

NORTHWESTERN Banker

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Measuring Management's Profitability

"It's up to the bank to help its customers grow--to make big customers out of little ones. But the bank must have a good knowledge of the customer's business." This was one of the points emphasized by Charles A. Agemian, executive vice president of Chase Manhattan Bank, New York, when he addressed the 76th Minnesota Bankers Association convention in Minneapolis last week.

Mr. Agemian said further that accountants have devised all kinds of ways to look at the profitability of a business and make management look good or bad on paper, but so far as he is concerned, two ways measure the real profitability of management: 1. If the return on equity capital is 10-12% this is a sign of good management. 2. If management is making 3/4 of 1% on the money available it is doing good, and 1% is excellent. All this is after taxes--"the only way to look at profit!"

Mr. Agemian reviewed other important points of management decisions that affect profitability in management--service charges, term loans, investments, deposit mix, proper personnel relations. In regard to the latter, he said, "I'll wager that for every 10 people on your payroll, you have one too many."

A complete report on his talk

will be published in the July issue of the *Northwestern Banker*.

NATIONAL NEWS

CHICAGO: Raymond M. Cheseldine, Jr., has been elected executive vice president of the Bank Public Relations and Marketing Association. He succeeds Vernoh Schwaergerle, who earlier announced his resignation from the post effective July 1.

CHICAGO: The Marketing Workshop sponsored by the Bank Public Relations and Marketing Association will begin next Sunday at the Ambassador Hotel and will conclude Wednesday, June 22.

NEW YORK: A panel of bankers and educators will meet here two weeks from today to investigate and evaluate the American Institute of Banking and its program, according to William E. Vojta, president of the AIB and assistant vice president, First National Bank, Chicago.

NEW YORK: J. Ashley Brown, Jr., and Jens H. Jebsen have been elected vice president at Bankers Trust Company. Mr. Brown is in investment research and Mr. Jebsen is

with the Europe-United Kingdom division of International Department.

PALM BEACH, FLA.: Charles A. Penney, formerly of Denver, has been elected a trust officer of the First National Bank in Palm Beach. He assumed his duties last Monday. He had been assistant trust officer at Denver U.S. National since 1961.

SAN FRANCISCO: Edmond P. Turounet has been advanced to vice president and manager of Bank of America's French-American branch here.

SAN FRANCISCO: Ernest J. Young, vice president in the business relationships department of Bank of America, has been named executive head of the bank's worldwide travelers cheques activities. He succeeds Vern C. Richards, who has been named president of BankAmerica Service Corporation, a wholly-owned subsidiary.

WASHINGTON, D.C.: The Administration's financial agencies are reported nearing agreement on legislation which would subject S & L's as well as commercial banks to emergency dividend and interest rate control. According to the proposal reportedly under discussion, both commercial banks and S & L's would be subjected to similar rate control for a temporary period.

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IOWA NEWS

COLUMBUS JUNCTION: The Group 11 Golf Tournament has been scheduled for June 22 at the Cedar Crest Country Club in Columbus Junction. Hosts for this year's tournament will be the Louisa County Bankers Association.

DES MOINES: Calvin W. Aurand, president, Iowa-Des Moines National Bank, has been elected chairman of the Drake University Board of Trustees at the board's annual meeting.

ELDORA: Morris Stephens, president, and David Taylor, executive vice president, First Federal State Bank, Des Moines, have been elected directors of the First National Bank here. Roger A. Jensen, cashier, First National, was also added to the board. Sam McHose and Kermit Anderson of the First National Bank of Nevada are no longer members of the board of the Eldora bank.

FARLEY: Farley State Bank will celebrate its 60th anniversary Thursday, June 23. J. L. Mahony is president and chairman of the bank and J. F. Kleeman is executive vice president.

MAQUOKETA: Edward L. Tubbs has been elected president of the Maquoketa State Bank and John W. Fagerland has been named executive vice president and cashier. Mr. Tubbs and Mr. Fagerland re-

cently resigned as vice presidents of Jackson State Savings Bank in Maquoketa to purchase the bank from M. J. Pooler.

MASON CITY: Joseph M. Barnes has been advanced from vice president to vice president and trust officer at United Home Bank and Trust Company. He joined the bank in 1962 after having been associated with Bankers Trust Company, Des Moines, for 22 years.

MASON CITY: Neil W. Peterson has been elected assistant cashier at the First National Bank of Mason City. He has been associated with Northwest Bancorporation and the First National since 1964.

SIOUX CITY: Mike Broderick, Jr., has joined the First National Bank as an assistant to Vice President Richard C. Taylor in the correspondent bank department. He was formerly with the First National from January, 1960, until January, 1965, when he joined Valley State Bank, Sioux City, as assistant vice president and cashier.

THURMAN: Claude C. Case, 62, former banker here, died May 30 in a Lincoln, Nebraska, hospital.

WAUKON: Christian Megorden, 79, retired president of the Waukon State Bank, died here June 1.

WILLIAMSBURG: LeRoy Larson, cashier of the Security Savings Bank at Eagle Grove since 1956,



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has been elected executive vice president of Farmers Trust and Savings Bank here, effective today.

NEBRASKA NEWS

BASSETT: Plans are presently being made for a new building for the Commercial Bank here. The building plans call for a drive-in banking facility and off-street parking.

FAIRMONT: The new building for the Farmers State Bank has been completed, according to Earl H. Wilkins, president of the bank.

LINCOLN: State Banking Director Byron Dunn last Monday denied both applications which had been made for a state charter to establish a third bank in Norfolk. The existing banks--DeLay National and National Bank of Norfolk--furnish a full range of banking services and facilities adequate to the needs and requirements of the community, Mr. Dunn stated.

OMAHA: The First National Bank of Omaha has purchased the old post office site from the Woodmen of the World Life Insurance Society, according to John F. Davis, president of the bank. First National's plans include a hotel and an office structure in which the bank will be the main occupant.

OMAHA: J. Cliff Rahel and Company has announced the association of E. Warren Bedell as an account representative with the firm.

MINNESOTA NEWS

ALBERT LEA: Three Albert Lea men -- Chester S. Holton, Homer L.

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Blake and Gordon R. Quinlivan-- have applied for a state charter for a state charter for a proposed Sky-line State Bank in Albert Lea. A hearing has been scheduled for July 26.

Joseph F. Ringland, Jr. Named Minnesota Banking Commissioner

Governor Karl Rolvaag has appointed Joseph F. Ringland, Jr., Edina, state banking commissioner, to succeed John D. Chisholm, Rochester, who resigned last December 1. Mr. Ringland, 34, has been a vice president of Northwest Bancorporation. Clarence Lodahl has been acting banking commissioner.

AUSTIN: Burt J. Plehal has resigned as vice president of the Austin State Bank. He had been associated with the institution since 1939 and had served as vice president since 1953. He has not announced his future plans.

DUNDAS: Dundas State Bank has increased the amount of its capital stock from \$40,000 to \$65,000 by sale of new stock.

Hubbell Elected President Of Minnesota Bankers Group

Robert J. Hubbell, president, Eastern Heights State Bank, St. Paul, has been elected president of the Minnesota Bankers Association at the organization's annual convention in Minneapolis. He succeeds D. H. Gregerson, president, First National Bank, Anoka. Paul W. Ganrud, executive vice president, Swift County Bank, Benson, was named vice president to succeed Mr. Hubbell in that post. A. Dan Fiala, president, Ogilvie State Bank, was elected treasurer, succeeding Wils A. Garratt, president, Farmers & Merchants State Bank, Preston.

LAKEFIELD: S. P. Boies, president, Farmers State Bank here, retired recently at the age of 65 years, ending a banking career of 48 years. His career began in his native Emmetsburg, Iowa, in 1918.

MINNEAPOLIS: Michael J. Crowe has retired as assistant vice president in the trust department at Northwestern National Bank.

RICHFIELD: A steelworkers strike, followed by a bricklayers strike, has postponed the opening of the Summitt State Bank of Richfield-Bloomington until July.

ST. PAUL: The St. Paul Bank for Cooperatives has increased its



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interest rates from 5% to 5½% on commodity loans and loans to be repaid within one year. Loans made made for more than one year now cost 6%, the highest rate in the bank's 33-year history and the maximum rate it is permitted to charge.

ST. PAUL: Arthur L. Peters, senior vice president, First National Bank, has been elected to the board of directors of Farwell, Ozman, Kirk & Company, St. Paul.

ST. PAUL: The Northwestern National Bank of St. Paul and the L. J. Sheridan Company, Chicago developers and builders, have announced plans to complete the occupancy of a full square block in downtown St. Paul's Capital Centre. The block is presently occupied by the 10-story New York Building and other structures which will be demolished.

SOUTH DAKOTA NEWS

WATERTOWN: William A. Rigsbee has been elected a director of the Farmers and Merchants Bank of Watertown. Mr. Rigsbee is the president of Midland National Life Insurance Company.

NORTH DAKOTA NEWS

TIOGA: LeRoy Lokken has joined the Bank of Tioga as agricultural representative. He had been employed by Farmers Union Oil Company of Tioga for the past 12 years.

COLORADO NEWS

DENVER: John B. McKeon, 41, vice president in charge of marketing and new business at Denver U. S. National, died Friday, June 3, at St. Joseph's Hospital two days following surgery.

DENVER: The first phase of the \$500,000 expansion program of the North Denver Bank, West 38th and



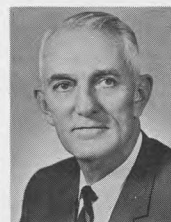
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Julian, is scheduled for completion early next month.

DENVER: Walter J. Coughlin, widely-known Denver investment banker, died June 3 at St. Joseph's Hospital. He was co-founder and president of Coughlin and Company, Inc.

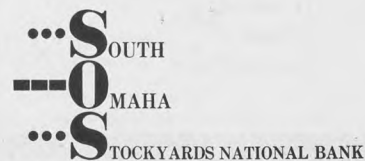
DENVER: Mrs. Marguerite V. Fenske, an employee of the First National Bank of Denver and the former International Trust Company for the past 37 years, has retired as assistant cashier at the First National.

LEADVILLE: George Pierce has been elected an adviser to the board of directors of the Commercial Bank of Leadville.



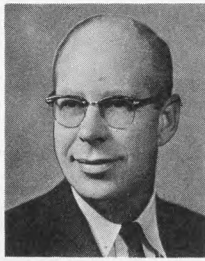
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MONTANA NEWS

GREAT FALLS: Robert W. English has been elected an assistant cashier at Central Bank of Montana. A native of Great Falls, he has been associated with the bank since 1962 when he was first employed on a part-time basis while attending school.

LEWISTOWN: Norman Nackerud, president, Northwestern National Bank of Lewistown, has been elected assistant vice president of Northwest Bancorporation.

WEST YELLOWSTONE: Approval for FDIC insurance has been granted to the new First Security Bank of West Yellowstone. Dean L. Nelson is president of the institution.

WORDEN: Farmers State Bank of Worden has made plans to erect a new building scheduled to be completed next fall. Hans C. Hansen is president of the bank.

WYOMING NEWS

CHEYENNE: Ownership of the historic 63-year-old U.S. Post Office and Court House has been formally

transferred from the federal government to the Cheyenne National Bank. The structure, in which the Teapot Dome scandal was tried in 1924, will be demolished to make way for a new bank building.

GREYBULL: Mrs. Mildred Coll, assistant secretary, has retired after having been associated with First National Bank for the past 18 years.

LATE NEWS...

HAMBURG, IOWA: Osea M. Dougan, wife of Don C. Dougan, president, Iowa State Bank, died last week. Funeral was June 9.

WHITE BEAR LAKE, MINN.: Twin Cities Bond Club will hold Annual Field Day at the White Bear Yacht Club on Thursday, June 16.

LINCOLN: Directors of First National Bank & Trust made the following officer appointments June 8: William C. Smith, executive vice president; Howard A. Chapin, vice president and senior trust officer; William E. Edgecomb, vice president and senior loan officer; A. S. Chaves, vice president and senior administrative officer; Charles R.

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Leffler and Thurston Phelps, vice presidents; George W. Barlow, Jr., and Julius M. Peschel, assistant vice presidents; Donald D. Dinkelman, assistant manager, travel division, and Duane F. Schainost, assistant cashier.

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