondent Banking
First Interstate Bank
Des Moines, Ia.

WITH few exceptions, the sources of new or increased business for community banks in 1986 will be difficult to come by as the state's ag economy continues to be severely depressed.

Several sources for additional business include the refinancing of existing Farm Credit System borrowers who meet the banks' credit underwriting criteria; insurance products, and the marketing of real estate. Real estate can be marketed directly through an agency type arrangement or on a brokerage basis (secondary market).

A bank's ability to utilize the aforementioned sources of business is contingent upon structure; i.e., charter, population, and the breadth of its market.

Deregulation and the continual souring of Iowa's ag economy will cause Iowa bankers to scrutinize several areas of their operations during 1986.

One area deals with the interrelationship between liquidity, deposits, and pricing. Traditionally, Fed funds and other liquidity oriented investments have not produced as good interest spreads as have loans. Due to the relatively low loan demand at many banks, excess

“Trust services and investments may be more important now than when asset totals and income potentials were higher. . . because of less chance to correct errors.”

deposits must be put into lower yielding, short-term investments which, in turn, have negative effects on the bank's interest spreads. We must use caution when pricing and/or bidding for deposits; e.g., public funds, to ensure that we maximize our spreads while, at the same time, providing for proper liquidity.

Personnel management is another area of extreme importance, particularly as it relates to management of stress. Many of our fellow bankers are handling difficult situations involving borrowers whom they have known for many years, or even grown up with.

These difficult situations put tremendous pressure and stress on the borrower, his or her family, and the banker who is administering the problem. We must work closely with our fellow bankers' in order to monitor their stress levels, and provide the appropriate assistance when required.



ED BAKER
Senior Vice President
Norwest Corporation
Minneapolis, Minn.

ONE OF THE best sources of new revenue for banks would be re-pricing of their services, or pricing for past services that were not listed with a fee to customers. At the same time, they should look for ways to improve the quality of the services they are offering. So many institutions take for granted their customer base while they try to go after their competitor's customers.

A community bank needs to have a marketing plan. Today's market place is becoming increasingly competitive. The winners will know their market and who they are doing business with.

Community banks also will need to establish relationships providing access to new products, services and resources in creating new business opportunities.

My first comment regarding warning flags would be to add some caution to those community banks which attempt to offer all things to all people and then run the risk of not doing any of them well.

Community banks must understand the needs of their market place, regardless of being in a small community or a suburban niche.

Another caution would be against acquiring unproven technology.

I would also urge community bankers to be cautious about increasing non-traditional, non-bank product lines, and about increased staffing.



GARY W. STEVENSON
Vice President
First National Bank
Sioux City, Ia.

WE SEE several opportunities for increasing business in 1986 and many of them exist within our current customer basis. Bankers and their customers live in a far more complex financial world than a few years back. These complexities come about because of a more fragile ag economy and changes in financial activity caused by deregulation.

Customers need more education and assistance in selecting financial services and this process creates opportunities to develop additional services customers can utilize. One example is credit cards. In spite of mass mailings by other institutions in our area, we have been successful in building our base and volume of outstandings by individually discussing this service with customers.

Trust services and investments may be more important now than when asset totals and income potentials were higher. Why? Because the narrower the asset and income base, the less chance to correct errors. Trust and investment professionals are needed to help many people make critical decisions relevant to their estates and investment portfolios, regardless of size. The right decision will insure that customer assets and income are distributed according to their estates' wishes.

What I am thinking about is cross-selling, which is an old banking term, but one that can be important to fees and income for 1986. In general, the banking system capital base is much stronger than that of our competitors. As an industry, we should sell our capital and our services.

Cost-cutting has been necessary in many banks for the past couple of years; however, I think we need to be conscious of the non-interest expense savings vs the quality of services to our customers. It seems a balance should be maintained between these two important areas.

Cautions in the management of banks for 1986 could include:

1. Insure you have an adequate loan review program.
2. Adequate loan loss provision/recognizing losses as they occur.
3. Collection of prior charge-offs.

It is hoped 1986 will be a year of stabilization in our midwest ag economy. We are looking forward to a great year and hope you are, too. □

Guidelines

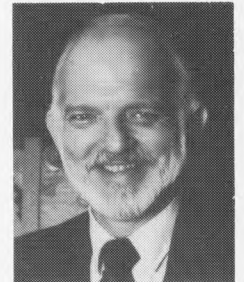
for

down-sizing

Written exclusively for the NORTHWESTERN BANKER



L.H. OLSON
President and CEO
Commercial Trust & Savings
Bank, Mitchell, S.D.



DR. RICHARD S. DEEMS
President
Deems Associates
Ames, Ia.

THERE are three primary issues to address when considering a possible downsizing of an organization's workforce. These relate to the impact on the organization, the impact on those whose jobs are eliminated, and the impact on the organization's customers. In this article we will present a brief discussion of each issue, with guidelines to lessen the potential negative impact.

Impact On The Organization

The first issue to deal with is the impact on the organization. This relates to both organizational disruption and the potential for litigation.

Since there will be disruption of the workforce before, during, and after downsizing, top management must plan carefully to eliminate that disruption.

Guideline #1. Establish A Realistic Time-Frame. The information that a reduction in personnel is being considered very often leaks to the workforce despite all precautions. Since it usually occurs, it then becomes important to establish a realistic time-frame from the moment the decision to downsize is made until the downsizing occurs.

If several months go by from the time the decision has been made until the reduction actually takes place, the rumor mill will be at work within the workforce. Productivity will go down, as will morale. What is even worse, employees will have an opportunity to let their frustration and anger grow, which, in turn, feeds the environment for litigation.

On the other hand, organizations must be able to

document why positions and personnel are being eliminated, and that frequently takes time. So what is realistic?

A time-frame of several weeks to only a very few months from point of decision to actual downsizing seems to be the most beneficial. In general, organizations will benefit from as short a time-frame as is feasible to gather the data needed to document the reductions.

Guideline #2. Develop Firm Criteria For Job Elimination, Have It In Writing, And Administer It Consistently. Any downsizing carries with it the potential for litigation by terminated employees who may believe they have been discriminated against. Without established written criteria for job elimination which are equitably administered, an organization opens itself to discrimination suits. Such suits impact the organization in terms of morale of remaining employees, adverse community relations, cost of attorneys, and a negative image toward the organization by persons who may in the future be recruited to fill necessary positions.

One way to measure if affirmative action practices have been followed is to compile a demographic profile of the workforce before downsizing; the workforce after downsizing; and those persons to be outplaced. A quick analysis can show if there are potential problems.

Here are two examples: If the workforce is comprised of 79% women before downsizing, and 63% women after downsizing, there may be cause to sug-

gest that the organization was biased in its selection of those to be terminated. If, for example, the workforce prior to downsizing was comprised of 19% persons over age 50, and 18% persons over age 50 after downsizing, it would be difficult for anyone over that age to suggest that his or her position was eliminated because of age.

There are attorneys who now specialize in employee terminations, from the standpoint of both the employer and the terminated employee. Some organizations may find it helpful to seek specialized counsel.

Guideline #3. Implement Effective In-House Communications. In most situations, internal communications to employees can aid in maintaining morale and productivity and lessen the ultimate disruption caused by personnel reduction. These communications must be open, honest and forthright, and come from the top.

If an organization is involved in a merger or buy-out, the employee rumor mill will begin almost instantaneously with the public announcement. One way to combat this is to communicate to the employees what is happening, the progress of the merger or buy-out, and the possible effects it might have on the workforce.

Two banks, involved in merger discussions, issued weekly update newsletters to all employees from the time of the first public announcement throughout the entire merger. Both CEO's report that the feedback from employees was very positive, and both are convinced those newsletters were a big factor in maintaining morale and productivity.

There is, of course, the possibility that some valued employees may "bail out early" to another organization. Our experience is that when this occurs, the valued employee was already dissatisfied (for whatever reason) and looking for a new position, or had not been apprised by top management of his/her value to the organization.

Communication after a downsizing is also important as one way of saying, "This is it and we don't plan on any more job eliminations." In one financial institu-

■ **ABOUT THE AUTHOR**—L.H. Olson is president and chief executive officer, Commercial Trust and Savings Bank, Mitchell, S.D. Mr. Olson had 40 years of banking experience with banks in Sioux City, Ia., and Waterloo, Ia. before joining Commercial Trust and Savings Bank in September. His service in all operating and management departments of those banks, followed by a decade serving as CEO, has given him broad experience in dealing with personnel and human values.

Richard S. Deems is president, Deems Associates, a career development and outplacement company with offices in Ames, Ia. Nationally recognized for his work with terminated persons, Dr. Deems is the author of numerous articles, book chapters, and monographs relating to career transitions and job getting skills. In addition, he is co-author with John C. Crystal, John C. Crystal Center, New York, N.Y., (considered by many the top career planning authority) of a series of articles on redesigning jobs and dealing with mid-career boredom, and of a new career goal-setting manual to be published in 1986. Deems has himself made career transitions. A former clergyman, continuing education director, and university faculty member, he founded Deems Associates in 1982. He has been involved with career planning and career transitions work since 1975, and has worked with nearly 5,000 persons in career related sessions. His doctorate is from the University of Nebraska-Lincoln, in the field of adult development and continuing education.

"The most effective way to help terminated employees is by providing an outplacement service."

tion, the president visited each work unit the same day termination discussions had been held in that work unit. He reviewed the reasons for the elimination of positions, explained the benefits and outplacement assistance to be provided terminated employees, and assured those remaining there would be no further terminations. Then he encouraged discussion and questions.

He reported that he received a good deal of verbal anger and frustration from the remaining employees, as well as appreciation for his personal visit and candor. He believes it helped greatly in easing the impact on the organization and restoring the workforce to normalcy in as short a time as possible.

Impact On Terminated Employees

Even when persons lose their jobs because of a downsizing, and not based on their performance, it is usually taken personally. Such persons lose their self-confidence and in their frustration may indeed exhibit some counter-productive behaviors, such as filing a suit against the organization. The most effective way to help terminated employees is by providing an outplacement service.

Guideline #4. Provide A Comprehensive Outplacement Service. A comprehensive outplacement service will include several days of group and individual sessions and will enable terminated employees to: identify their job-career options, test those options, clarify their life/career values and goals, and design strategies to turn job hunting into job-getting.

In addition, a comprehensive outplacement program will include some kind of followup activities, to provide continued contact and assistance while persons are in their intensive job search. This followup frequently consists of weekly group sessions for up to six weeks; longer if needed.

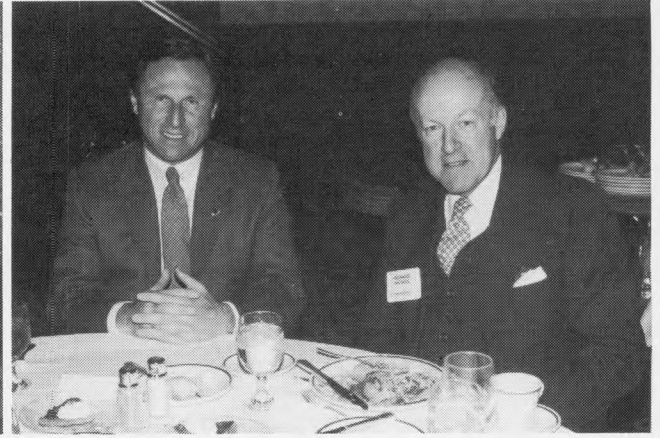
Why should an organization invest additional dollars into a comprehensive outplacement, when their objective is to reduce costs? *Because a comprehensive outplacement (much more than just a day on how to write a resume) can ultimately save the organization money, help maintain the morale of remaining employees, and result in positive community relations!*

Outplacement specialists can help terminated employees deal with anger and frustration from having their jobs eliminated, and help such employees understand that it is usually in their own best interest to find new work as quickly as possible. In addition, an effective outplacement service frequently can enable terminated employees find new work before they have used all eligible unemployment compensation, thus reducing the total unemployment liability.

The morale of remaining employees is often main-

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ADDRESSING the First National Bank of Chicago's 39th Annual Conference of Bank Correspondents were, left to right in two above photos: **Barry F. Sullivan**, chmn.; **James K. Suhr**, sr. v.p./head, U.S. Fin. Instit. Gp.; **Martin T. Farmer**, v.p./dir. of legis. affairs; **Richard J. Ferris**, chmn., UAL, Inc., and **Richard L. Thomas**, pres.

1st Chicago Correspondent Conference Speakers Look Ahead to a Good 1986

By **BEN HALLER, JR**
Publisher

POSITIVE thinking dominated the 39th Annual Conference of Bank Correspondents hosted November 25 by The First National Bank of Chicago as every speaker looked ahead to 1986 and gave few backward looks to 1985.

The 350 banker guests and 250 spouses from 19 states and D.C. were greeted by Barry F. Sullivan, chairman; Richard L. Thomas, president; James K. Suhr, senior vice president and head of the U.S. Financial Institutions Group, and Thomas M. King and James N. Meehan, vice presidents, who head respectively the Community Banking Institutions Division and the Midwest Financial Institutions Division.

In his address as keynote speaker, Mr. Sullivan discussed "The Importance of Avoiding Protectionism in International Trade." He said a broad-based round of negotiations at the General Agreement on Tariffs and Trade (GATT), which started that day in Geneva "is long overdue. This event is significant to us as midwest business people. In our largest midwest industry—agriculture—nearly one of every two dollars came from foreign trade. This is followed by industrial and machine tools exports."

Mr. Sullivan said "the 30 largest

midwest firms, such as Borg-Warner, John Deere and Allis-Chalmers, have seen their exports fall from \$30 billion in 1980 to \$8 billion." He said Congressional efforts to impose restrictive, protectionist legislation against other nations "would eventually severely impact our midwest agricultural and industrial exports... Agriculture is one important reason why our nation should torpedo any restrictive legislation."

Mr. Sullivan said avoiding such legislation "could keep third world nations from reprisals and help them pay their debts. The well-being of foreign countries will make them



AT THE Early Bird 7:30 a.m. Ag Session **Thomas M. King** (left), v.p./head, Community Bkg. Instit. Div., introduced noted ag newsman **Orion Samuelson** (right), v.p. and ag serv. dir. of WGN radio and TV.

better buyers of our exports, especially of ag products, which will aid midwest agriculture and farmers and, obviously, our banks."

The importance of agriculture to the midwest and to First National's correspondent banks was emphasized by the addition of an Early Bird Agriculture Session, addressed by the highly respected Orion Samuelson, vice president and agricultural services director at WGN AM radio and TV. A large crowd showed up for the 7:30 a.m. meeting and was not disappointed.

Mr. Samuelson gave several personal assessments:

"1. American agriculture will survive. The economy will improve and surviving farmers will be better.

"2. The family farm will survive, perhaps in a different form. Corporate farms will *not* continue because there is not enough return to interest investors.

"3. Foreigners will *not* own our land."

Mr. Samuelson said "We're in global competition, but we'll continue in the forefront because nowhere in the world is there a land mass with all the top ingredients we have here in the United States."

The noted announcer then voiced concern over the great amount of negativism in the ag industry and urged bankers to set a more upbeat pace by finding something positive to relate to other people each day, as he is trying to do.

In closing, Mr. Samuelson said "I'm now talking to farmers who are buying land now that will cash flow.



ADDRESSING the afternoon general session were, left to right: **Lawrence C. Russell**, exec. v.p., service products dept.; **Nicholas M. Graves**, sr. v.p./head, North American bkg. gp., and **George L. Davis**, exec. v.p./head, corporate bkg. dept. **RIGHT**—Taking part in the Market Outlooks panel were, from left: Seated—**Mr. Suhr**, moderator; **Jeffrey J. Diermeier**, man. dir., First Chicago Investment Advisors, and **Stephen C. Diamond**, sr. v.p., corp. bkg. dept. Standing—**David J. Vitale**, sr. v.p./head, fin. mkts. div., and **Roy E. Moor**, sr. v.p./chief econ. head, economics dept.

One Illinois farmer told me he is buying 600 acres *and paying cash!* When I asked how he could do that he told me, 'I've farmed the money markets the past 10 years and now I can farm my own market!'

Mr. Samuelson closed by stating he is not convinced the cash rent approach is better — "What happened to the old 50-50 deal where each party shared equally in the ups and downs of farming?"

The first general session, after brief welcome remarks from Mr. Thomas and Mr. Suhr, featured the "Market Outlook" panel. Participants were Dr. Roy E. Moor, senior vice president/chief economist and head of the economics department; David J. Vitale, senior vice president and head, financial markets division; Jeffrey J. Diermeier, managing director, First Chicago Investment Advisors, and Stephen C. Diamond, senior vice president, corporate banking department.

Dr. Moor expects business conditions in 1986 and to 1990 to be about as they were in 1985; inflation will rise to 4% in 1986; short-term rates will decline about 50 basis points by mid 1986, and the Fed Funds rate decline could be somewhat more. He expects loan demand increase in 1986 to be less than 1985, but sees most categories of deposits to have stronger growth than in 1985.

Luncheon guest speaker Richard J. Ferris, chairman of UAL, Inc., spoke bluntly and directly to the steps bankers need to expect and follow as deregulation takes its toll in the banking industry. After giving much information on how United Airlines had to change to

meet airline deregulation, Mr. Ferris gave these closing remarks:

"Some of you here today probably are opposed to deregulation of the banking industry. You're probably questioning its long-term effects. And you're probably uncomfortable with the idea of competing in a new environment.

"But whether you welcome deregulation or resist it, the fact is banking is getting a taste of it. And like it or not, there's no time for quiet evolution. You must change quickly.

"If you can't compete effectively in a deregulation environment, you're out of the ball game from the opening kickoff."

The afternoon general session featured George L. Davis, executive vice president and head of the corporate banking department, and Lawrence C. Russell, executive vice president and head of the service products department.

The balance of the afternoon was devoted to two workshops, featuring talks by First National officers on investment services, A/L management, community involvement and strategic planning, and a final speaker on retail banking.

A special event at the start of the afternoon session found Illinois Governor James Thompson making a special appearance to sign the newly-enacted Illinois law authorizing regional banking with contiguous states. It was a media event attended by a number of legislators and representatives of the Illinois Bankers Association.

The conference concluded with the banquet, which was addressed by CBS TV host Diane Sawyers. □

Daktronics Again Supplies Olympic Scoreboards

Daktronics, Inc., of Brookings, S.D., has been awarded the scoreboard contract for the 1988 Olympic Winter Games by the Calgary Olympic Organizing Committee. The official contract signing ceremony was held in Calgary, Alberta Canada November 22. Frank King, chairman, and William Pratt, president, represented the Calgary Olympic Organizing Committee, and Dr. Aelred Kurtenbach, president, represented Daktronics, Inc. Nordic Neon of Edmonton, Alberta, Daktronics dealer, was represented by Don Hamilton, president.

Daktronics, Inc. and its subsidiary Daktronics Leasing Company are jointly responsible for the design, manufacture, installation and commissioning of eight scoreboards to be used at the following sports venues:

- Alpine (Downhill and Slalom), Bobsled/Luge, Cross Country/
- Biathlon, Figure Skating, Free Style Jump, Ski Jump, and
- Speed Skating.

On-site technical support for certain Pre-Olympic and all Olympic events are included as a part of the contract.

At the 1980 Olympic Winter Games in Lake Placid, N.Y., Daktronics was the official scoreboard supplier.

Dr. Al Kurtenbach and Jim Morgan, vice president, were responsible for negotiations. Jim Anderson is project manager. Initial deliveries start in 1985 for use at Pre-Olympic and Canadian National events.

BICS Joins Collin W. Fritz & Associates To Form a Pension Specialists Group

BICS (Banks of Iowa Computer Services), an independent subsidiary of Banks of Iowa located in Cedar Rapids, has joined Collin W. Fritz & Associates Ltd., a pension specialist group from Brainerd, Minn., to expand the menu of pension services for both companies.

Collin W. Fritz & Associates has been providing IRA, SEP, HR-10 (Keogh) and Qualified Plan consulting on a private basis for over a decade.

Recognizing the need for expanded pension services, BICS began providing administrative assistance for IRA, Keogh and various pension plans more than a year ago.

Rose Mary Illian, BICS product manager says, "The whole area of pension services has become more and more complex because of the

variations available to the consumer and the federal regulations that govern those pension plans. Our joining with Collin W. Fritz & Associates means that we'll now be able to offer a premier package of pension services."

In addition to providing enhanced pension services to banks in the mid-west, Collin W. Fritz & Associates also provides BICS the opportunity to expand into the national market. Collin W. Fritz & Associates has consulting relationships with many of the banking associations across the country.

Areas of responsibility that Collin W. Fritz & Associates will assume for the new pension specialists group include: marketing and sales, compliance and regulatory support, a hot line phone number to answer

day-to-day questions, and periodic bulletins and newsletters to the banking community. Collin W. Fritz & Associates also will provide consulting services including pension plans, forms and contracts, as well as seminars for bank personnel.

United Missouri Bank Announces Promotions

United Missouri Bank of Kansas City, N.A., has announced the promotions of three officers to executive vice president in the trust department. They are:

Edward J. McShane, Jr., in charge of trust and custody services; Robert E. Reiter, manager of employee benefit services, and E. Frank Ware, in charge of securities services and United Missouri's New York office.

Mr. McShane left private law practice to join United Missouri Bank in 1967. He has a BA in Eco-

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tained as they see their friends and former co-workers receive needed assistance in finding new work. Also, remaining employees know that help will be provided them, if additional reductions are ever made.

When terminated employees receive outplacement assistance they tend to let their friends and relatives know about the help being received. This, in turn, can lessen any negative impact on the consuming public toward the employer.

Experienced outplacement consultants can help terminated employees understand, and accept, what is in the employee's best self-interest. This usually includes finding new work as quickly as possible, becoming more pro-active in taking care of one's career, and excludes litigation.

Guideline #5. Begin The Outplacement Service The Day Termination Discussions Are Conducted. If an outplacement service is to produce intended results it is essential that the outplacement consultants meet with terminated employees the same day the termination discussion is conducted. When there is a gap in time between the termination discussion and the beginning of the outplacement service, employees have a tendency to let anger and frustration build. Frequently, this anger leads to the employee refusing to take part in the outplacement, simply because it is provided by the company. When that occurs, those employees are typically the ones who take the longest to find new work, and who seriously consider litigation.

When the outplacement consultants are able to meet with persons immediately after the termination discussion, the consultants are able to take the brunt of the anger, and to help the terminated employees begin the healing process of successfully dealing with their situation and acting in their own best self interest.

Impact On Consumers

The nature of the banking business creates a strong relationship between banker and consumer. Since banks offer identical services at comparable prices, business is obtained and retained by personal service. It is essential, then, that when downsizing occurs it has as little impact on the consuming public as possible.

When the Guidelines are followed, an organization increases the probability that remaining employees will maintain high morale and positive public relations, and that terminated employees will not be making disparaging remarks about the organization to family and friends. There is yet one more thing an organization can do.

Guideline #6. Prepare Effective Media Announcements. By taking the initiative and preparing well worded releases for the media, the chances of street rumors are lessened, and the releases can focus on what the organization believes is important. In addition, top management can agree on what is to be said in interviews, and then make themselves available when asked for such media interviews.

The releases and interviews can summarize the actions taken, the reasons why (briefly), and the services to be provided those whose jobs have been eliminated. In this way the organization can maintain its image as a responsible financial institution, which also cares about its employees and the community.

Summary

There is always disruption in any downsizing situation. The organization's management team can lessen the impact by anticipating problem areas and carefully planning so as to lessen the disruption as much as possible. Though each situation is unique, these Guidelines can help decision makers understand the issues and design the procedures which will produce minimal negative impact and which will enable a quick return to organizational effectiveness. □

nomics from Benedictine College and an LLB from the University of Missouri.

Mr. Reiter, who holds a law degree from St. Louis University and a master of laws degree from the University of Missouri, left practice to join UMB in 1969.

Mr. Ware joined the bank in 1969. He holds a degree from Central Missouri State University and his MBA from the University of Missouri.

Also in the trust department, David Roberts was promoted to senior vice president in charge of the personal trust and probate division. He holds a law degree from Creighton University in Omaha, and worked for a bank there prior to joining UMB in 1977.

Donald P. Edinger was promoted to vice president in personal trust administration. He joined the bank in 1978. Also named vice president and responsible for bond processing in the trust department is Duane E. Schemp. Michael N. Helmuth and Diane Howard were named assistant investment officers.

Other promotions at United Missouri Bank included: Steven P. Okenfuss to senior vice president and manager of the installment loan department. He joined the bank in 1977 and holds a bachelor's degree in Journalism from the University of Missouri-Columbia. Stephen Fitzsimmons and Cecilia K. Adam were elected bank services officer, and JoAnne Owens was elected an assistant operations officer and manager of the bank's telecommunications system.

Continental Bank Free from Special Funding Support

Continental Illinois National Bank and Trust Company of Chicago in December disbanded the special network of banks that helped provide a funding "safety net" as part of a comprehensive financial assistance program following its liquidity crisis in May, 1984.

John E. Swearingen, chairman and chief executive officer of Continental Illinois Corporation, and William S. Ogden, chairman and chief executive officer of Continental Bank, said in a joint statement:

"One of the critical elements of Continental Bank's recovery plan was the special facility provided by the Federal Reserve and the special

Survey Says 29% of Meetings Wasteful

THE FINDINGS of a just-completed nationwide survey of business meetings are so surprising that many companies will probably hold a meeting to discuss them, according to Robert Half, president of Robert Half International, based in New York.

According to the survey, which was developed by RHI, the world's largest financial executive, accounting and data processing recruiters, the average executive spends the equivalent of 21 work weeks in business meetings each year.

funding facility provided by a network of other banks. At its peak in August, 1984, this assistance totaled almost \$12 billion. With our action today, it is completely repaid. The over-market rate of interest we have been paying on the special funding facility is now eliminated. We now stand on our own feet in all the financial marketplaces of the world in securing funding for our operations.

"The action taken today is the result of a great deal of effort on the part of Continental Bank employees worldwide. Rebuilding confidence and charting new directions is never easy. Our task ahead is to build a new Continental Bank for our customers and stockholders. We look to the future with great confidence and with appreciation to the Federal Reserve and to those banks who helped make this possible through special facilities in our time of greatest need."

Discontinuing usage of the special bank funding, network, which has totaled \$866 million Oct. 1, 1985, means Continental can fund itself without such assistance for the first time in more than one and one-half years. Continental has not borrowed from the Federal Reserve in more than three months.

At its peak usage, Continental was borrowing \$4.1 billion from the bank group. Combined borrowings from the "safety net" banks and the Federal Reserve reached \$11.7 billion on Aug. 13, 1984, and had dropped to \$7.1 billion on Aug. 31, 1984. Since the first quarter of 1985, usage of the facility has been reduced regularly until it reached its present level at the end of the 1985 third quarter.

"What is disturbing," observed Mr. Half, "is that the survey, which was conducted for us by an independent research firm, revealed that six of those weeks of meetings are a waste of time."

The survey was based on interviews with vice presidents and personnel directors of one hundred of the nation's 1,000 largest corporations.

The respondents were asked: *Within an average work week, how many hours do you think the average executive in your company spends in business meetings?* Their estimate was 16.5 hours, which translates into 825 hours during the course of a 50 work-week year, or 21 forty-hour weeks annually.

Their response to the question: *In your opinion, what percent of these business meetings are wasteful or unnecessary?* was 29% — which equals full 40-hour work weeks each year.

"Looking at it another way," says Mr. Half, "during the course of nine years, the average executive may spend the equivalent of one year of his or her working time attending meetings that are a waste of time."

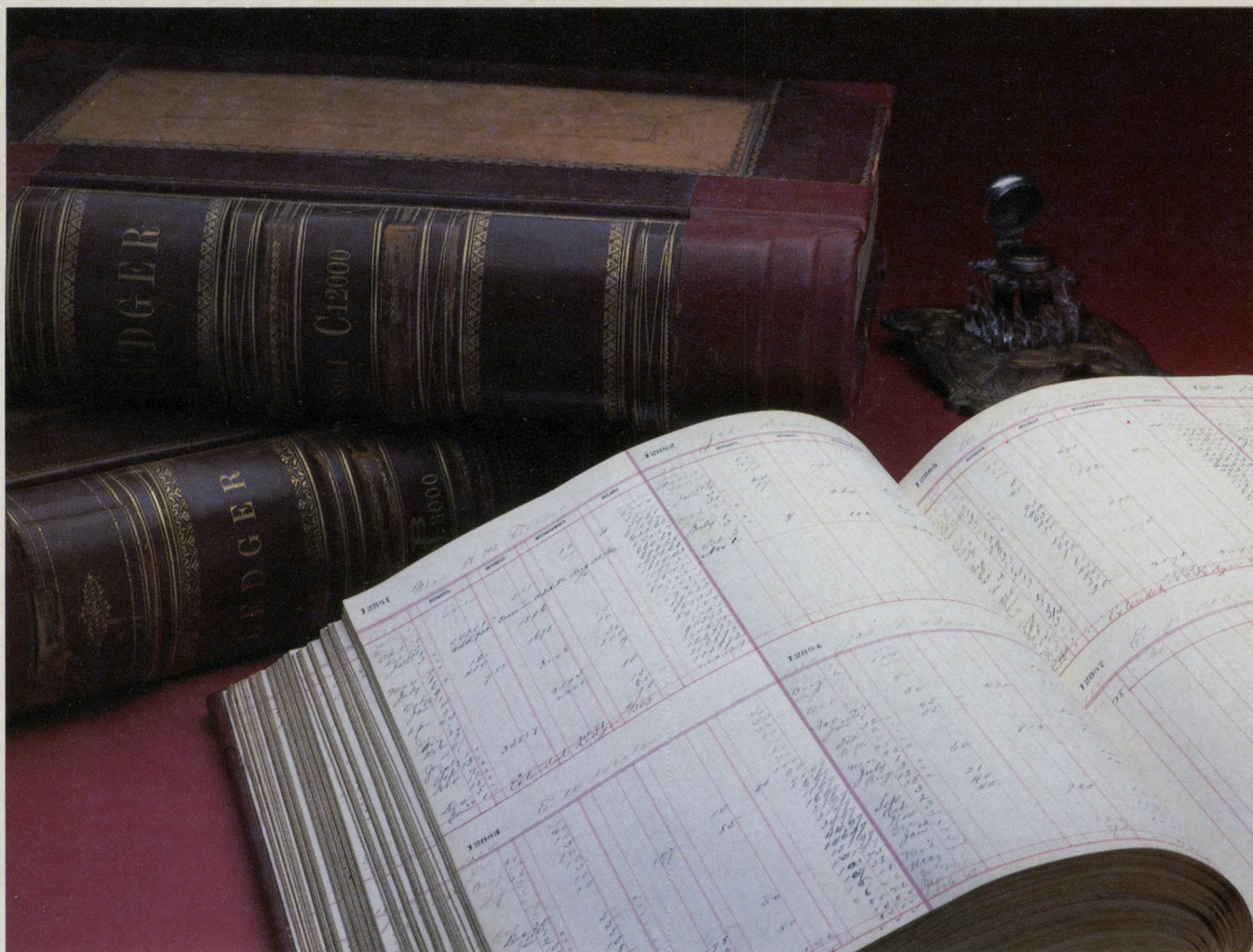
"Clearly," he concluded, "the meeting of the minds can be costly." □

American National, Chicago To Sell EDP Subsidiary

American National Bank and Trust Company of Chicago, the city's fifth largest bank, has entered into a definitive agreement with a private investor group for the sale of Tel-A-Data Corporation, a data processing subsidiary of the bank. The sale will be completed in early 1986.

Tel-A-Data has provided data processing services for the past 25 years to financial institutions in the Chicago area, primarily banks and savings and loan associations. Anthony A. Scerba, a member of the investment group and current president of Tel-A-Data, will remain with the company as chief executive officer. In addition to Mr. Scerba, all present employees, who number approximately 50, will be retained.

The company will continue to market its services under the Tel-A-Data name and plans to open a new facility in Lombard in early 1986.



Some things have to change.

**At Marquette Bank Minneapolis, we feel
some things should endure.**

Pride in a job well done. A high standard of performance. A tradition of excellence. These are the foundations of Marquette's Correspondent Services Division.

And it shows. . . in our ability to pinpoint and analyze your problems and opportunities. Our willingness to roll up our sleeves, to work with you, to deliver all the

resources of a billion dollar bank to help you meet the challenges of today, and tomorrow.

Technologies and services change, but our attitude hasn't. Because Marquette Bank Minneapolis will never put aside our oldest promise to our customers: professional service with a personal difference.



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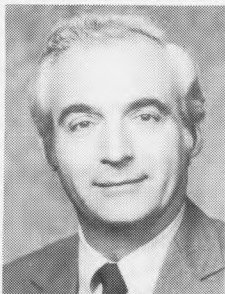
Minnesota

C.D. Kurtz, pres., Norwood
T.L. Jeffers, exec. v.p., Minneapolis



Addition in St. Cloud

Jerome D. Schwarzbauer has recently joined the staff of the First American National Bank of St. Cloud as manager of the bank's Rice branch. Mr. Schwarzbauer graduated from the University of Minnesota majoring in agriculture. He was employed from 1969 to 1985 by the Production Credit Association.



J.D. SCHWARZBAUER

Promoted in Albert Lea

Norwest Bank Albert Lea, N.A. recently announced the promotion of Gerald K. Johnson to the position of vice president-commercial banking.

Mr. Johnson joined Norwest Bank Albert Lea in 1983 as a real estate loan officer and has served as assistant vice president commercial loans since 1984.

Mr. Johnson began his banking career at Norwest Bank Marshall in 1975 and was transferred to Norwest Bank Ortonville in 1980.

MBA Sponsors Workshop

The Minnesota Bankers Association Communications Committee will sponsor a workshop on "What to do with the Death of Reg. Q" at three locations: January 14 at the Holiday Inn, North Mankato; January 15 at the Holiday Inn International, Bloomington, and January 16 at the Holiday Inn, Alexandria.

Effective March 31, 1986, federal regulators will no longer have the authority to set interest rate ceilings on deposit accounts. The workshop program will explore financial product development opportunities in this deregulated environment.

G. Michael Moebs, president of G.M. Moebs and Associates, Chicago, will conduct the program. Mr. Moebs is publisher of *Pricing Strategy*, a monthly newsletter devoted to tracking the pricing and product development of services and products in the financial services industry. With over ten years of banking experience, he is a frequent speaker and annually gives many seminars and workshops on pricing and product development of financial services.

Sponsored by Brainerd Bank

"Business Sense—Ideas for Immediate Use," is the title of a twelve month series of business seminars co-sponsored by First American Bank in Brainerd and the Brainerd Area Chamber of Commerce.

Each two hour session will be of a "nuts and bolts" nature providing business owners and managers with insight into the world of finance. The series will be held at the Holiday Inn, Brainerd, from 4:00-6:00 p.m. on the third Tuesday of each month, beginning in January.

Each session will focus on a different topic including: applying for a business loan, business legal structure, preparing a business plan, understanding financial statements, and cash flow management.

The seminars are free and attendance is limited to 30 people per session. These seminars are for all businesses in the area and you are not committed to attend all twelve sessions, but rather select those topics that best meet your needs and interests.

First American originated the "Business Sense" seminars to provide area businesses with ideas and tips on managing their businesses' financial matters. Each session will provide practical information that can be put to immediate use in the business.

For more information on "Bus-

ness Sense" call the chamber at 218/829-2838 or First American Bank marketing department at 218/829-8781.

Sponsored by MBA

Dr. Leonard J. Santow, managing director of Griggs and Santow, Inc., New York, will headline the 1986 MBA Investments and Funds Management Conference Wednesday, January 29, at the Radisson Hotel Metrodome in Minneapolis. The conference is sponsored by the MBA Investments and Funds Management Committee.



L.J. SANTOW

Dr. Santow is co-author of the *Griggs and Santow Report*, a weekly letter analyzing developments in the money and capital markets. He is currently a member of the executive committee of the monetary policy forum, an organization composed of prominent economists who have a special interest in the Federal Reserve's formulation of policy. He is also involved in the senior management (including various investment committees) of a number of major corporations.

MBA President Clinton Kurtz has also announced the second year of MBA sponsorship of Minnesota Business Venture, a one-week program on business and economics for high school students. Last year, member banks of the MBA contributed nearly \$22,000 in scholarships to enable students to attend Minnesota Business Venture which is a program of the Business Economics Education Foundation.

During the program, which is held at St. Olaf College in Northfield, students form "companies", listen to prominent business and government leaders, and work on computerized simulations. According to Mr. Kurtz, president of Citizens State Bank of Norwood, Minnesota Business Venture was expanded last year to two one-week sessions with support from Minnesota banks. This year's sessions will be July 27-August 2 and August 3-9, 1986. Any interested sophomore, junior, or senior high school student should contact their high school principal or local commercial bank.



On December 4 the Federal Home Loan Bank Board approved the largest financial merger in Minnesota history when it gave permission for Minnesota Federal and First Federal to form First Minnesota Savings Bank on January 1, 1986.

The merger will create a savings institution with the largest branch office network in the state. In addition, First Minnesota will have more than \$3 billion in assets, second among Minnesota savings institutions.

Minnesota Federal and First Federal customers will automatically be able to conduct all of their banking transactions at any First Minnesota location, said First Federal president and chief operating officer **Kenneth D. Olson**, who will be president and chief operating officer of the new institution.

Minnesota Federal Chairman and President **Gordon R. Mosentine** will serve as vice chairman and CEO of First Minnesota. First Federal Chairman **Wilfred E. Lingren** will become chairman of First Minnesota.

* * *

Allison-Williams Company, a Minneapolis investment banking firm, has announced the promotion of **John Clarey** to president and chief executive officer, a new position in the company. He had been chief operating officer since 1983.



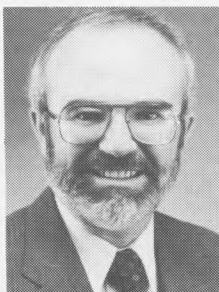
J. CLAREY

Mr. Clarey joined Allison-Williams in 1980 as vice president of the municipal division. He brought to the firm 17 years of experience in in-

vestment banking and finance, acquired with several companies. Among his accomplishments with the firm are his expansion of its project line beyond municipal and corporate finance into such areas as real estate financing and limited partnerships.

* * *

Norwest Corporation has named **Patrick T. McGuire** senior vice president and chief auditor. He has been associated with The Pillsbury Company, Minneapolis, since 1973 when he joined the firm as senior auditor. He was promoted to general auditor in 1982. Previous experience includes service as a systems analyst and senior auditor for Blue Cross and Blue Shield of Minnesota, and as a cost analyst with Gould, Inc., Minneapolis. His career began in 1967 when he joined General Mills, Inc., Minneapolis, as a management trainee in electronic data processing.



P.T. MCGUIRE

* * *

James L. Boettner has joined Bremer Financial Services, Inc. as vice president/director of human resources. Bremer Financial Services provides staff services for the Bremer Financial Corporation group of 26 banks and 37 bank-related affiliates in Minnesota, North Dakota and Wisconsin. Mr. Boettner served in various capacities at Norwest Corporation from 1970 to 1985. Most recently he has been human resources manager for a group of five southwest Minneapolis and suburban Norwest banks.

American National Bank of Saint Paul has promoted two and elected three new officers.

Jane K. Dodge has been promoted to vice president—consumer banking, and is manager of the personal banking and customer service departments. She joined American in 1982 as assistant vice president and personal banking manager. Prior to that she was employed by F&M Savings Bank for over seven years.



J.K. DODGE

Sandra K. Johnson has been promoted to assistant vice president—trust and joined American's trust division in 1969. In her present position, she manages the corporate trust department.

Sylvia S. Cross was elected personal banking officer and is coordinator for American's senior citizens programs. She joined the bank in 1980 and her most recent position was business development representative.

James A. Conrad was elected commercial banking officer and is an account representative in the aircraft division. He joined the bank in 1984 as a credit analyst in the construction department and was then promoted to commercial banking representative.

Mary Ann Orfei was elected investment officer and is a sales representative in the bond and investment department. She joined American in 1978 and has held positions in the auditing and bond areas.

* * *

Robert Woodcock has joined FBS Insurance as regional vice president—metro and agency manager of the



TAKING part in First Banks' Rostrum '85 were, from left: **Dale S. Hanson**, pres., First Bank St. Paul; **Paul Craig Roberts**, featured speaker, economist, Georgetown University, Washington; **William F. Farley**, pres., First Bank Minneapolis, and **Richard W. Schoenke**, pres. & mgr., metro div., First Bank System. Initiated in 1980, the Rostrum Series brings nationally recognized social and economic experts before corporate and community decision makers. This year's Rostrum featured Paul Craig Roberts and Alan Baron, editor and publisher of *The Baron Report*.

company's First Insurance Valley View office in Bloomington, Minn.

Mr. Woodcock had previously been a vice president at Alexander & Alexander, Inc. in Minneapolis and St. Paul. During his seven years with Alexander & Alexander, Mr. Woodcock had served as service/production unit manager and member of the operating committee and had most recently been responsible for mass merchandising and telemarketing activities in the St. Paul office.

* * *

American National Bank of St. Paul has begun offering a new individual retirement account which provides depositors with a variety of investment alternatives beyond bank certificates.

American National's self-directed IRA is the first of its kind to be offered in St. Paul. According to **H. Joseph Brunner**, senior vice president, "The IRA is the fastest growing consumer investment in the U.S., and self-directed IRA's are the fastest growing segment of the IRA market. Clearly IRA investors are looking for more options and more flexibility, as their accounts become more substantial."

He said self-directed IRA investors may choose from one or more of five investment options: stocks, bonds, mutual funds, bank certifi-

cates of deposit, and the bank's money market savings account, and funds may be transferred into any of the other investment options.

The depositor, Mr. Brunner stated, may change investment strategies at any time and instruct the bank to transfer money, liquidate investments or make new purchases. The money market savings account is the ongoing depository for funds moving from one investment option to another, interest or dividends earned on investments and IRA investments in future years.

Five mutual funds are available, distributed by Pittsburgh-based Federated Securities Corp., a wholly-owned subsidiary of Federated Investors, Inc., the nation's second largest mutual fund management company. Stocks and bonds are available through a discount brokerage service provided by Wall Street Clearing Corp. American National Bank acts only as the customer's agent for trading in stocks, bonds, and mutual funds with Federated Securities Corp. and Wall Street Clearing Corp. acting as the brokers. The bank will handle transactions for all bank investments such as certificates of deposit and money market savings.

Mr. Brunner said the self-directed IRA has a \$25 opening fee and \$25 annual fee, both of which are tax deductible. The depositor also pays

commissions on the purchases of stocks and bonds, which are not tax deductible. There are no fees or commissions for purchasing mutual funds, certificates of deposit, or money market savings fund.

* * *

FBS Mortgage Corporation, a wholly-owned subsidiary of First Bank System, Inc., has announced the issuance of its first mortgage-backed security for \$13.9 million. A mortgage backed security is a packaging technique that groups mortgages of residential properties together to be used as collateral to sell a security offering.

This direct issue was privately placed with an institutional investor and was backed by residential first mortgage loans on properties in the Twin Cities area. The loans were originated and are being serviced by FBS Mortgage. First Bank Minneapolis provided a letter of credit and is acting as custodian.

FBS Mortgage intends to continue to issue mortgage-backed securities and anticipates larger packages during 1986, according to **Mark L. Korell**, FBS Mortgage managing director and chief executive officer.

* * *

Children Are People, Inc., St. Paul, recently received a \$2000 grant from First Bank Saint Paul to assist with the Support Group Project during 1986. Children Are People, Inc. is a nonprofit agency that specializes in chemical dependency prevention for children ages 5-12. The agency was established in 1977, to avert chemical abuse by children from chemically dependent environments.

The Support Group Project provides children with alternative ways of responding to chemically dependent home atmospheres, education about chemical dependency as an illness, a sense of trust with adults through counselors who are consistent role models, and a vehicle for increased self-esteem and self-awareness in children.

"The project already boasts an outstanding record with more than 3,000 children and 1,000 parents having participated," says First Bank Saint Paul Senior Vice President **John Taylor**, public affairs. "Through the grant, we hope to support their fine effort and help continue this important community program."

STREET JOURNAL

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Tax Re

A Special Summary Of Federal and Develop

Stock & Bond Yields



World-Wide

APPROVED defense spend-
ing of \$102.5 billion.
This measure would require
Congress to disclose internal cost
estimates for stationing 50 MX
missiles and \$2.75 billion in spend-
ing on antimissile weapons.
The bill will cut that total when it
takes effect as the military budget
is reduced by \$1.5 billion, as the
Armed Forces bill (S. 1000) will es-
tablish a Pentagon reorgani-
zation (see Page 6)
The bill's legislation would es-
tablish a Joint Chiefs
of Staff principal military adviser

DIVIDEND YIELDS of
Dow Jones Industrial Average
have averaged 4.58% compared
with 10.90% average yield on Barron's
grade corporate bonds.

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FIRST WISCONSIN

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Norwest Hosts Management Conference

By **BEN HALLER, JR.**
Publisher

BANKERS from across the upper midwest attended Norwest Corporation's 21st Annual Executive Management Conference in early December and were guests with their spouses that evening for the traditional Duck Dinner. They were welcomed by Lloyd Johnson, chairman, president and chief executive officer of the corporation, and by Jim Campbell, president of Norwest Bank Minneapolis. More than 500 bankers and 150 spouses attended from 400 banks.

Mr. Johnson announced that John Sampson, vice president, has been appointed, effective January 1, to head the important Financial Institutions Group which services correspondent banks and other financial institutions. In that capacity, he succeeds Darin Narayana, who will now devote full-time to the international division which he also headed.

Leo Hauser, president of Hauser Productions, Minneapolis, was a good choice for opening speaker on a program put together by Richard Erickson, vice president of Norwest. As a motivational speaker, Mr. Hauser reviewed quickly some of the basics he incorporates into his

training seminars he presents to bank staffs to improve marketing and public contact techniques. Referring to the years of hard work and success that have brought many banks to the point where they are today, Mr. Hauser stated, "When we stop being successful is when we *stop doing* the thing that *made* us successful!" Mr. Hauser said he advises bank personnel who are hesitant about "selling" bank services that "the most effective way to gain self-confidence is by giving it to someone else."

A three-man panel discussed "White Collar Crime" as it pertains to banks. Participants were Don Miller, chairman of the ABA Data Security Committee and vice president, First National Bank of Chicago; Thomas R. Parker, supervisory special agent, FBI White Collar Crimes Program, and Robert C. Huber, founder, Dataline Corporation.

Mr. Miller quoted statistics from the *Computer Security Journal* of 1983 to show that from 1958-1981 there were 849 reported cases of computer crime. By industry, he said, banks had the most such crimes and the government was second, with all such losses now totaling \$3 billion. The ABA's own

report shows losses of \$145 million to \$730 million yearly for the reporting period, averaging from \$2 million to \$10 million per case. A disturbing statistic he related in regard to fraud and abuse on computers is that 50% of the cases are discovered by accident, while controls and audit each uncovered only 25% of them.

Mr. Parker noted that while the FBI still has 8800 agents as it did in 1980, the number of law violations for which it is responsible to investigate have increased from 180 to 260. He said, "Most local authorities are capable of handling the bulk of crimes committed, so the FBI has been able to pull back to some degree by narrowing its focus to those crimes beyond the reach of local law enforcement officers. The ones with the greatest impact on the public become our tasks. One of our five main areas on which we concentrate is white collar crime. In the past year, the FBI spent 25% of its funds on white collar crime of all kinds. The largest dollar losses in history have been perpetrated in the past four or five years—\$11 million, \$23 million, \$40 million.

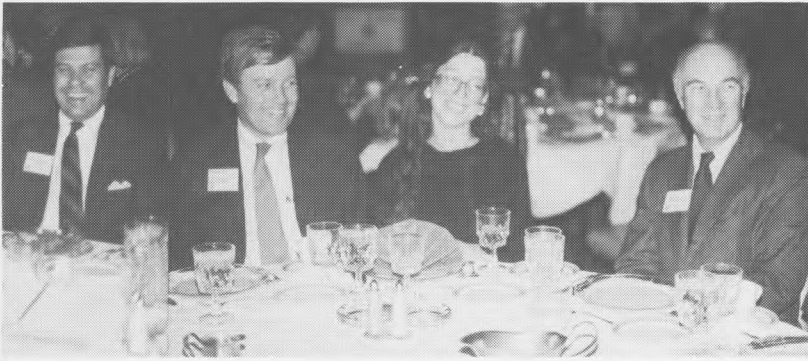
"The average crime against a bank was \$6,500. The average embezzlement was \$38,000. But the average computer loss we investigated last year was over \$400,000! The problem is here to stay and is growing in size."

He urged banks to trust the FBI and law enforcement agencies instead of trying to investigate such crime themselves. "Don't put off notifying us," he said. "For example, one bank discovered a \$250,000 embezzlement. Two days later, two senior auditors of the bank went to the employee's home to confront him with the evidence. He met them at the door, shot and killed both of them, then committed suicide."

Barry Asmus, national speaker, author and economist from Phoenix, Ariz., talked about "The Economics of Reality." Dr. Asmus is well-known to many banker audiences for his appearances in recent years at conventions when he was economics professor at Boise State University. His theme for this talk was, "When you reward an economic venture you get more, when you penalize it, you get less—that's reality!" He said the role of management is to make people more productive, acting as



LEFT—(Standing) **Gary Stern**, pres., Federal Reserve Bank, Minneapolis; **B.P. Pete Allen**, Jr., pres. & ceo, 1st Natl., Milaca; **Truman Jeffers**, exec. v.p., Minnesota Bkrs. Assn., Minneapolis; **Lloyd O. Johnson**, chmn. & ceo, Norwest Corp., and **Jim Miller**, dep. commiss., Minnesota dept. of commerce/banks. (Seated) **C. Paul Lindholm**, pres. & ceo, Bank of Maple Plain; **Lella Jeffers**, **Rosie Johnson** and **Marlys Lindholm**.



LEFT—James R. Campbell, pres., Norwest Bank Minneapolis; Mike PInt, chmn. & ceo, Metro Bank, Minneapolis; Jean Farrer, atty., Faegre & Benson, Minneapolis, and W. James Armstrong, chmn. & ceo, Norwest Bank Minneapolis. RIGHT—G.M. Mike Pleschel, pres. & ceo, Farmers & Merchants State Bk., Springfield, and his wife, Jodi; Ernest C. Pierson, chmn. & ceo, Norwest Bank Midland, and Mona Lund, Albert Lea (her husband, Herb, pres. & ceo of Security State Bank, is out of picture at right).

teacher, mentor, facilitator to create the right kind of incentive system, always remembering that reward is the mainspring. "Make your people feel part of the team," he stated, "as though they are owners, even if they don't own stock."

Dr. Asmus devoted the rest of his talk to looking at the size of government, its budget deficits and over-spending, and recalled a warning of Thomas Jefferson, "Government is like a fire, but once it gets out of the stove—look out!" He added, "and at 22-25% of GNP, the fire's out of the oven."

A second panel titled, "Is Technology Driving Banking Or is Banking Driving Technology?" was moderated by Ed Baker, Norwest senior vice president in charge of selling computer services and the Alliance Banking program. He introduced the following panelists: Ted DeMerritt, president and CEO, ISC Systems Corporation, Spokane, Wash.; Roy E. Kuntz, director of applied research, NCR, Dayton, Ohio, and John Burgdorfer, director, financial services industry marketing, IBM Corporation.

Mr. Burgdorfer said "technology is *not* driving banking but is a key factor. I see banks doing more things with technology—reducing non-interest expense, revising their balance sheets, increasing production." He cited several examples: Reducing communications costs—new devices for voice and document transmission, document handling systems, non-return of checks. Self-Service Banking. New Media Devices—Smart cards, integrated circuit cards to replace present plastic cards. Re-Structuring Balance Sheets.

Mr. Burgdorfer said "we expect service and geographical boundaries to be dropped and your opportunities will come in the retail marketing area, so greater emphasis will be needed on marketing expertise. You'll need the right people so choose carefully, make sure they understand and can adapt to the requirements of more sophisticated financial servicing."

Mr. Kuntz echoed that look ahead when he said, "Banks have an exploding number of services, most of which are going to end users in the street and most of whom don't know how to operate your system. You'll need to hire and train more people who understand your business and can serve those customers...Bankers need to understand enough technology so that you will know what we have to offer to help you solve your problems and meet your opportunities. Our job is to keep you aware of that technology so you'll know *what* we have to match with your needs at the appropriate time—even 10 years down the road."

Mr. DeMerritt stated flatly, "Technology should *not* drive banking, but banking *should* drive technology...It is better to do R&D to select technology that will perform what needs to be done, or develop it." After listing some items he felt were important to consider in that research or development, he closed by saying "In the optimal situation we take advantage of your understanding and needs of your market place, and you take advantage of our technology."

Minnesota's U.S. Sen. Rudy Boschwitz was scheduled to appear as final speaker on the afternoon program but was detained in Wash-

ington because of important discussions being held at that time on the Farm Bill and the Farm Credit System bailout bill. However, Norwest arranged a life appearance via satellite at 5:00 p.m. and through this

NORWEST CONFERENCE. . .
(Turn to page 54, please)

Promoted in Rochester

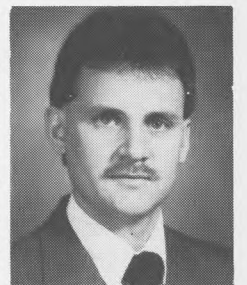
Norwest Bank Rochester recently announced the promotion of Jody L. Bower, commercial real estate lending officer, to assistant vice president.

Ms. Bower has been with Norwest Bank since 1983 working in the commercial real estate lending department and was elected an officer in 1984.

Prior to working at Norwest Bank Rochester, Ms. Bower was employed at Stauffer Chemical Company in Rochester.

Named in Long Lake

State Bank of Long Lake has named Gerald Taffe as assistant vice president in installment loans. Mr. Taffe is a 1982 graduate of the University of Minnesota-Morris with a major in economics and a minor in business.



G. TAFFE

Before joining State Bank of Long Lake, Mr. Taffe was employed at Farmers and Merchants State Bank, Donnelly, Minn., since 1981.

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Illinois

G.T. Andes, pres., Belleville
W.J. Hocter, exec. v.p., Chicago



Finalized in Rockford

Officials of American National Bank and Trust Co. and Illinois National Bank & Trust Co. announced recently the acquisition of Illinois National by Americorp Financial, Inc., has been consummated and that Illinois National has merged with American Bank. It also was announced that the bank resulting from the merger will be known as AMCORE Bank, Rockford, N.A.

AMCORE Bank is the eighth largest bank in Illinois and the largest bank outside of the Chicago area, according to David W. Knapp, AMCORE chairman. Total assets as of October 31, 1985, exceeded \$675,000,000. Assets of the holding company are approximately \$900,000,000.

J. Peter Jeffrey, formerly Illinois National chairman and president, will serve as president and CEO of AMCORE Bank.

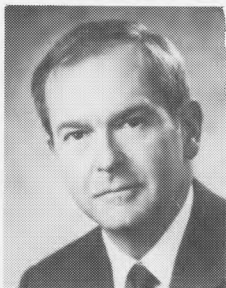
The shareholders of Americorp Financial, Inc., a Rockford based multi-bank holding company, also voted to change the name of the corporation to AMCORE Financial, Inc. The change became effective immediately.

Pres./CEO Named in Peoria

A prominent Kentucky banking leader has been named president and CEO of Midwest Financial Group, Inc., Peoria, downstate Illinois' largest bank holding company.

Leonard B. Marshall, Jr. assumed his new responsibilities on December 2, according to William Barnes, III, interim MFG president and CEO.

Mr. Marshall has resigned his positions as president and director of



L.B. MARSHALL, JR.

the \$2 billion-asset Liberty United Bancorp, Inc., and vice chairman of Liberty National Bank and Trust Company, the lead bank in the Kentucky holding company.

E.V.P. Elected in Sterling

David L. Kingland has been appointed executive vice president of the First National Bank of Sterling. Mr. Kingland will assume the duties of A. James Beatty who retired January 1.

Mr. Kingland was most recently with Norwest Bank of Mason City where he was senior vice president and senior lending officer. He had been with Norwest Bank since 1972, starting as department manager of agricultural loans. During the year of 1980-81, Mr. Kingland was chairman of the Iowa Bankers Association Agricultural Committee.



D.L. KINGLAND

Appointed in Galesburg

Malcolm E. Lambing, Jr., president and CEO, First Galesburg National Bank & Trust Company and First Illini Bancorp, has been appointed to the U.S. Chamber of Commerce's Small Business Council.

The 65-member council, consisting of business volunteers from across the nation, makes policy recommendations to the chamber's board of directors, which sets official policy of the business organization. The council also advises the chamber and its board on the needs of small business members, and assists the chamber in advancing its legislative and political action priorities.

Mr. Lambing was named president and CEO of First Galesburg

National Bank in 1982, and president of First Illini Bancorp in 1983. Under Mr. Lambing's leadership, First Illini Bancorp, parent company of First Galesburg National, acquired the Abingdon Bank & Trust Company in 1984 and is currently in the process of acquiring the Madison Park Bank in Peoria.

Elected in Monticello

Larry Harshbarger has recently been elected president of the National Bank of Monticello, Illinois. Mr. Harshbarger was formerly president of the Bank of Rantoul.

ILLINOIS NEWS...

(Turn to page 36, please)



Robert E. Hahn has been elected to the position of senior vice president and senior lending officer of the Colonial Bank and Trust Company, 5850 West Belmont Ave., Chicago.

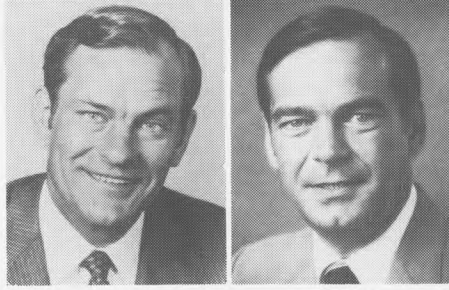
Mr. Hahn joins Colonial from Northwest National Bank where he served as senior vice president and senior lending officer. He received his BS and commerce degree and an MBA in finance from DePaul University and is a graduate of the Stonier School of Banking.

Colonial Bank also promoted Brian F. Bara to assistant controller.

Mr. Bara, a graduate of the University of Michigan-Dearborn, is also a certified public accountant. He joined Colonial in 1983 as a staff auditor after working for the Community National Bank of Pontiac Michigan as a senior department auditor.

Wisconsin

D. Treptow, pres., Brown Deer
B.K. Koontz, exec. dir., Madison



Introduced in Appleton

Valley Brokerage Services, Appleton, recently announced the introduction of Mutual Funds and Unit Investment Trusts to their consumer investment offerings, according to William J. Crain, manager.

Unit Investment Trusts offer investors the opportunity to earn a high rate of return that is exempt from federal income taxes, Mr. Crain said. He added, "Unit Investment Trusts involve the selection of municipal bonds which are diversified by industry and location."

Unit Investment Trusts are fixed bond portfolios and, therefore, are not managed funds. An investor owns the units until they are sold or they mature. Valley Brokerage Services, a member of Valley Bancorporation since March, 1983, will offer a variety of Unit Investment Trusts as well as Mutual Funds.

Sponsored by F&M Bank

The Bank Advisory Councils of F&M Bank Menomonee Falls have completed three area seminars on the new Wisconsin Uniform Marital Property Act. The seminars, lectured by Hector and Linda de la

Mora, Brookfield attorneys, were held at Oconomowoc, Waukesha and Menomonee Falls.

According to Richard P. Klug, president and CEO of the bank, the seminars had a total attendance of over 400 people. The chairpersons of the respective councils acted as masters of ceremonies at the events. They were Phyllis Weege, Oconomowoc; James Christian, Waukesha and Kay Keller, Menomonee Falls.

Addition in Appleton

Diane L. Van Boxtel has recently joined the marketing staff of Valley Bancorporation, Appleton, as corporate marketing officer. In this position, she will be responsible for research, name change conversions, sales support and marketing coordination for financial services subsidiaries.

Ms. Van Boxtel was most recently associated with First Interstate Corporation in Sheboygan, Wisconsin, as product and sales training coordinator. Prior to that she was assistant vice president/director of training with Wells Fargo Bank in California.

Lenders Institute To Be Held in Casper

The Western Agricultural Lenders Institute has been scheduled for January 23-24, 1986 at the Casper Holiday Inn. It is being co-sponsored by the Agricultural Committee of the Wyoming Bankers Association and the University of Wyoming.

Three Named in Casper

Gary Wickam, president of the Norwest Bank West Casper, has been named executive vice president of Norwest's lead bank in downtown Casper. In addition, two other Norwest officers have been named to top positions within the Norwest Banks of Casper.



G. WICKAM

Mr. Wickam is returning to the Norwest Bank Casper where he had at one time worked as a commercial loan officer as well as manager of the bank's commercial loan department.



J. BORDEWICK



K. FARRELL

Jay Bordewick has been advanced to the newly created position of executive vice president of the east and west Casper banks. He will serve as managing and executive officer of the banks. He has been in banking since 1959 and served in a variety of executive capacities during this time.

Kevin Farrell will serve in the newly created position of senior vice president and chief financial officer at Norwest's main bank. He is also senior vice president and chief financial officer of the Affiliated Bank Corporation of Wyoming, the parent corporation of Norwest Banks in Wyoming. He has served in similar positions in banking in Wyoming and New Mexico.

Wyoming

H. Kreycik, pres., Douglas
G. Tea, exec. dir., Casper



Sponsored by WBA

The WBA will sponsor a Credit Conference Program, January 30-31, at the Downtowner Motor Hotel, Casper.

Registration will begin at 4:00

p.m. on Thursday, with dinner following at 7:30. Friday will begin with an 8:00 a.m. registration followed by several concurrent workshops, and a 7:30 dinner.

Registration fees will be \$125 and \$50 for spouses.

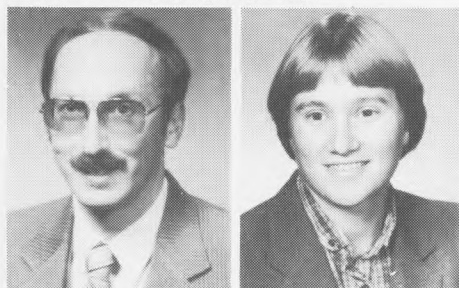
South Dakota

B.C. Solum, pres., Watertown
J.M. Schwartz, exec. mgr., Pierre



Two Added in Mitchell

Les Olson, president of Commercial Bank of Mitchell, has announced the addition of Michael J. Beyer and Karen Roth to the bank staff as ag loan officer and assistant trust officer respectively.



M.J. BEYER

K. ROTH

Mr. Beyer taught vocational agriculture for three years at Tulare and Presho and worked for the Farmers Home Administration in Highmore, Miller, Pierre, Redfield and most recently as county supervisor in Mit-

chell. After leaving the FmHA in early 1985, Mr. Beyer was self-employed as a guaranteed loan contractor until joining the Commercial Bank staff.

Ms. Roth's prior work experience includes serving a legal internship for the firm of Morgan, Fuller, Theeler and Cogley of Mitchell during the summer of 1984.

Transfer to Milbank

Norwest Bank South Dakota, N.A., announced the transfer of Lynn Hammerstrom, assistant vice president, ag banking to Milbank from Bristol.

Mr. Hammerstrom graduated from Sioux Falls College and the Ag Banking School in Morris, Minnesota.

He joined Norwest in 1981 in Groton. In 1983, he was promoted to

assistant vice president, ag banking and transferred to Bristol.

Elected in Valley Springs

Donald C. Clauson has been elected executive vice president of the Dakota Heritage State Bank, Valley Springs. He has been in banking 18 years in both South Dakota and Nebraska.

Approved in Pierre

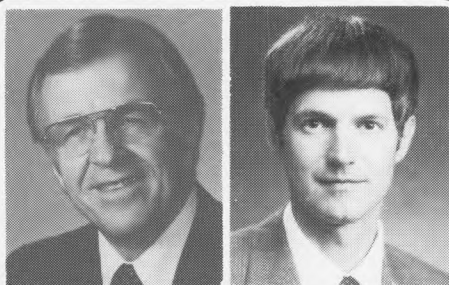
The State Banking Commission of South Dakota, Pierre, recently approved the purchase of assets and assumption of liabilities of the Wessington Springs Branch of the First Bank of South Dakota, Sioux Falls, and the application of the Farmers and Merchants State Bank, Iroquois, to merge the Farmers State Bank, Carthage, into the Farmers and Merchants State Bank of Iroquois and to establish a branch bank at Carthage.

SDBA Dinner in Pierre

The SDBA has announced that the Annual Legislative Dinner to honor the South Dakota legislature and constitutional officers will be held January 30, at the Kings Inn Convention Center, Pierre. The reception will begin at 6:00 p.m. with dinner at 7:00 p.m.

North Dakota

W.M. Sanger, pres., Wahpeton
H.J. Argue, exec. dir., Bismarck



Conditions Reported in N.D.

The third quarter abstract of report of the condition of North Dakota state banking and trust institutions, compiled and submitted by Jane M. Lundberg, commissioner, gave figures for North Dakota's 134 state banks, 6 trust companies, and the Bank of North Dakota.

Net loan figures included \$1,704,860,000 for the state banks; \$103,000 for the trust companies, and \$237,746,000 for the Bank of North Dakota, for a total of \$1,942,709,000.

Total assets included \$3,591,634,000 for the state banks; \$3,934,000 for the trust companies, and \$857,655,000 for the Bank of North Dakota, for a total of \$4,453,223,000.

Deposits included \$3,129,111,000 for the state banks, and \$618,848,000 for Bank of North Dakota, for a total of \$3,747,959,000.

Total equity capital included \$344,788,000 for the state banks; \$2,693,000 for the trust companies; \$54,498,000 for Bank of North Dakota, for a total of \$401,979,000.

Total capital to total deposits

ratio on September 30, 1985 was 11.02% compared to 10.56% on June 30, 1984.

Recognized in Bismarck

During a recent gathering of Bank of North Dakota, Bismarck, employees, state bank President H.L. Thorndal presented Years of Service Awards to 19 employees including one 35-year, one 25-year, and one 20-year award.

Ellen Luiska was the recipient of the 35-year commendation. She joined the bank in 1950 as a posting machine operator, holding several different positions and is currently supervising the receiving and paying of coupons for the investment department.

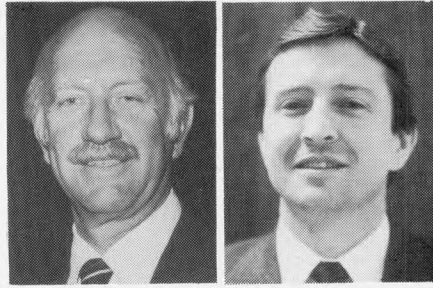
Evelyn Zelmer joined the bank in 1955 as proof clerk. In her 25-year tenure, Ms. Zelmer has been promoted several times. She is current-

NORTH DAKOTA NEWS...

(Turn to page 37, please)

Colorado

R.B. Clark, pres., Greeley
D.A. Childears, exec. mgr., Denver



Changes Told in Denver

United Bank of Denver's Chairman and CEO Richard A. Kirk announced the nomination of John A. Schultheis and Jon Wiedmaier as vice presidents. In addition, Peter J. Biglin, David B. Kinney and James L. Volz were promoted to assistant vice president. Gregory Anderson and Michael E. Boxer both were named executive banking officers.

Elected in Boulder

Colorado National Bank-Boulder has elected Dean Betsy Levin to the board.

Ms. Levin is currently dean and professor of law at the University of Colorado School of Law, a position she has held since 1981. Prior to her current position, she was professor of law at Duke University School of Law.



B. LEVIN

Elected to Board in Denver

Colorado National Bank-Tech Center, Denver, has elected Robert W. Knickrehm to the board.

Mr. Knickrehm is president of Frontier Agency Inc., a firm engaged in casualty insurance. He has been associated with the company since 1966.

Two Promoted in Lakewood

Joy Prater, president of Colorado National Bank-Lakewood, has announced the promotions of Carole Vossenkemper and Michael C. Souder to the position of operations officer and senior lender respectively.

Ms. Vossenkemper joined the bank in 1976 as a station clerk, and was subsequently promoted to

supervisor of bookkeeping.

Mr. Souder joined the bank in July of 1985 as vice president, manager commercial loans.

Promoted in Littleton

Edward B. Sturges, president of Colorado National Bank-Southwest, Littleton, has announced the promotion of Michael S. Hanifen to the position of consumer loan officer. In his announcement, Mr. Sturges also stated that Clarke A. Omdahl recently joined the bank as vice president, senior loan officer.

Promotion in Englewood

First Interstate Bank of Englewood, N.A. has appointed Dottie Truitt as operations officer. The promotion announced by president and CEO William C. Neill is effective immediately. Ms. Truitt was most recently teller supervisor and was named First Interstate Bank of Englewood Professional Banker for the second quarter of 1985.

Officer Named in Golden

Colorado National Leasing, Inc., Golden, has announced the promotion of Ruth Mandel to the position of documentation officer.

Ms. Mandel joined Colorado Leasing in 1982 as senior bookkeeper with subsequent promotions to accounting manager and documentation officer. She was previously associated with United Bank of Denver and Wells Fargo Credit Corporation.

Filed in Denver

United Banks of Colorado, Inc. filed recently with the Securities and Exchange Commission a registration statement relating to its proposed public offering of 750,000 shares of common stock.

The First Boston Corporation will be the sole underwriter of the issue.

Net proceeds to the company from the offering will be used for general corporate purposes, including the repayment of short-term debt.

Promoted in Denver

Marsha Covey, president of Colorado National Insurance Agency, Denver, Inc., has announced the promotion of Laura Baggus to the position of insurance officer.

Ms. Baggus joined the agency in 1977 as claims technician with subsequent promotion to administrative assistant.

Employee Award in Denver

Darlene Powell, an employee of Colorado State Bank, was awarded \$5,000 recently as a second prize winner of BankAmerica Travelers Cheque's SafeTravel Network Sweepstakes.

ILLINOIS NEWS...

(Continued from page 33)

CEO Named in Springfield

Jeffrey J. Hargroder of Lafayette, Louisiana, was recently named CEO of Independent Bankers' Bank of Illinois, Springfield.

Immediately prior to accepting the position with the Bankers' Bank, Mr. Hargroder was a financial consultant for two de novo banks, import/export company and finance company. Previous employment includes top management positions with Mid-South Bancorp, Southwest National Bank, Southwest Bancshares, Inc., and Morgan City Bank and Trust Company all of which are located in Louisiana.

Goal Reached in Batavia

The mortgage department of Batavia Bank recently celebrated exceeding its \$10,000,000 mortgage application goal for 1985.

Batavia Bank is one of 20 member banks participating in the mortgage program fostered by Midwest Mortgage Services. Batavia was the first bank to reach the coveted goal. To show their appreciation, Len Giblin, president of Midwest Mortgage Services, and Bob Haring, senior vice president, surprised the bank's mortgage staff with balloons and a cake inscribed with the magic figure.

ABA to Host Joint Technology Conferences

The latest information on bank telecommunications and video banking will be at the fingertips of attendees at the American Bankers Association's 1986 Telecommunications and Financial Networks and Video Banking III Conferences.

These two meetings on inter-related issues are scheduled simultaneously, February 9-12 in Orlando, Fla., to give bank operations and telecommunications managers and officers the opportunity to explore the newest applications of both of these rapidly expanding areas of financial products and services, according to Arthur Ryan, vice chairman of the Chase Manhattan Corporation, New York, and chairman of ABA's Operations and Automation Division. Mr. Ryan will give a report to the conference on the status of ABA's Wholesale and Retail Payment System Task Forces.

New to the conference programs are peer group discussions on payment networks, third-party switching alternatives, telecommunications management issues, telecommunications technical issues, and fraud/security issues.

An extensive exhibit display with more than 60 booths will showcase state-of-the-art equipment and products. Demonstrations and presentations throughout the conferences will focus on the latest telecommunications and video banking technology.

To register, contact Linda Gustavson, ABA Operations Group, 1120 Connecticut Ave. NW, Washington, DC 20036, or call (202) 467-4193.

BMA Annual CEO Seminar Set for Palm Springs

Just how community banks organize their marketing efforts for long-term performance and how these programs mesh with the new environment for banking competition will be explored at BMA's annual CEO Seminar scheduled March 9-12 at the Canyon Hotel in Palm Springs, Calif.

Theme for the 1986 conference is "Bank Marketing: The Leaders' Edge," and according to program planners, this year's seminar will emphasize ways CEOs can use both new and existing marketing tools to

counter inroads made by both bank and non-bank competitors.

The chairman of BMA's Community Bank Marketing Council, Charles L. Ferguson, who also is chairman and CEO of First Colorado Bank & Trust Co., Denver, said the CEO program will address such areas as comparison of bank performance, packaging of bank products, direct mail, developing the planning process, selecting and rewarding employees, and upgrading sales skills.

As in past CEO seminars, time will be set aside for peer group discussion allowing CEOs to exchange ideas with their counterparts in such areas as financial planning, fee income generation, ESOPs, and product planning as well as other topics.

The registration fee for the seminar is \$475 for BMA members and \$625 for non-members. For registration materials or for more information, contact BMA's Community Bank Department at 312-782-1442.

ABA Conference Tackles Risk & Insurance Issues

The story lines from popular television shows mirror some of bankers' worst fears and problems: money laundering, loan fraud, electronic banking security, and hostage/kidnapping negotiation.

These issues and many more will be hot topics of discussion at the 1986 American Bankers Association National Insurance and Protection Conference of Financial Institutions, January 28-31 in New Orleans.

Thirty concurrent sessions offered at the conference are divided into five categories: physical security; data security; insurance/risk management; income producing insurance; and vendors/consultants perspectives. Important subjects featured in these sessions include "Money Laundering—Cleaning Up The Problem," "Personal Computer Security," "Directors and Officers Liability Insurance Policy Changes and Marketing Update," and "Captive Life Insurance Company Formation Tax Issues."

New to the program is the Vendors/Consultants Perspectives concurrent session track, presenting state-of-the-art technology and information by equipment manufacturers, brokers and consultants.

"ATM Security Options" and "Risk Management in a Tough Market" are among the sessions offered in this category.

In addition, peer group discussion sessions will enable both insurance and security professionals to confer on a variety of subjects. Attendees will also have the opportunity to browse through the Exhibit Hall, featuring more than 50 vendors, and take in the twelve Exhibitors' Showcase presentations.

To register or for more information, contact the Security and Risk Management Division, American Bankers Association, 1120 Connecticut Ave. NW, Washington, DC 20036, or call the ABA Banker Education Network, (202) 467-6738.

Morvis Honored For Economic Education Work

George M. Morvis, president of Financial Shares Corporation, Chicago, was honored for outstanding service in the promotion of economic literacy by the Illinois Council on Economic Education (ICEE) at their recent annual meeting.

Mr. Morvis is the 1983-85 chairman of the ICEE board of trustees. Over 150 leaders of business and education were present for the event.

NORTH DAKOTA NEWS... (Continued from page 35)

ly assistant manager for all operation division functions.

Martin Stenehjem received a 20-year service award. He joined the bank in 1965 as fieldman, then transferred into the student loan area where, in 1967, the first federally insured student loan in the nation was made. He currently is the director of the North Dakota student loan program.

Mr. Thorndal reported 15-year awards were presented to Allan Nosbusch, vice president and comptroller, and Cecilia Wanner, data processing coordinator.

Ten-year service awards were given to Robert Caudel, Lucy Christensen, and Barb Farley.

Five-year service awards consisted of a certificate of appreciation and were presented to 11 employees: Tammy Becker, Lois Gad, Lori Hager, Deb Hanson, Sharon Hoffmann, Karen Iverson, Lynelle Kase-man, Korrine Lang, Cathy Mindt, Helen Moch, and Esther Walker.



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Nebraska

M. Adams, pres., Ogallala
S. Matzke, Jr., exec. v.p., Lincoln



Three Banks Close in Neb., One in Missouri

State officials closed three banks in Nebraska and one in Missouri recently, blaming liberal lending policies and the poor farm economy.

Two of the three rural Nebraska banks will reopen as branches of banks in neighboring counties, but no buyer could be found for the Farmers and Merchants Bank in Comstock.

The three bank closings increased to 13 the number of closings this year in Nebraska and tied the state with Kansas and Oklahoma for the most bank failures among the 50 states.

Eleven banks have failed in Iowa this year.

The banking department closed the Farmers and Merchants Bank in Comstock, the Farmers State Bank in Sargent and the Bank of Panama. Missouri officials closed the Princeton State Bank of Princeton.

The Bank of Panama will reopen as a branch of the Farmers State Bank in Douglas. The Farmers State Bank in Sargent will reopen as a branch of the First National Bank of Ord. Depositors of the failed banks automatically become depositors in the new banks according to Steve Katsanos of the FDIC.

No buyer could be found for the Comstock bank, so the FDIC will pay off the \$3.2 million in 791 accounts in the bank. Mr. Katsanos said all but the \$358 in one account comes under the insured \$100,000 limit.

Security State Bank, Broken Bow Fails

On December 5 the Federal Deposit Insurance Corp. stated it will liquidate Security State Bank of Broken Bow, because it could not find a buyer for the failed bank. Security State Bank had suffered "dramatic losses" in its loan port-

folio which consists largely of agricultural loans.

State banking director James C. Barbee said 11 Nebraska financial groups attended a bid meeting in Grand Island on Dec. 5 and none of them made a bid. The bank had assets of \$7.2 million and 1,339 accounts holding \$6.7 million in deposits. Loans, 58% of which were agriculture-related, totaled \$4.4 million. The FDIC said \$1.9 million in loans were classified as below standard, meaning that they might be uncollectable.

There were ten accounts with a total of about \$36,000 over the \$100,000 insured maximum. The accounts, which were commercial, may be a partial loss; they will be paid as the bank's assets are sold by the FDIC.

NBA Executive Council Sets Legislative Agenda

At their December quarterly meeting, members of the Nebraska Bankers Association executive council approved their 1986 legislative agenda. Five bills were approved for sponsorship.

One would authorize a bank to establish a branch in a municipality where a bank has failed and no other bank or branch office is in the community, thus providing continuing banking service. This would amend Section 8-157 and would remedy a situation where no buyers could be found for a failed bank.

Another amendment to state law would stipulate that loans to bank directors, officers or employees would apply only to executive officers and directors. Another would clarify when a bank may charge a customer's account on postdate checks so that the bank is not liable for charging the account before the date stated unless the customer gives written approval. A fourth bill would validate a lender's continuing lien after an original debt has been

paid if the mortgage contains provision for future advances and such advance is executed. The fifth proposed bill would amend Section 24-532.01 to allow for pledging of funds by a bank so it could accept county funds above the \$100,000 FDIC insured limit.

NBA also said it will support several other legislative proposals, one of which would deter frivolous lawsuits and one which would change the formula for taxing Nebraska banks. The proposed bill would tax banks 40 cents per \$1,000 of deposits, not to exceed 3.25% of net economic income.

Promoted in Grand Island

Omaha National Bank Grand Island has recently promoted Dennis L. Barkley as vice president and senior credit officer of commercial, agricultural and consumer lending; Patricia A. Orendorff as vice president and manager of operations and retail banking; Stephen M. Beachler as vice president and marketing director, and Gary Gannon as retail banking officer and supervisor of consumer banking in the bank's Grand Island offices.



D.L. BARKLEY



P.A. ORENDORFF



S.M. BEACHLER



G. GANNON

Mr. Barkley was formerly vice president and manager of the commercial and agricultural loan department.

Ms. Orendorff was previously vice president and operations manager.

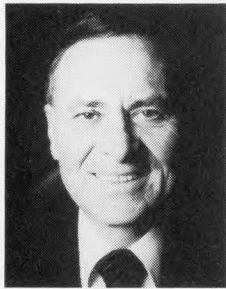
Mr. Beachler was formerly vice president and retail banking manager.

Mr. Gannon was formerly a marketing officer.



Omaha

F. Phillips Giltner has been appointed to the Federal Reserve Advisory Council effective January 1, 1986. The Federal Reserve Advisory Council serves as an advisor group to the board of governors of the Federal Reserve in Washington, D.C. Mr. Giltner



F.P. GILTNER

is president of First National Bank of Omaha and First National of Nebraska, Inc., holding company of First National Bank of Omaha.

Mr. Giltner represents the 10th Federal Reserve District on the council. The members are selected for a one year term by the board of each of 12 Federal Reserve Districts. The council meets quarterly in Washington, D.C., with the seven members of the Federal Reserve board of governors. Monetary policy and general economic conditions of each district are discussed with the board.

Mr. Giltner also serves on the board of Visa, International and on the board of Visa, U.S.A. As of September 1985, First National of Nebraska, Inc.'s total assets were \$928,000,000.

* * *

Norwest Bank Nebraska, N.A. recently promoted **Joseph T. Sullivan, Jr.**, senior vice president/manager corporate banking division, **Richard E. Schenck**, region V compliance officer, **Richard L. Harms**, vice president and **Steven C. Martens**, assis-

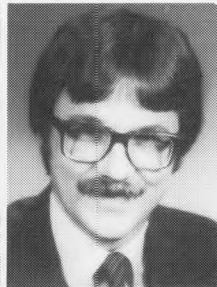
tant vice president in the special loan administration area.

Mr. Sullivan began working at the U.S. National Bank in 1975 as a commercial banking officer. He managed the Regency facility from 1981 to 1984. As senior vice president, Mr. Sullivan will manage the corporate banking department located at 20th & Farnam.

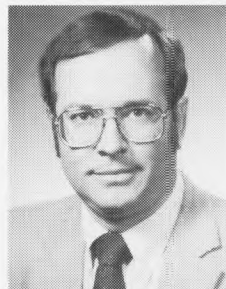
Mr. Schenck started in 1968 at Center Bank. He was most recently assistant vice president/business banking.



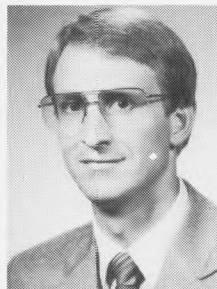
J.T. SULLIVAN, JR.



R.E. SCHENCK



R.L. HARMS



S.C. MARTENS

Mr. Harms worked four years for the FICB in Omaha and then moved to Harlan, Iowa to become the agricultural PCA president in 1980. In 1984 he moved to the South Central Iowa PCA as a loan specialist at Creston, Iowa. He joined the Nor-

west Bank Omaha as second vice president in the agricultural loan department in 1985.

After graduation, Mr. Martens worked for the agricultural PCA at Harlan, Iowa and became vice president/credit.

Mr. Martens began working for Norwest Bank in 1985 as a special loan administration officer.

* * *

Jim Mullins of Corwith, Iowa, has been elected to the District Board of Directors of the Farm Credit Banks of Omaha, effective January 1.

Mr. Mullins will serve on the seven-member board of the farmer-owned cooperative Farm Credit Banks of Omaha, which includes the Federal Land Bank, the Federal Intermediate Credit Bank and the Omaha Bank for Cooperatives.

Mr. Mullins was elected to the three year term by the 37 Production Credit Associations in Iowa, Nebraska, South Dakota and Wyoming. He operates a grain farm as well as a feedlot and cow/calf herd. He has served as chairman of the Omaha District PCA Directors Advisory Committee and as a member of the National PCA Directors Advisory Committee.

* * *

American National Bank of Omaha recently appointed **Brenda Fernau** as personnel officer.

Ms. Fernau, a 1985 graduate of the University of Nebraska at Lincoln, has a management and communications degree. Prior to graduation, she was named one of the University's "outstanding seniors" by the Mortarboard Society, and was elected to the scholastic honorary, Phi Beta Kappa.

Jean Luettel, vice president and personnel officer, one of the bank's original employees, announced her retirement as well.

* * *

Charles W. Durham, board chairman of Durham Resources of Omaha, has been elected to the board of directors of FirsTier, Inc.

Mr. Durham replaces Willis A. Strauss, board chairman of HNG/InterNorth, Inc., who resigned from the board of FirsTier and Omaha National Bank. Mr. Woods said Mr.

OMAHA NEWS . . .

(Turn to page 41, please)



Lincoln

First National Lincoln has announced several recent promotions.

Tina Goings, who joined First National in 1973, has been elected assistant vice president in the Visa/MasterCard credit department. **Carna J. Smith**, who started at the bank as manager of electronic banking, has been elected assistant vice president—cash management.

Donita G. McElhose, who joined First National in 1981 as a member

of the installment lending department, has been promoted to underwriting administrative officer—public finance. **Paul D. Merritt**, a former member of the Lincoln police force, was promoted to security officer. **Kathryn Ann Vader**, who joined the bank's account information department in 1974, was promoted to operations officer/account information manager.

OMAHA NEWS...

(Continued from page 40)

Strauss resigned due to his recent reappointment as board chairman of HNG/InterNorth and the additional responsibilities and time commitment that entails.

* * *

Douglas E. Peters, president and CEO of Occidental Nebraska Federal Savings Bank, reported the bank has increased loan loss reserves by approximately \$4.5 million. The additional reserves have been created because of potential losses in the bank's real estate loan portfolio.

"The additional reserves," according to Mr. Peters, "are a result of real estate loans made in a few national markets, during a period of accelerated growth and economic development. Some of these markets reached a point of over building resulting in rapid deterioration in economic conditions and real estate values, which adversely affected the ability of the borrowers to repay certain loans the bank made." Mr. Peters stated, "The additional reserves represent less than .7% of the bank's total assets of \$678,920,000 at September 30, 1985. The bank had a net worth of \$27,593,079 at September 30, 1985.

NBA Pres. Comments on Ag Tension

The president of the Nebraska Bankers Association said that the growing number of violent actions involving financially-stressed farmers underscores the fact that these are troubled times in the nation's farming community.

"Our long-time farm customers hear the bleak economic reports and they go back and look at their own financial records, and they wonder if things are ever going to improve again," said Ogallala banker Mel Adams.

Mr. Adams said that during these times, ag bankers need all the flexibility they can get so that they can work with their borrowers and renegotiate debt where there's any chance of workout.

"We've seen some sign that land prices may be stabilizing," said Mr. Adams. "If we can stop this downward spiral in land prices, it would go a long way in restoring confidence in agriculture and relieving some of the stress that's out there," he added.

The NBA president said that banking leaders from several Farm Belt states would meet in Kansas City on Dec. 11 to put together re-

alistic legislative proposals for Congressional consideration early next session.

"Key senators have promised early consideration of federal legislation to help commercial banks get through these troubled times in the agricultural economy," Mr. Adams said.

"In many cases, what we need is greater regulatory flexibility so that bankers can work with their delinquent borrowers wherever possible without being pressured to act otherwise," he said.

"Every time a bank charges off a loan, it goes against the bank's capital account. There needs to be an alternative, and that is what I anticipate that we will be pushing for when Congress reconvenes in January," Mr. Adams said.

Changes Announced in Bellevue

Five personnel changes have been announced at the First United Bank of Bellevue.

John R. Young has been elected to the board, named president and CEO and will direct the newly state chartered federally insured bank. He has 23 years of financial services experience including serving as president of two banks and forming three newly chartered banks.

Thomas R. Edwards has been named vice president. He will be responsible for the consumer, credit card and mortgage departments for the bank. In addition, he will market the bank's small business loan program. Mr. Edwards brings ten years of lending experience with him to the bank. In his former position, he was regional director for the nation's seventh largest bank holding company, and supervised consumer lending offices covering Nebraska, Iowa, South Dakota and Oklahoma.

Brenda L. Bice has been appointed cashier for the bank. She will manage the cash position, personnel department and the compliance and marketing program. She has seven years experience in the banking field and previously held positions as head teller and operations clerk.

Lori A. Bickford has been named an account executive. She will associate directly with the lending department as well as public relations and new accounts. She has four and

a half years experience in banking and finance through previous positions as a customer service representative and loan account representative.

Christine L. Myers has been employed as an account executive. She will work in the customer service areas. She has eight years banking experience, in the positions of assistant cashier, loan officer and supervisor of a customer service department.

Changes Told in Lindsay

Bank of Lindsay has recently announced the nomination of James C. Arlt as president and Daniel J. Korus as assistant vice president. Mr. Arlt was most recently executive vice president of Bank of Lindsay and is replacing Barry V. Marsh who has joined Tilden Bank as executive vice president. Mr. Korus was most recently assistant vice president of Norwest Bank Grand Island.

Four Promoted in York

The First National Bank of York has recently announced the promotion of Bruce Fagot, vice president, to vice president and comptroller; Randy Shelden, assistant vice president of marketing, to vice president of marketing; Kevin Henderson, operations officer, to assistant vice president in charge of operations, and Ray McKenna, consumer loan officer, to assistant vice president of the consumer loan department.

Mr. Fagot started with the bank in 1977 and has served as auditor and in charge of the credit administration department prior to assuming his present duties. He will also serve as supervisor of full service branch activities.

Mr. Shelden started with the bank in 1976 and worked in the consumer and commercial loan departments. He was named manager of the marketing department in 1981.

Mr. Henderson started with the bank in 1981 and was named operations officer in 1983. In addition, he will head up the new human resources division which will give him the responsibility of personnel officer and other employee related activities.

Mr. McKenna started with the bank in 1980 and was named a con-

sumer loan officer in 1983. He will have the additional responsibilities of the day to day operations function of the department.

Changes Told in Falls City

Kevin Malone recently joined the First National Bank and Trust Company, Falls City, as an assistant vice president. Previous to his employment with the First National Bank, he had spent the last two and one-half years with the Johnson County Bank, Tecumseh.

First National Bank and Trust Company also promoted Lydell Woodbury from agriculture loan officer to assistant vice president and agriculture loan officer.

Elected to Board in Aurora

David A. Laferla, vice president, cashier and assistant trust officer, has been elected a member of the board of First National Bank and Trust Company in Aurora.

Mr. Laferla has been with the bank since 1982 when he joined the staff as vice president and operations officer. Prior to this position, he was with the Security National Bank of Omaha.

Addition in O'Neill

Joe Wegner, a former Antelope County Farmers Home Administration supervisor has joined the First National Bank of O'Neill, Nebraska, as an assistant vice president/loan officer working primarily with agricultural loans.

Mr. Wegner attended Northeast Technical Community College for two years before receiving a BS degree in ag economics from the University of Nebraska-Lincoln.

Promoted in Mead

Scott Selko has recently been promoted to cashier of the Bank of Mead. He has been management trainee with the bank since 1984. Mr. Selko is a graduate of the University of Nebraska at Lincoln with a major in finance.

Retired in Benkelman

J. Milo Spaulding, vice president of State Bank, Benkelman, retired on December 31. His career at the bank spanned 45 years.

NBA Conference To Be Held in Scottsdale

The 1986 Bank Executive Conference, sponsored by the Nebraska Bankers Association, will be held Feb. 19-23 at the Loews Paradise Valley Resort in Scottsdale, Ariz. It will be entitled "Looking Out for #1," and feature presentations on health, stress, wellness and time management.

There will be a reception from 7:00 to 8:00 p.m. on Feb. 19. The Feb. 20 session begins with continental breakfast at 8:30 with programs until noon. After lunch on your own, the afternoon features golf and tennis with an awards reception and banquet at 7:00 and 8:00 p.m. respectively.

On Feb. 21 there will be breakfast at 8:30 and programs until noon, with the afternoon and evening free. The Feb. 22 schedule is the same except for the reception/dinner at 6:30 p.m.

Registration is \$330 per person, \$15 per person for the tennis tournament, and \$42 per person for green fees and cart rental for 18 holes of golf. For more information or to register, contact the NBA office in Lincoln.

Sponsored by KBA & NBA

Schools of Banking, Inc., sponsored by the Kansas and Nebraska Bankers Associations, will include four week-long schools during 1986. The schools include School of Banking Fundamentals, March 17-21, Holiday Inn, Manhattan, Kan.; Professional Development Program Intermediate School of Banking, September 21-26, Holiday Inn, Manhattan, Kan.; Commercial Lending School, April 7-11, Holiday Inn, Manhattan, Kan., and School of Trust and Financial Planning, July 14-18, Holiday Inn, Manhattan, Kan. (also sponsored by the Iowa Trust Association).

The Schools of Banking, Inc., a non-profit corporation, provides occupational education for bankers in Kansas and Nebraska as well as bankers in the surrounding states who wish to attend.

For further information and registration call or write: Jone Beer, administrator, The Schools of Banking, Inc., 525 South 13th Street, Lincoln, Nebraska 68508, (402) 474-3313.

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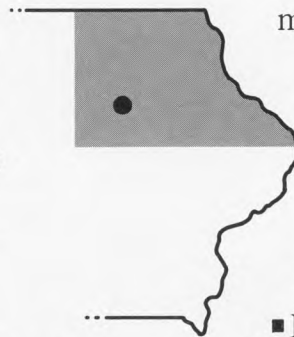


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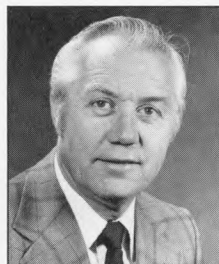
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N. Milner, exec. v.p., Des Moines



New Appointments Made At Merchants National

Henry Royer, president of Merchants National Bank, Cedar Rapids, has announced the appointment of Jerry N. Trudo to head the correspondent services division and the agricultural department, and the appointment of two officers to head two new divisions as part of an organization re-structuring.

Mr. Trudo succeeds John E. Mangold, who retired at year-end as senior vice president after a 32-year career with MNB.



D.W. COPPOCK

J.H. STRUVE



J.N. TRUDO

R.J. LOUVAR

Mr. Trudo has worked at Merchants National Bank since 1966 when he was a student at the University of Iowa. He worked part-time for three years, then became full-time staff member after he received his BBA degree in 1969. After working in the credit review and commercial lending departments, he transferred in 1971 to the correspondent banking division. He

left there in 1976 for a two-year stint in MNB's international division, then re-joined the correspondent banking division in 1978. He was elected a vice president in 1980. Mr. Trudo was graduated from the Iowa Ag Credit School at Ames in 1972 and from the ABA Commercial Lending School at Norman, Okla., in 1977.

D. William Coppock, senior vice president, has been appointed head of the new personal services division which includes the personal banking, trust and marketing departments. Mr. Coppock formerly headed the wholesale banking division.

James H. Struve, senior vice president, was appointed head of the corporate services division which is made up of the corporate banking, international, commercial and mortgage loan departments, as well as loan services. Mr. Struve's previous assignment was head of the retail banking division.

Other banking divisions will continue as presently structured.

Mr. Royer also announced the election of Robert J. Louvar as an assistant vice president in the correspondent bank division. He joined the division in late October. He was graduated from the University of Iowa in 1974 and from the Stonier Graduate School of Banking at Rutgers University in 1985. Mr. Louvar has 10 years of banking experience in lending, operations, administration and data processing. Most recently, he was president and CEO of Mid-America Financial Services in Davenport.

Mr. Royer further announced the election of three new officers. John Rodriguez moved from senior analyst in deposit accounting to director of teller operations. Dee Ann Glover, accounts administrator, and Bonita Martin, administrative assistant, both were elected real estate loan officers.

Bill Bernau Succeeds Tom Huston as Superintendent

Thomas H. Huston submitted his resignation as Iowa superintendent of banking to Governor Terry Branstad, effective January 9, 1986, and the Governor has appointed William R. Bernau, 54, to succeed him. Mr. Bernau is owner of three Iowa state-chartered banks. He assumed his new duties January 10.



T.H. HUSTON

W.R. BERNAU

Mr. Huston announced his intention to leave the superintendent's job by way of a conference telephone call December 27 to the media from his office in Columbus Junction where he is chairman and president of the \$42 million asset Columbus Junction State Bank. He had held the demanding post more than 10 years, having been appointed first on September 1, 1975, by then Governor Robert Ray to succeed Cecil W. Dunn, president of Security Savings Bank in Eagle Grove. Mr. Huston's initial appointment was to complete Mr. Dunn's term of office to June 30, 1977. He was later reappointed to the post for several terms.

Mr. Bernau is chairman and president of the \$5.3 million asset Peoples Savings Bank in Crawfordsville, where he lives with his wife, Kay. He is also chairman and president of the \$6.3 million asset Iowa State Bank and Trust Co. in Center Point, and chairman of the \$10 million asset Walker State Bank in Walker. Center Point and Walker are in Linn County, located six miles apart about 15 miles north of Cedar Rapids. Crawfordsville is located in Washington County in southeast Iowa, about 15 miles from Columbus Junction.

Mr. Bernau is a native of Lake City in northwest Iowa. After graduation from high school there he

SUPERINTENDENT...
(Turn to page 54, please)



The new Farmers and Merchants Savings Bank in Waukon features a double drive-up teller, along with a new ATM system for customer convenience. Executive Vice President Ed Lauerman notes that the ATM is especially popular with older customers.

Farmers & Merchants, Waukon, Likes New Building; Gains \$4 Million Deposits

SINCE Farmers and Merchants Savings Bank of Waukon moved into its new building last April, business continued to expand during 1985 and the bank closed out 1985 with a deposit gain of approximately \$4 million to a new high of \$42 in deposits and a new high of \$47 million in assets, according to Ed Lauerman, Jr., executive vice president. He reports the F&M staff is comfortably settled in the new quarters and is able to serve an expanding customer base because the new building provides three times the space of the old building on the first floor alone!

The new facility was designed and built by The Kirk Gross Company of Waterloo.

"Our old building had a total of 2,500 square feet," Mr. Lauerman explained, "and now we have 7,500 square feet on the first floor, with

another 7,500 square feet, including a 2,500 square foot community room, in the basement. We've had excellent response from our community ever since 3,500 people attended our grand opening in May and saw the kind of facilities and service we offer. Now, it seems the community room is always busy."

Mr. Lauerman said Farmers and Merchants Savings Bank observed its 60th anniversary in 1985 and has grown steadily since the charter was moved about 1961 into Waukon from Waterloo, which is now an office. Solid growth in recent years, he said, pushed assets above the \$40 million mark and necessitated construction of a new, much larger building. He said the bank selected The Kirk Gross Company as architect, contractor and interior designer.

Commenting on the resulting

building to achieve the bank's objective, Mr. Lauerman said "They are excellent people to work with. They were receptive to using our ideas or they explained why some of our ideas wouldn't work. We're highly satisfied—we couldn't be any happier with our new building or with The Kirk Gross Company."

Among the building features most appreciated are the skylights in the lobby area that give a bright, warm feeling to customers entering the bank. Other features of the new bank building, in addition to the community room, include the double drive-up window, an ATM machine and a large parking area that offers convenience for the customers. □

Vice Chairman, Pres. Named in Indianola

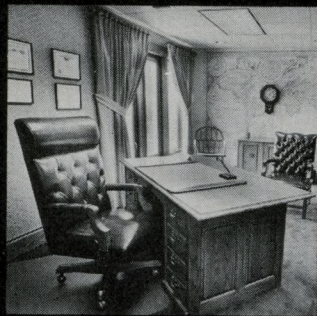
Eugene T. Smith has been named vice chairman of the board of directors at Warren County Brenton Bank, Indianola. He has been with Brenton Banks since 1955, and has been president of Warren County Brenton Bank since 1965. Clark Raney will succeed him as president and chief executive officer. Mr. Raney previously was senior vice president of the bank.

In his new assignment, Mr. Smith will continue his public relations responsibility, work closely with customers and the board of directors, direct the bank's real estate properties and continue working in the trust area. He plans retirement from full-time duties in April of 1987.

Mr. Raney has been with Warren County Brenton Bank since 1983. He had previously been with the Brenton Bank in Emmetsburg, beginning in 1975.



LEFT—The lobby area is bright and warm with the help of skylights. **RIGHT**—The expanded teller line and spacious lobby were designed with employee convenience and customer privacy in mind. The design, construction and interior decorating were handled by The Kirk Gross Company of Waterloo, Ia.



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Retired, Added in Clarion

R.B. Bartholomaus, president of The First National Bank of Clarion, has announced that Dale C. Dougherty has retired from his duties as senior vice president and trust officer, effective December 31, 1985.

Mr. Dougherty is a 1938 graduate of Clarion High School, the Iowa State College Agricultural Credit School, and the Graduate School of Banking from the University of Wisconsin. His banking career began in 1941. After a leave of absence to serve for three years in the U.S. Navy during World War II, he returned to his association with the bank in the bookkeeping department. His duties and responsibilities through the years subsequently led to his promotion to senior vice president and trust officer.

Mr. Dougherty has been active in the Clarion community and was chosen Volunteer of the Month for October, 1985.

The First National Bank of Clarion hosted an open house in Mr. Dougherty's honor on November 29.

In addition, Neil W. Fell has been hired as an ag marketing loan officer at The First National Bank of Clarion. He joins the bank with six and a half years of agricultural credit experience. He was most recently employed by the North Central Iowa Federal Land Bank Association in Mason City.

Banker John Hughes Is Slain by Crazy Farmer

John R. Hughes, 46, president of Hills Bank & Trust Co. in Hills, was shot and killed in his office at the bank the morning of December 9 by 63-year-old Dale N. Burr, a farm customer of the bank. Mr. Burr apparently went berserk that morning and, after having killed his 65-year old wife at their farm home, went to the bank where he killed Mr. Hughes with a shotgun blast to the head, then proceeded to the nearby farm of Richard Goody, 37, and killed the young farmer. When stopped within minutes by a deputy sheriff, Mr. Burr turned the gun on himself and committed suicide.

The bizarre affair was declared as totally irrational and perplexing by all associated with the bank and the victims. Mr. Burr had a \$400,000 loan at the bank but there had been no discussion of pressure or foreclosure, nor was any planned, according to bank officials. There had been meetings with the customer only to agree on financial matters and schedule payments. Mr. Burr had extensive landholding equity that far exceeded his debts, according to reports.

John Hughes was a native of the Hills area and was graduated from Iowa State University and the University of Iowa law school. He practiced law until joining the Hills

Bank & Trust in 1969 as vice president. He was advanced a year later to be executive vice president and had served as president since 1975. Under his leadership at the Hills Bank & Trust, in a community of 500 people, the bank grew from \$30 million in 1975 to its present size of \$187.7 million as of September 30, 1985.

Mr. Hughes was a member of the board of directors at the Iowa Bankers Association and had been involved in several committees of the IBA. His most notable banking venture was his leadership in having the town of Hills annex an old railroad right-of-way for the seven miles between Hills and Iowa City. When the project was completed, it gave Hills Bank authority under Iowa law to open an office in Iowa City because the two were then contiguous. He was president of the Iowa City Chamber of Commerce in 1982. He is survived by his wife, Karen, and two daughters, Emily, 17, and Amy, 14.

The board of directors has designated Dwight Seegmiller, senior vice president, as managing officer of the bank.

Changes in Luana Told

Dale Linderbaum has been appointed a director of the Luana Savings Bank to fill the vacancy created by the resignation, due to ill health, of C. Adrian Riveland. Janice Bruns was also promoted to vice president of the bank.

NABW Meets in DeWitt

The National Association of Bank Women quarterly meeting was held in November at DeWitt. Over 40 members and guests listened to a panel discussion on the topic of interstate banking. Loretta Buchheit, president, Southeast Iowa Group of National Bank Women, presided over the meeting while Carol Petz, state president of NABW, attended as an honored guest. Members of the panel included Ed Tubbs, chairman, Maquoketa State Bank; Bruce Meriwether, president, First National Bank of Dubuque; Jerry Huiskamp, president, Blackhawk State Bank, Milan, Ill., and Don Runger, senior vice president, Hawkeye Bancorporation, Des Moines.

KING MANAGEMENT COMPANY

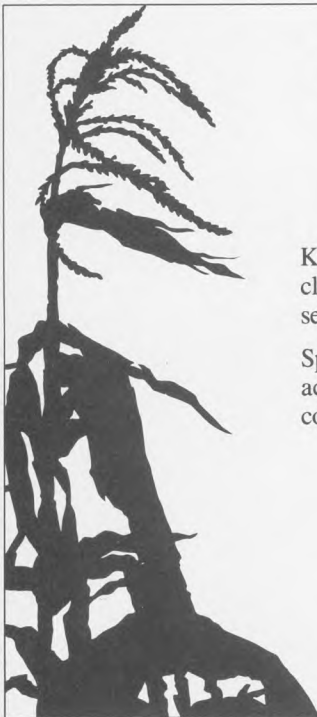
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TAKING PART in the Iowa Business Trends meeting were, left to right: **Dr. Sung Won Sohn**, sr. v.p. & chief econ., Norwest Corp. Minneapolis; **Dr. James O. Freedman**, pres., U. of Iowa, Iowa City; **George F. Milligan**, pres., Norwest Bank Des Moines; **Mark W. Putney**, pres. & ceo, Iowa Resources, Inc., Des Moines, and **James P. Gannon**, editor, *The Des Moines Register*.

At Norwest Business Trends Conference

A Look at Iowa's Future, Opportunity

By **BEN HALLER, JR.**
Publisher

FOR its 27th Annual Iowa Business Trends Meeting in Des Moines last month, Norwest Bank Des Moines moved from the traditional format of straight business forecasts offered in previous years to a special format that offered a positive look at Iowa today and tomorrow. In addition to the usual noon luncheon economic forecast, the three executives on the morning panel discussed "Iowa, the Challenge," "Iowa, the Opportunity," and "Iowa, the Future."

Addressing those topics were James P. Gannon, editor *The Des Moines Register*, Des Moines; Mark W. Putney, president and CEO, Iowa Resources, Inc., Des Moines, and James O. Freedman, president, The University of Iowa, Iowa City. The luncheon speaker was Dr. Sung Won Sohn, senior vice president and chief economist for Norwest Corporation, Minneapolis, discussing "The 1986 Economic Forecast."

George F. Milligan, president of Norwest Bank Des Moines, N.A., hosted the meeting and greeted the 500 guests. He thanked the speakers for re-arranging their schedules to take part in the conference exactly one week later than scheduled. On

the original date of December 2 the city and all of Iowa was buried in a typical Iowa winter blizzard. Mr. Milligan said the assets Norwest manages in Iowa banks now total more than \$2 billion, "so we have a big stake in Iowa." Mr. Milligan then introduced the individual speakers.

Speaking to "Iowa, the Challenge," Mr. Gannon said "we are ending the first half of a decade to which many of us might well say, 'Goodbye, and good riddance.'" He said the challenge in Iowa today is "to work together to turn around the economic fortunes of our state, so that we can build a better future for ourselves and our children. And I suggest to you today that it can, and must start, as we begin the second half of this decade. We cannot afford another five years of stagnation. It is time to get Iowa on the move again."

He urged Iowans to have vision—"a clear picture of where we want to go"—will—"the will to make it happen"—and leadership—"leadership to help chart the future."

Mr. Gannon envisions an Iowa "for the rest of this century as an Iowa of fewer farms, fewer small towns, and prosperous regional trade centers—in places like Carroll, Mason City and Ottumwa...stress-ing excellence in education from kin-

dergarten through college...the best job retraining and career counseling programs in the nation—to help ease the transition from the small, family farm culture to the era of the larger agri-business enterprise." He stressed the need for the "will to make it happen," which requires leadership as "a shared responsibility... 'If not us, who? If not now, when?'"

Mr. Putney, speaking on "Iowa, the Opportunity," said Iowa's financial institutions provide "a strong core to Iowa's economic base. Iowa's central location is to its advantage...There is opportunity for Iowa in the billions invested in the '70s in new energy plants that stand ready to serve whatever advances Iowa experiences...there is opportunity in agriculture and other exports and its manufacturing sector."

Mr. Putney said Iowa Resources has "cost containment measures in place to hold down costs to customers so energy costs would be lower to attract people here." He added that all Iowans must "work smarter, sell harder, achieve more. Sell Iowa every chance we get. We need a strong, non-partisan development without seeking gain for political reason, for personal or selfish gains. It is time to get at it now."

Dr. Freedman reviewed the changing power structure in the world as other nations develop, "and we can prepare ourselves for the opportunities that change offers...As we look to the future, we have an opportunity to look where growth will take place, equip ourselves and design those products and services they'll need to buy. Iowa has the opportunity to be one of those states that take advantage of this opportunity of the future. We must train our upcoming generation to speak languages and be schooled in their customs and history."

Dr. Sohn attributed much of the economic chaos in this nation to our falling exports and rising trade balance deficits. He said South American countries are squeezed for money and can't buy. In addition, we are losing our technological competitive edge. "It's being transferred or stolen to Japan, etc." he stated. Dr. Sohn said our ag products will sell abroad again—"eventually, but not now."

Dr. Sohn said it is imperative to reduce the federal budget deficits and cut spending. He urged manu-

facturers to do a better marketing job, and start worrying about tariffs on *countries* and *not* commodities.

Dr. Sohn expects slower growth in 1986, lower interest rates the first few months, and the dollar value continuing down. "It takes a year for the dollar decline to take effect," he stated, "so in the last part of 1986 we expect to see a gradual switch upward in our trade balances. Activity will pick up and so will interest rates to some extent." □

Named Operations Manager at Des Moines Fed Office

JoAnn Bennett has been named manager of operations of the Des Moines office of the Federal Reserve Bank of Chicago. She reports directly to Thomas P. Killeen, vice president in charge of the Des Moines office.

In her new position, Ms. Bennett will oversee operations of the office, including the check processing and automated payments areas.

She joined the Des Moines office in 1973, when it was established, as a reconciler in the check processing area. Since then, she has been pro-

moted to positions of increasing responsibility including division manager of check adjustment in 1983, and division manager of operations support in 1984.

Ms. Bennett is currently working toward a bachelor's degree from Drake University in Des Moines.

Pres. Named in Albia

Peoples National Bank and Trust Company, Albia, has announced the appointment of James E. Oberts as president.

Mr. Oberts has served as executive vice president of the Bank of Cahokia in Cahokia, Ill. He was also president of the First National Bank of Lawrenceville, Ill., for five years and president of the Weldon Springs Bank in St. Charles, Mo., from 1983 until 1985 when the bank underwent an ownership change.

VP Named in Boone

Robert F. Scott, president of Boone State Bank and Trust Co., has announced that Amy S. Beattie has been named vice president and trust officer of the bank. Ms. Beattie has been engaged in a private law practice for two and a half years.

Joins North English Bank

Les Johnson has joined the Farmers Savings Bank of North English as executive vice president. Mr. Johnson resigned recently as executive vice president of Andrew Savings Bank, where he had worked more than six years.



L.L. JOHNSON

Prior to joining the Andrew bank, Mr. Johnson was employed for five years as a teacher, administrator and coach in the Andrew elementary school system. He was graduated from the University of Dubuque in 1974 with a BA degree and has taken Masters degree studies at Clarke College in Dubuque.

Mr. Johnson will complete his studies this next summer at the Graduate School of Banking at Madison, Wis.

Merger in Waterloo

R.K. Sverdahl, president of Peoples Bank & Trust of Waterloo, and Thomas P. McDermott, president of LaPorte City State Bank, recently announced that the LaPorte City State Bank will be merged with and become an office of Peoples Bank and Trust Company of Waterloo. Both of the banks involved are currently owned by Peoples Bankshares, Ltd. Peoples Bank is the flagship bank of the multi-bank holding company and LaPorte City State Bank joined the holding company in December of 1983.

This merger will provide a broader base of resources and new services, including electronic funds transfer products, trust services, and larger lending limits to the LaPorte city area.

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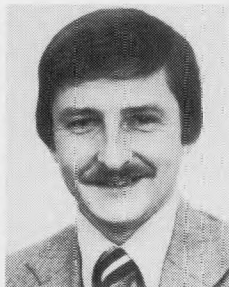
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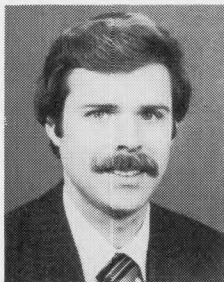
Valley National Bank announced the promotion of **Verne C. Bates** to senior vice president in charge of trust and retail banking; **Charles Leibold** to vice president and senior trust officer, and **Michael R. Hyzer** to vice president and trust counsel.



V. BATES

Mr. Bates joined Valley Bank in 1975 and most recently was vice president and senior trust officer.

Mr. Leibold joined Valley Bank in 1981. He previously served as vice president and trust officer.



C. LEIBOLD



M. HYZER

Mr. Hyzer joined Valley Bank in 1981 and most recently served as senior trust officer.

* * *

First Interstate of Greenfield announced the election of **Martin Dietrich** as president and CEO assuming the position previously held by

Larry A. Bergemann who resigned this position to pursue other interests.

Mr. Dietrich currently resides in Paynesville, Minnesota, where he was president and CEO of First Bank, Paynesville, from 1969 until taking his early retirement in June of this year.

* * *

Richard N. Strang has recently been elected to the office of vice president-investments of Brenton Banks Inc. Mr. Strang is succeeding **Betty L. Steele**, vice president/secretary, upon her retirement December 31, 1985, after 32 years of association with Brenton Banks.



R. STRANG

Mr. Strang brings over twenty-five years of investment experience to the Brenton organization. Prior to joining Brenton Banks, he was employed for seven years with a private investment counseling firm in Chicago. Most recently, he managed fixed income portfolios totaling one billion dollars for various financial concerns. Previously, Mr. Strang was an investment officer in the bond department of National Boulevard Bank of Chicago where he supervised correspondent bank customers' bond portfolios.

Brenton Bank Sponsors Sweepstakes



John T. Carter, e.v.p., Brenton National Bank of Des Moines, is shown here with **Wayne E. Swegle** and **Jerome L. Welter**, (Gay Brenton, communications assistant, looks on), two of the most recent winners in Brenton Bank's Shazam sweepstakes. This sweepstakes is designed to promote usage of automated teller machines bearing the new Shazam_{SM} logo. Mr. Swegle has won a VHS remote control video player/recorder and Mr. Welter, an AM/FM stereo cassette player.

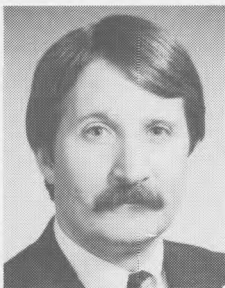


Hawkeye Sponsors Student Advisory Board



ABOVE—Hawkeye Bank & Trust of Des Moines' Drake Student Advisory Board was formed as an open line of communication between Drake University students and Hawkeye Bank & Trust. This open line is achieved through the development of a positive and personal relationship between advisory board members and the bank. The students selected to represent Drake University on the advisory board are: Barry Blankfield, a senior majoring in bank management and investments; Melinda Brown, a junior majoring in speech communications and business; Amy Drushella, a senior majoring in marketing; Christopher Faber, a senior majoring in corporate finance; Suzanne Geer, a junior majoring in accounting and corporate finance; Lois Grote, a junior majoring in music education, and Michel Owens, a freshman majoring in international relations and foreign policy.

Bradley L. Burt has been named vice president and director of marketing of Bankers Trust Company. Mr. Burt joined the bank in 1973. In 1983, he took a leave of absence from his duties as vice president of commercial lending to pursue the proposed development of the Iowa World Trade Center. He served as vice president of the Iowa World Trade Center Development Company. Mr. Burt is a graduate of Simpson College where he earned a degree in economics.



B. BURT

* * *

Brenton Bank and Trust Company of Urbandale recently invited its customers and the community of Urbandale to join **Chris Branstad** and her children, **Eric, Allison, and Marcus**, for a special Christmas tree

lighting ceremony and holiday open house.

Mrs. Branstad, the wife of **Governor Terry Branstad**, switched on the lights of a 25-foot tree, placed in the bank's reflecting pool. The tree, previously located at the Des Moines public library, was purchased from the Greater Des Moines Chamber Federation and helped to add to the festive atmosphere along Douglas Avenue during the holiday season.

* * *

Bankers Trust has recently promoted **John B. Willmore** to controller, **Ralph Richter** to assistant controller/financial planning, and **David E. Arens** to credit manager.

Mr. Willmore joined Bankers Trust in 1982 as an administration project manager, transferred to financial plan-



J. WILLMORE

ning as accounting supervisor and was promoted to accounting officer in 1983. In 1984, he became assistant vice president/money desk and in 1985, was promoted to director of financial planning in the control department.

Mr. Richter was hired in 1981 as a management trainee in check processing. While in operations, he also served as a float analyst and in 1983 became payroll processing supervisor. In 1983, Mr. Richter was promoted to financial planning analyst and in 1984, was promoted to accounting officer.

Mr. Arens was hired in 1984 as a management trainee/credit analyst; he was later promoted to senior credit analyst in 1985.

* * *

Alan Rivers, vice president, commercial loans, of Hawkeye-Capital Bank & Trust has been named head of the bank's loan area.

Mr. Rivers, whose responsibilities will include the consumer, commercial, and real estate loan functions of Hawkeye-Capital Bank & Trust, has been with the bank since 1982.



A. RIVERS

* * *

Changes Told in Dubuque

William G. Kruse, chairman and CEO of the First National Bank of Dubuque, has announced that a plan of ownership restructure of First National Bank was completed on December 16, 1985. First Dubuque Corporation is now the parent company of First National Bank and the former stockholders of First National Bank are now the stockholders of First Dubuque Corp.

The same management will serve First Dubuque Corp. that serves First National Bank.

Added in Hills

Brad M. Langguth has joined the staff of Hills Bank and Trust Company in Hills as an assistant vice president. He comes from Bedford where he was employed by the State Savings Bank.



ENJOYING themselves during First Interstate Bank Des Moines' "Business After Hours," an event sponsored by the Des Moines Chamber of Commerce, were, from left: **Ollie Hagen**, pres. First Interstate of Iowa, Inc.; **Andy Mooney**, pres., D.M. Chamber of Commerce, and **Robert G. Millen**, pres. & ceo., First Interstate Des Moines. The "Business After Hours," gatherings are opportunities for local businesses to "show off their companies," a D.M. Chamber representative said. The program, which began on a quarterly basis, now takes place monthly.

Five Promoted in Ames

Five have been promoted at First National Bank, Ames.

Edward Jacobson was advanced to senior vice president. He joined the bank in 1964 and has held a variety of positions including manager of the University office.



E. JACOBSON

Nancy Linden has been promoted to head bookkeeper. She joined the bank in 1979 in the bookkeeping department. **Janis Strum** was advanced to assistant head bookkeeper. She joined the bank in 1957, and after a ten year absence rejoined

in 1972 in the bookkeeping department.

Kim Shields was promoted to check processing supervisor. She joined the bank in 1981 as a teller. **Linda Bottorff** was advanced to senior secretary. She joined the bank in 1981 as a secretary and receptionist at the main bank.

Promoted in Davenport

Peter J. McAndrews has been promoted to first vice president at Davenport Bank and Trust Company. He will head the bank's new consumer banking division, which was created by integrating existing bank services and functions which cater directly to the individual customer. Mr. McAndrews previously served as president of marketing.

Promoted in Waterloo

Peoples Bank and Trust Company of Waterloo announced the promotion of **James L. Friedl** to the position of assistant vice president in the bank's lending division.



J.L. FRIEDL

Mr. Friedl joined the bank in 1979 and is a graduate of the University of Northern Iowa with a degree in financial management. He had worked in the bank's trust division prior to joining the loan division in 1984.

Midwest Banking Services Formed

Chuck Fritz, president of Kellogg-Sully Bank & Trust, has formed Midwest Banking Services, a consulting firm located at Kellogg which will specialize in assisting banks with their loan portfolios. Mr. Fritz resigned from the Kellogg Bank on December 12 to devote his time to the new venture.

BICS Elects AVPs

Brian Scott, president of Banks of Iowa Computer Services, Inc., has announced the election of three new assistant vice presidents. All three are also branch managers of remote item processing centers.

T. Ross Chess, assistant vice president and branch manager of the Cedar Rapids Branch, has been employed at BICS since 1980. He was previously employed by Old Kent Financial Corp. and Trans-American Financial Corporation, both of Michigan.

Stephen Anderson, assistant vice president and branch manager of the Des Moines office, joined BICS in 1979 after employment with the Federal Reserve Bank and the Iowa Des Moines National Bank, and has also worked in the branch network in a number of key positions, all of which were at the Des Moines site.

Randy Johnson, assistant vice president and branch manager of the Waterloo site, joined BICS in 1983 as branch manager, and was previously employed as an officer of the Pleasantville State Bank.



TAKING part in Brenton Bank's business breakfast were, from left: **C. Robert Brenton**, pres., Brenton Banks Inc.; **Dr. Edward J. Campbell**, speaker & chf. economist, Brown Brothers Harriman & Co., N.Y., and **Thomas J. Flynn**, v.p., trust div., Brenton Banks. Dr. Campbell's presentation gave insight to economic trends in housing, agriculture, and the government, which "could have a surplus in ten years," Dr. Campbell said.

Betty Steele Retires

One of the most prominent women bankers in Iowa and the nation completed her banking career December 31 when Betty L. Steele retired from Brenton Banks, Inc., as vice president and secretary after a 32-year career with the Brenton organization.



B.L. STEELE

Mrs. Steele began her career at the Brenton bank affiliate in Beavertown in 1953. She was made an officer in 1959, then was advanced in 1966 to be vice president in charge of the real estate and trust departments. In 1967 she joined the Brenton Banks, Inc., holding company staff as vice president/secretary and served as a member of the board of directors from 1967 to 1983. Mrs. Steele was on the Brenton marketing committee for several years, chairing the women's division of the marketing committee. She was also editor of the *Brenton Teller* for 10 years.

Apart from her work as a Brenton officer, Betty Steele was best-known for her years of dedicated work on behalf of the National Association of Bank Women. After many years of service to NABW, she became the national president, the second Brenton officer to hold that high position. The other Brenton associate to serve as NABW president was the late Helen Rhinehart, a long-time Brenton employee and the company's first woman officer. Mrs. Steele was a member of the NABW board for eight years and a member of the NABW Educational Foundation board of trustees for two years.

Additionally, the Central Iowa Group NABW funds the Betty L. Steele scholarship, an award for NABW members which is used for management skills courses that were developed during her term as NABW president.

Mrs. Steele also served as a member of the American Bankers Association government relations council and its administrative committee and as a contact banker with the U.S. Congress on legislative matters.

In other areas of work, Mrs. Steele was considered for the position of U.S. Treasurer during the

Carter Administration. In 1976 she was awarded the Chamber of Commerce National Leadership award. She served on the Dean's advisory committee, College of Home Economics at Iowa State University in Ames, and on Governor Branstad's public/private sector Task Force for Volunteerism. Currently, Mrs. Steele is a director of the Central Iowa Chapter, American Red Cross, a member of its executive committee, and assistant treasurer.

NORWEST CONFERENCE . . .

(Continued from page 33)

closed-circuit TV and two-way phone hookup he addressed the conference and responded to questions from the audience.

Sen. Boschwitz said he had voted for the FCS bill the day before "to stabilize an important segment of our farm industry. Hopefully, this will make people less queasy and may help stabilize attitudes to other lenders." He added that he was working hard for his amendment to buy down interest rates between the government and the lenders (an amendment later defeated). He said he favored Gramm-Rudman because it forces Congress to act on deficits. We should make adjustments to every item of the budget, including Social Security."

Sen. Boschwitz' address was followed by an extended question and answer period.

The conference at the Minneapolis Hyatt Regency concluded with the annual Duck Dinner, with outstanding entertainment provided by The Golden Strings, a Minneapolis tradition of elegant music that is being preserved through continuous performances at other locations since the downtown Radisson Hotel was razed.

SUPERINTENDENT . . .

(Continued from page 45)

was graduated from Harvard University in 1954 and earned his law degree from the University of Iowa in 1957. After eight years of private law practice he entered the banking business in 1965. He was elected chairman of Group 11 last February at the annual meeting in Burlington for a two-year term. In that position, he is automatically a member of the Iowa Bankers Association board of directors, a post he has resigned to

accept appointment as superintendent of banking.

Mr. Huston said farmers in his area and all over the state are having difficulty. Asked to what degree the pressures of his job and having to close 10 state-chartered banks in Iowa in 1985 affected his decision, Mr. Huston said, "I didn't like it. It was distasteful. I could do it, but I certainly didn't enjoy it. The total demand is so heavy now that it needs someone on this job full-time." Mr. Huston had been commuting between Columbus Junction and his Des Moines office weekly and figures that he and his wife, Alice, stacked up 140,000 miles on their car in those round trips.

He assured reporters he did not resign because of any difficulties in his own bank or because he was requested to do so. "I did it of my own volition," he said, "because I felt this was the best time to do it. I'm not unhappy with anybody or anything. I don't see any bank closings for awhile, so I think this is a good time to step aside."

Mr. Huston is a native of Columbus Junction and was graduated from Iowa State University with a degree in farm operations. He also graduated from the Graduate School of Banking at the University of Wisconsin and from a senior bank officer's seminar at Harvard University. Mr. Huston served as president of the Iowa Bankers Association in 1971-72. He was associated in management of Columbus Junction State Bank with his father, H. Lee Huston, for many years, and succeeded his father as president in 1970.

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