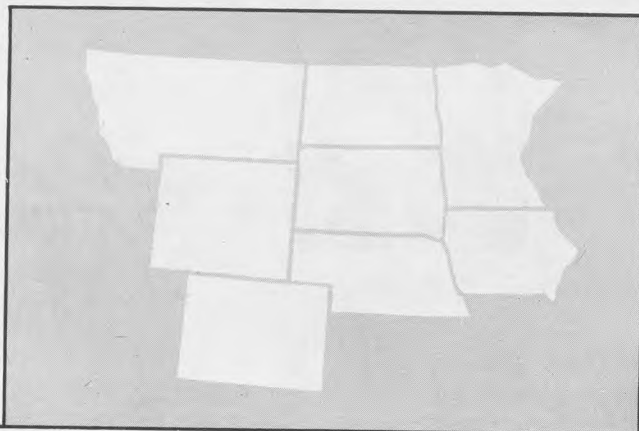


# NORTHWESTERN Banker

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April 1, 1968

## Comptroller Concerned Over Branch Laws

A denial of branching rights to banks may force the use of other — and in some instances less efficient — means of expanding available financial services.

This is the comment made by Comptroller of the Currency William B. Camp at a recent meeting of the Florida Bankers Association.

A rebuttal to this line of reasoning might possibly come from discussions held this week in Houston, Texas, when members of the Independent Bankers Association get together for their 34th annual convention at the Shamrock Hilton Hotel on April 4–6. Presiding at the convention will be Stanley R. Barber, IBA president and president of the Wellman Savings Bank, Wellman, Iowa.

Comptroller Camp said the growth of affiliate and satellite banking, holding companies, and many non-bank financial institutions “reflect in some degree the limitations which have been placed upon bank expansion through branching.”

Branch banking is not a new issue in this country, Mr. Camp

noted, even though in other industrialized countries this form of bank expansion has had general acceptance for years. Much of the discussion of this subject, he continued, has been “clouded” by questions of existing law, by the divided authority over banks, and by the interests of competing banks and non-bank rivals.

“But,” Mr. Camp stated, “there is a genuine issue of public policy here which must be faced if we are to resolve this question properly.”

Since human and material resources are not always as mobile as financial resources, Mr. Camp said it is especially important that financial resources should move “quickly and sensitively” to the points at which they may be used to best advantage.

The controversy over branch banking, he continued, has resulted in much of the discussion being diverted from the basic issues of economy and efficiency. Instead, the discussion has centered on the fear by many smaller banks that more liberalized branching

would lead to their extinction and on the differences in branching laws among the various states.

“Nothing in our experience, however, would confirm the fears of small banks,” Mr. Camp declared. “Indeed, the record shows that the restriction of branching, where there are market deficiencies, encourages the chartering of new banks, the formation of branching substitutes and the growth of non-bank financial institutions.”

In the non-branching states, Mr. Camp noted, there has been a growing movement to liberalize the laws relating to branch banking. This movement has met with varied success, he said, but it has been “gaining force.”

Joseph H. Summers, executive secretary of the Independent Bankers of Minnesota, doesn't quite agree with Mr. Camp's views. The lead article in his Association's March 26 Bulletin is entitled, “Branching—Dream or Nightmare?” He claims that Andrew F. Brimmer, a governor on the Federal Reserve Board in Washington, is dedicated to force branch banking on to the states so as to provide “adequate farm credit.”

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### **IOWA NEWS**

**CLEAR LAKE:** Work is continuing on the extensive remodeling and expansion project at the Clear Lake Bank and Trust Co. Completion is expected in six to eight weeks.

**COUNCIL BLUFFS:** F. W. Radtke retires today (April 1) as vice president of the Council Bluffs Savings Bank.

**DEFIANCE:** A move will be made soon by the Defiance State Bank into its new building.

**DENVER:** Completion of a new building by the Denver Savings Bank is expected soon.

**FOREST CITY:** A parking lot facility will be completed for the Forest City Bank and Trust Co. within the next three weeks.

**FORT DODGE:** The Comptroller of the Currency has approved a parking lot facility for the First National Bank, to be located at 124

Knudson Street, Badger, Webster County.

**INDIANOLA:** Warren County Bank and Trust Co. has elected Gene Geadelmann as a vice president, and Richard G. Kerr as cashier.

**IOWA CITY:** FDIC has approved a parking lot office for the Iowa State Bank & Trust Co. at Keokuk Street and Highway #6 Bypass.

**KALONA:** The Kalona Savings Bank has moved to temporary quarters while the main building is being remodeled.

**PERRY:** Title changes at the First National Bank include: C. R. Collins, to senior vice president; G. L. Owens, to vice president, and R. W. Rinderknecht, to cashier.

**SEYMOUR:** Craig Riggs has resigned as assistant cashier of the Seymour State Bank to join his father, Carl Riggs, president, Tingley State Savings Bank, and he will move to Tingley. Carl

Riggs is also chairman of the Seymour bank.

**SILVER CITY:** Approval has been granted by the Iowa Superintendent of Banking for the Silver City State Bank to move to Glenwood. The name of the bank will be changed to Mills County State Bank, and an office will be maintained in Silver City. No date has been set for the actual move to Glenwood.

**SPENCER:** Northwest Federal Savings & Loan Association has received approval from the Federal Home Loan Bank Board to establish an office in Humboldt.

**WHITING:** Jack Wilhelmy has purchased the Community State Bank. For the past eight years, he has been cashier of the Community State Bank, Palmer, Nebraska. He plans to move to Whiting soon.

### **NEBRASKA NEWS**

**OMAHA:** The Comptroller of Currency has approved the application of the West Omaha National Bank to open a branch facility at 8401 West Dodge Road, Omaha.

### **MINNESOTA NEWS**

**ALBERT LEA:** Jerome Jakobson, associated the past four years with Security State Bank, has been named auditor. This is a new position on the bank's staff.

**BERTHA:** The First National Bank has been granted permission to change the location of its bank building from Lot 1, Block 3 of Kilburn's Addition to Lots 10 and 11.

**BRAINERD:** Mrs. C. W. Crosby, assistant vice president of the Citizens State Bank, has retired after 42 years of service with the bank. She had been assistant vice president since 1961.

**BRECKENRIDGE:** Peter Seterdahl, 69, president of the First National Bank since 1964, has died suddenly at St. Francis Hospital in Breckenridge. He had been an employee of the bank since 1936.

**DALTON:** Alfred L. Hanson, assistant cashier of the First State Bank, has retired after 49 years of service to the bank. Employees and directors of the bank and their wives recently held a supper at the Ranch House in Fergus Falls to honor Mr. Hanson.

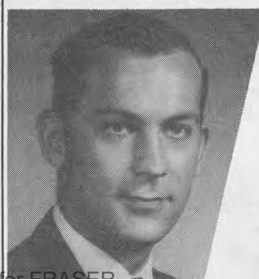
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has been named women's representative at the First National Bank of Hibbing. She has been with the bank since 1960.

**HUTCHISON:** Earl Zimmerman has been named agricultural representative for the Citizens Bank of Hutchison. He formerly was employed at the Citizens Bank in Morris, Minn.

**MANKATO:** The First National Bank of Mankato has been granted permission to change the location of its bank from 102 South Front Street to 119 North Second Street, Mankato.

**MILTONA:** Funeral services recently were held for William F. Malm, president of the Miltona Bank. Mr. Malm had been in the banking business since 1910 and had been with the Miltona Bank for the past 45 years.

**MINNEAPOLIS:** Richard M. Peterson has joined Ebin, Robertson and Company, Inc., as assistant director of the research department. He formerly was trust investment officer for Northwestern National Bank of Minneapolis.

**RED WING:** Jim Freeman, vice president at the First National Bank, has assumed the additional title of cashier, following the resignation of Michael G. Schrantz.

**RICHFIELD:** Charles E. Bankey has been elected mortgage loan officer at the Richfield Bank.

**WINONA:** Michael G. Schrantz, formerly cashier at the First National Bank, Red Wing, has been named assistant vice president at First National Bank of Winona.

### NORTH DAKOTA NEWS

**ENDERLIN:** Robert Olson, former-

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ly an employee of the First State Bank at Claremont, S. D., has joined the staff of the insurance department at the Citizens State Bank. He replaces Mrs. Laurence Nelson, who had been head of the bank's insurance department for about 15 years before retiring shortly after the first of this year.

**TIOGA:** L. Skjelset has been awarded a "Distinguished Service Plaque" in recognition of 57 years of service in the banking business. He was one of the original incorporators of the Bank of Tioga and remains as president of the First National Bank of Bowbells and vice president of the Bank of Tioga.

**WEST FARGO:** Application to change the name of the First National Bank of Southwest Fargo to the First National Bank has been approved by the Comptroller of Currency.

### SOUTH DAKOTA NEWS

**SIOUX FALLS:** The Western Bank recently completed its seventh major expansion in eight years. The expansion includes new offices, enlarged vault and safe deposit area, enlarged officer area and a new lobby-reception area. The bank will hold an open house April 25 and 26.

**VIBORG:** Elmer Skare of Hancock, Minn., has taken over duties as cashier at the Security National Bank. He formerly had been cash-

ier and director of the Hancock State Bank for the past 11 years. Charles L. Christopherson, former cashier at Security National, has been promoted to vice president and is also a member of the board of directors.

New bank directors are: R. B. Stevens, Vermillion, S. D., president; Twila L. Stevens, Everett W. Nelson, A. H. Winter and Charles L. Christopherson.

**SIDNEY:** The Richland National Bank of Sidney has been granted permission by the Comptroller of Currency to change its location from 101 South Central Avenue to 122 East Main Street.

### MONTANA NEWS

**HELENA:** The 65th annual convention of the Montana Bankers Association will be held at Many Glacier Hotel, Glacier National Park, on June 20-22. Registration will be held on Thursday, June 20, with business sessions on Friday and Saturday mornings and adjournment at noon, Saturday, June 22.



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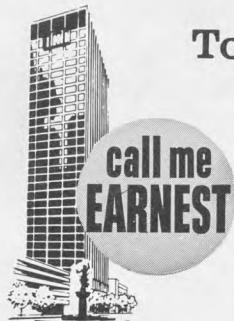


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### Messenger Service Suit

The Comptroller of the Currency has been permitted to intervene in a suit by Georgia Superintendent of Banks William M. Jackson against an armored car messenger service operated by First National Bank of Cornelia. A group of 18 Georgia banks and one North Carolina bank has asked a Federal district court to grant a summary judgment in favor of the superintendent, contending that the Comptroller's ruling permitting the messenger service violated both Federal and state branching laws.

### Plan Hearing on Travel Agency Service April 15

Arguments in a suit by 42 Massachusetts travel agents attacking a ruling by the Comptroller of the Currency permitting national banks

to offer travel services have been scheduled for April 15 by a Federal district court in Boston. The suit asks that South Shore National Bank be forced to divest the Wingate Travel Service.

### ABA Installment Conference

The National Installment Credit Conference, sponsored by the American Bankers Association, starts next Monday, April 8 at the Conrad Hilton Hotel, Chicago, extending until April 10.

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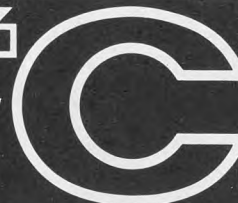
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