NORTHWESTERN Banker

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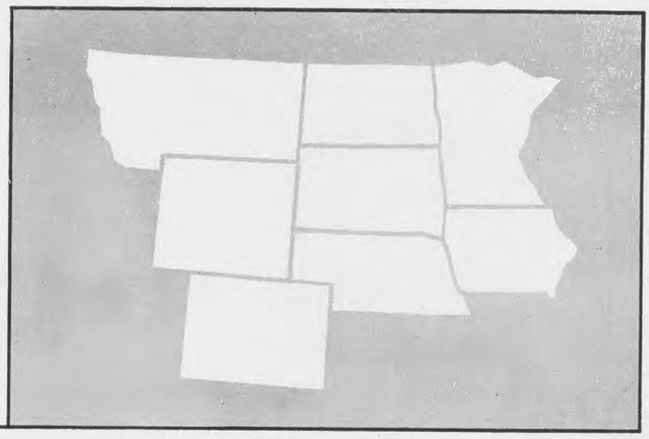

Airline Strike, Tight Money Face LBJ

Biggest news of the week on the home front was the overwhelming refusal by airline mechanics to ratify the labor contract which President Lyndon Johnson had announced publicly on nationwide TV had been agreed to by leaders from the union and management. Several of the immediate effects were:

1. Continuation of the strike against five airlines, which is tying up personal travel and commerce of of a good share of the nation.

2. Considerable loss of prestige for the President, who "shot from the hip" with over-confidence in stating the strike was ending after his personal "reasoning together" with both sides.

3. An even greater threat to inflation in the months ahead because the President's guideline for wage-price increases has been completely disregarded.

In the tight money battle, little hope is seen that H.R. 14026 will get final Congressional approval this year. It sets a one-year statutory ceiling of 4½% on CD's under $100,000. The FHLBB would get stand-by controls over S&L's dividend rates. The National Association of Home Builders asked the House Banking Committee and individual members of Congress to pass the bill, and establish bank rates on savings ½% lower than S&L's dividend rates. They were given little encouragement by Congressmen.

The modified "Cease and Desist" bill (S.3158) was supported last week by both the A.B.A. and the U.S.S&L. League. Opposition is still expressed by the National Association of Supervisors of State Banks, Independent Bankers Association, and National League of Insured Savings Associations. Resolutions opposing "cease and desist" were passed by all states in *Northwestern Banker* area having state conventions this spring.

Comptroller James Saxon is violently opposed to the amendment which says the Comptroller must obtain approval of the Federal Reserve Board before he could remove or suspend a bank officer, and has asked Congress to not pass the bill in this form.

NATIONAL NEWS

CHICAGO: Harold W. Lewis, vice president of The First National Bank of Chicago, where he has headed the advertising and public relations department for the past 16 years, retired August 1. His 35-year career with the bank began in the new business department on June 6, 1931. He will continue to be active in business as consultant in the Chicago office of Bank Building and Equipment Corporation of America.

KANSAS CITY: An exhibit of Egyptian and Syrian stamps, coins, photographs and decorative metal objects is on display in Commerce Trust Company's Garden Gallery Lobby until August 13. The exhibit is sponsored by Commerce Trust's international department.

MILWAUKEE: Eduardo Benet, who began his banking career in his native Cuba in 1924, and later joined First Wisconsin National Bank as a vice president in 1962, has been appointed senior vice president. He heads the bank's international department. Mr. Benet resigned his post as president of Banco Continental Cubano in 1960 in protest against the Cuban government and moved to Venezuela where he worked as a Central Bank advisor until joining First Wisconsin two years later.

MINEOLA, N. Y.: Dirck H. Post has been elected a vice president of Franklin National Bank. He is assigned to the national division and travels the midwest states.

MONTREAL: On August 1, Bank of Montreal opened its 1000th office, it was announced by G. Arnold Hart, chairman and president. He said the opening of the office at Sussex, N.B., is a milestone in the bank's 150th year, which will be reached in 1967.

NEW YORK: David B. Dyche, Jr., Charles E. Phillips and Henry C. Schreier, Jr., have been elected vice presidents of Morgan Guaranty

IOWA NEWS

BLOOMFIELD: William L. Boatman has returned to his native Bloomfield to join the staff of Davis County Savings Bank. He was formerly manager of the Milton office for the State Savings Bank of Cantril.

BRITT: First State Bank has increased capital from $100,000 to $200,000.

CLIMBING HILL: An auction was held at Oto July 26 by Climbing Hill Savings Bank to sell the two-story brick bank building, all fixtures and equipment formerly used by its Oto office, which was closed voluntarily by the bank June 30.

DES MOINES: The new drive-in parking lot office of Valley Bank and Trust Company at 17th and Grand is expected to open later this week or early next week. Open house dates for the public will be announced later.

EAGLE GROVE: Security Savings Bank will open a parking lot office at 319 West Broadway Street. Approval from both Iowa banking department and FDIC has been granted.

ELKADER: Central State Bank has increased its capital from $100,000 to $200,000.

HARPERS FERRY: Kerndt Bros. Savings Bank of Lansing which had been granted permission by the Iowa superintendent of banking some time ago to establish a bank office here, officially opened the office for business on July 25.

NEVADA: Gilbert Henry, 65, cashier at the State Bank and Trust Company, died recently.

NORTHWOOD: Northwood State Bank has doubled its capital to a new high of $150,000.

PRINCETON: H. D. Shaff, president and director, and Ralph A. Brown, director, of Farmers Savings Bank, were each presented with a plaque and gold watch at a recent directors meeting for long-time service to the bank. Mr. Shaff has been a director since 1916, and president since 1958. Mr. Brown, of Davenport, has been a director since 1932.

RED OAK: Paul D. Dunlap, president, announced last week the promotions of Carl R. Mueller from vice president and cashier to executive vice president and cashier, and Cole H. Houghton from vice president to senior vice president. Mr. Dunlap stated these two men would assume more of the daily administrative duties in the bank, since his other banking interests in Rock Rapids, Woodbine and Pella, Iowa, and Omaha are requiring more of his personal time.

ROWLEY: An addition 24 feet by 48 feet is being constructed at Rowley Savings Bank with completion date scheduled for November 15. Upon completion, present quarters will be completely remodeled and both sections will be unified in one building.

SIOUX CITY: Delaine C. Peterson, a 1966 graduate of the University of Iowa law school, has been elected an assistant trust officer of the Security National Bank.

WESLEY: Stanton E. Christie has resigned as assistant cashier of the Exchange State Bank here to become executive vice president and director of the Grand Marsh State Bank, Grand Marsh, Wisconsin.

WEVER: Farmers Savings Bank capital has been doubled from $40,000 to $80,000.

WRIGHT: Farmers Savings Bank of Fremont was granted permission by the Iowa superintendent of banking to close its bank office here.

NEBRASKA NEWS

FULLERTON: The First National Bank has purchased an adjoining building. It will be completely remodeled with a portion of it used for loan offices and the balance as a community room. Work will begin in September and completion is expected after January 1.

KEARNEY: Theodore G. Baldwin, first vice president of the J. A. Baldwin Manufacturing Company, has been named to the board of directors of the First National Bank of Kearney.

LINCOLN: Glenn Yaussi, president of the National Bank of Commerce, has announced that the bank will open a Commerce Computer Center in McCook shortly after the first of the year. The Center will be used to provide daily accounting service to banks within a 150 mile radius of McCook. The new center will offer proof and transit service

NORTHWESTERN BANKER Arranges

Deluxe 10-Day Hawaiian Vacation

FOLLOWING ABA CONVENTION THIS FALL

Ten exciting and relaxing days in the Hawaiian Islands have been arranged for officers and directors, their families and friends, who take part in the post ABA Convention Hawaiian Vacation this fall, sponsored by Northwestern Banker. The group will leave San Francisco October 26, the final day of the convention, in a sleek United Air Lines Mark IV jet, arriving at Honolulu Airport within a few hours.

Although hotels in Honolulu and the beautiful outlying islands have been booked to capacity during the period following the ABA convention, Northwestern Banker made arrangements several months ago, through Lincoln Tour and Travel Agency, for a block of rooms at the famed Hilton Hawaiian Village.

Six days will be devoted to group and individual sightseeing in Honolulu and the rest of the island of Oahu on which it is located. Three of the outer islands - Maui, Hawaii and Kauai - will be visited and reservations also have been made at prominent resort hotels on each of these islands for the group. On the final day of this outer island tour, the group will return to Honolulu, departing that afternoon (Friday, November 4) by United Air Lines jet for San Francisco, arriving that evening.

AERIAL VIEW of part of the 20-acre Hilton Hawaiian Village in foreground.

An optional return to Los Angeles may be arranged.

Cost of the entire trip from San Francisco airport to Hawaii and return to San Francisco is just $599 per person. This includes plane travel both ways plus plane service among the outer islands, all hotel accommodations during the 10 days, all meals during the outer island tour, dinner the first evening in Honolulu and the special "luau" dinner the first Sunday night at Hilton Hawaiian Village.

Arrangements for the entire trip are being made by veterans in the travel business - the Lincoln Tour and Travel division of the First National Bank and Trust Company, Lincoln. Van Duling, vice president of this division, is in direct charge of the tour and will give it his personal supervision throughout the 10-day trip, handling details of transportation, hotels and side trips. This assures all those making the trip of a relaxing, enjoyable vacation without the worry of handling such details.

BANK OFFICERS AND DIRECTORS FILL OUT THIS COUPON TODAY!!!

To:
NORTHWESTERN BANKER
306 Fifteenth Street
Des Moines, Iowa 50309

Please make reservations for your Hawaiian Vacation October 26-November 4 for:

Name_____

Name_____

Name_____

Name_____

Bank_____

City & State_____

DON'T MISS THIS WONDERFUL OPPORTUNITY!

as well as demand deposit accounting, according to Mr. Yaussi.

OMAHA: The First National Bank will hold its annual Forum of Finance on Thursday, September 8, at the Sheraton-Fontenelle Hotel. Arthur Sterling Harper of the Lionel D. Edie Company, New York, will again be the speaker at the noon luncheon. A Cattle Outlook Panel will be held in the afternoon with a banquet and entertainment in the evening.

OMAHA: Robert E. Johnson, trust officer of the First National Bank, is running for the office of Regent of the University of Nebraska.

Harry Walker has been named director of research and development for the First National Bank. For the past two and one-half years, he has been a commercial loan officer with the Wells Fargo Bank branch at Sacramento, Calif.

VALLEY: H. E. Vackiner has joined the Bank of Valley as executive vice president. He was formerly associated with the Scribner Bank.

MINNESOTA NEWS

BREWSTER: Arthur J. Kane, president of First National Bank, has sold controlling interest in the bank to Marion F. Kelly of Sioux Falls, South Dakota. Mr. Kane will stay on as president for the next two and one-half years as manager of the bank. He has owned the First National since 1922. Willis G. Quarnstrom is retiring as cashier, completing 38 years of service with the bank. Fred Koster, assistant cashier who has just rounded out 41 years with First National, will continue with the bank, as will all other officers and staff members.

FARMINGTON: Work is progressing satisfactorily on the new building for the First National Bank and is expected to be completely finished by mid-November. The unusual design features a stone front. Drive-in facilities and off-street parking also will be provided.

FLOODWOOD: Marlin J. Gerken has been named cashier of the First State Bank to succeed Mrs. Bernice Polla, who retired July 1 after many years of service with the bank.

GREENWALD: The State Bank of Greenwald's capital has been doubled from $50,000 to $100,000 by issuance of a stock dividend.

MILAN: L. O. Kleven has resigned as assistant cashier from the Peoples State Bank. He is now an accountant with a business firm in St. Paul.

ST. PAUL: A hearing has been scheduled for August 30 at 9:00 a.m. by the Minnesota Commerce Commission to hear testimony on the application of Skyline State Bank, Albert Lea, for a state bank charter there.

WAYZATA: Bill Bailey has been elected cashier of the North Shore State Bank, according to H. C. Auble, president. Mr. Bailey formerly was cashier of the North Shore State Bank in Duluth (no relationship), prior to moving to the Wayzata bank several months ago. Mr. Auble also announced the promotion of Al Lyng from assistant cashier to assistant vice president.

WILMONT: Miss Ruth Wiener has been promoted to assistant cashier at First National Bank. She has been employed by the bank since 1964. Miss Wiener succeeds Miss Grace Huisman, who resigned to be married. She is moving to Fairmont, Minnesota.

COLORADO NEWS

GOLDEN: C. E. (Gene) Adams was appointed assistant cashier of the First National Bank last week, according to John A. Fortune, president. Mr. Adams is assigned to the installment loan department where he succeeds Frank Sweeney, who has been promoted to the commercial loan department.

WYOMING NEWS

LARAMIE: The addition of two new members to the staff of the First National Bank was announced recently by Max E. Fisher, president. They are Edward H. McGraw and Peter J. Merten. Mr. McGraw first started with the bank in 1961, then took time out for three years at the University of Wyoming college of business administration and two years of military service. He has been named head teller. Mr. Merten, who worked part-time for the bank while attending the University of Wyoming, from which he graduated this June with a BS degree, is assigned to the installment loan department.

SOUTH DAKOTA NEWS

ABERDEEN: Gordon J. Curren took up his new duties August 1 as vice president and cashier of the Farm-

ers and Merchants Bank here, according to G. L. Hill, executive vice president. Mr. Curren had been assistant vice president and assistant manager of the Huron branch of the Northwestern National Bank, Sioux Falls, since 1958. He had been with Northwestern National since 1947.

NATIONAL NEWS

(Continued)

Trust Company. All are in the corporate research department.

NEW YORK: Edgar T. Savidge, deputy manager of the A.B.A. and secretary of the agricultural committee, has also been named acting director of the banking and education committee. Douglas G. Herron will devote full time to being registrar of A.B.A. schools.

ST. LOUIS: Richard Platt, Jr., has been elected assistant vice president of First National Bank, assigned to the national accounts division.

WASHINGTON, D.C.: Comptroller of the Currency James J. Saxon last week announced approval by his office of the application of General Bancshares Corporation, St. Louis, to acquire 80 per cent of the voting shares of First National Bank in St. Louis, and 80 per cent of the voting shares of St. Louis Union Trust Company, St. Louis. General Bancshares, a registered bank holding company, was organized in 1912 and today controls 10 banks, six in the St. Louis area and one each in Quincy, Benton and Zeigler, Illinois, and one in Memphis, Tennessee. The largest subsidiary is Bank of St. Louis, prior to the First National acquisition. A new holding company named First Union Bancorporation would be created to control the holdings in the various banks.

Comptroller Saxon on the same date (August 1) also approved the application of National Savings and Trust Company and the Bank of Commerce, both of Washington, D.C., to consolidate under the national charter and title of National Savings and Trust Company.

LATE NEWS...

BERNARD, IA.: John J. McCarthy, Dubuque, has been named manager of the Bernard office for Jackson State Savings Bank, Maquoketa.

DES MOINES: Northwest Des Moines National Bank opened for business last Monday in its new building. Open house will be August 18 and 19.

MONTEZUMA, IA.: Glenn L. Eichhorn, director of Montezuma State Bank, was named chairman of the board, filling the vacancy left by the recent death of Clyde McFarlin. Vincent Johnson, a local attorney, was elected a new director.

WORTHINGTON, IA.: Michael D Maloy joined State Bank of Worthington August 1 as cashier. He had been manager of the Bernard office for Jackson State Savings Bank, Maquoketa, since 1961.

RICHFIELD, MINN.: Summit State Bank of Richfield-Bloomington will open for business August 15.

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