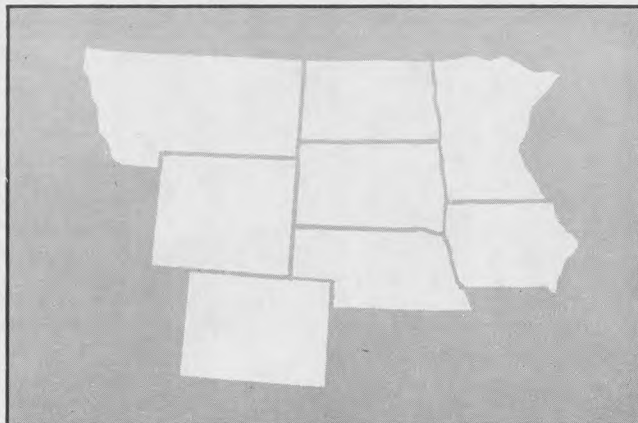


# NORTHWESTERN Banker

Oldest Financial Journal West of the Mississippi



No. 1096

Des Moines, Iowa

May 6, 1968

## Neb. Group Urges Limited Branching

A letter proposing "that a limited form of branch banking should now be considered in Nebraska" was mailed out last week to all Nebraska banks by a group of Nebraska bankers favoring limited branching. The letter was signed by officers of 18 banks, headed by W. W. Cook, Beatrice, as chairman of the Limited Branch Banking Committee. The other 17 include the executive officer from four of the largest banks in Omaha and Lincoln.

The letter gives this "suggested definition of limited branching":

A bank may establish a branch only—

1. Within the corporate limits of the town in which it is located.
2. Within any unincorporated area not over two miles beyond the corporate limits of the town in which the bank is located.
3. Within any town in the county in which the bank is located, or any immediately adjacent county, providing there is not already a bank in such town.
4. By merger with a bank located in a town within the county in which the bank is located, or any immediately adjacent county.

The letter states that the "radical changes in the economy of the United States and of Nebraska during recent years seems to us to make imperative additional devel-

opments in the commercial banking system." It notes that credit demand has outpaced deposit increases, even though maximum rates are being paid by banks to attract funds. The letter states "It seems obviously necessary, therefore, that our bank deposits be used as efficiently as possible. Branching systems most easily enable the shift of lendable funds to areas in which they are needed." It says other sophisticated financial services can be provided by larger and integrated banking systems, such as trust, specialized mortgage lending, leasing, etc. The letter recalls the current threat to commercial banks in the proposal before Congress to charter a new Federal Mutual Savings Bank system, which could practically branch at will statewide.

The letter further states "It surely seems preferable to establish our own Nebraska system rather than wait for federal legislation.

"We see no occasion for fear on the part of any Nebraska bankers in this proposal. Actually, there can be many situations where smaller banks could establish branches in nearby towns which are without banking services and thereby improve their own opportunities.

"We know this is a controversial

issue among bankers. We trust that the inevitable debates and public statements made by both proponents and opponents of branch banking will not reflect discredit upon our industry and upon the Nebraska Bankers Association, which so well represents us in the many areas of our common interests. We pledge to all bankers in the State of Nebraska our best efforts to keep public and private statements on this issue impersonal, dispassionate and factual. We also pledge to keep all Nebraska bankers regularly informed of our activities through the offices of the Nebraska Bankers Association."

The letter concluded by noting that time precluded the committee from contacting others who might want to sign the letter. It was then signed by the following:

Paul M. Hefti, vice chmn., Guardian State, Alliance.

W. W. Cook, Sr., pres., Beatrice Natl. B&T, chmn., and Harold Deitemeyer, pres., 1st Natl. B&T, Beatrice.

Neale Kelly, exec. v.p., Blue Springs State.

Jerry D. Schiermeyer, pres., 1st Natl., Fremont.

T. L. Rask, pres., 1st Natl., Hastings. Robert Walker, pres., Platte Valley State B&T, Kearney.

Burnham Yates, pres., 1st Natl. B&T, and Glenn Yaussi, chmn., Natl. Bank of Commerce, Lincoln.

B. M. DeLay, pres., DeLay 1st Natl., Norfolk.

(Continued on Page 4)

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department of banking in Lincoln. It would be located at Southroads Shopping Center, lower level, Space #10, 1001 Ft. Crook Road, North Bellevue. The shopping center is adjacent to the south city limits of Omaha. A hearing on the application has been set by C. R. Haines, director of banking, for 9:30 a.m. on July 18 at the Liquor Control Commission, 401 NSEA Building, 605 South 14th Street in Lincoln. Applicants are listed as Walter Clark, a realtor, and Dan Monen, Jr., Omaha attorney.

**LINCOLN:** The Nebraska Bankers Association 71st annual convention got underway Sunday, May 5 with registration at Hotel Cornhusker. The meeting continues through the noon luncheon on Tuesday, May 7.

**NORFOLK:** Articles of incorporation have been filed with the Nebraska Secretary of State for a third bank in Norfolk, but an official application to the state banking department for a charter had not been filed as of May 1. The charter is being sought by the two bankers who had requested a state charter in Norfolk in recent years but had that request denied. They are Roy Dinsdale, president of the National Bank of Neligh and vice president of the State Bank at Palmer, as well as other banking interests, and John E. Glandt, executive vice president of the National Bank of Neligh.

Authorized capital would be \$100,000, surplus \$100,000 and undivided profits \$100,000, for total capital structure of \$300,000. Others who signed the articles of incorporation are J. P. Daniel, J. K. Spittler, Richard R. Morrison, all of Norfolk, and Jack Dinsdale, of Palmer, who is chairman of the Neligh bank.

**OMAHA:** First Westside Bank has promoted Patrick M. Conway from assistant cashier to cashier, and John P. Thiel to assistant cashier and manager of the installment loan department. Mr. Conway joined the bank in 1956. As cashier, he succeeds W. E. Jahde, who continues as vice president.

**RALSTON:** John Francis has been elected assistant cashier of the Ralston Bank, it was announced

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**IOWA NEWS**

**BETTENDORF:** The appointment of Walter P. Rekwart as cashier of Bettendorf Bank & Trust Co. has been announced by Ralph U. Heninger, president. Mr. Rekwart joined the bank May 1 after 15 years of service with First Trust & Savings Bank of Davenport, where he was assistant cashier. He is a native of Decorah. Mr. Rekwart succeeds Larry E. Makoben, whose resignation was announced earlier. Mr. Makoben has accepted a position in the correspondent bank division of Drovers National Bank, but will continue to live in Bettendorf.

**DES MOINES:** The FDIC granted approval April 26 to Highland Park State Bank to construct and operate a parking lot office at East 28th Street and Euclid Avenue.

A parking lot office for the Iowa-Des Moines National Bank was approved last month for location at East 25th and Euclid Avenue.

**INDEPENDENCE:** The Farmers State Savings Bank and Security State Bank will be closed on Saturdays beginning May 4. The weekday schedule of hours is 9:00 a.m. to 3:00 p.m. Monday through Thursday and 9:00 a.m. to 7:00 p.m. Friday.

**NEBRASKA NEWS**

**BELLEVUE:** An application for a state bank to be known as Southroads Bank has been filed with the



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last week by A. H. Denker, president.

## MINNESOTA NEWS

**BLOOMINGTON:** A new hearing will be held in mid-June on the application of Robert Hoffman and associates for a state bank charter to be located at Old Shakopee Road and France Ave. in Bloomington. The state banking department originally denied a charter for the American National Bank in August, 1966. Last January, District Judge William T. Gunn ruled the department did not adequately state grounds for the denial and ordered reconsideration. Mr. Hoffman's group went before Hennepin District Judge Donald T. Barbeau April 24, stating they had received no response to the previous order. Judge Barbeau ordered a writ of mandamus against the State Department of Commerce, ordering it to appear April 30. A new hearing for American National's application then resulted. It will be June 13-14.

In the meantime, the banking department held a hearing May 1 on the application of Southwest Fidelity Bank backers to get a state charter at Highways 100 and 494 in Edina, about four miles from the American National's proposed location.

**ELY:** First National Bank officially became affiliated with Northwest Bancorporation April 23 and Banco has issued its stock to shareholders of the First National in exchange for 93% of the bank's stock. Joseph R. Pellikka has been elected president and a director, effective April 23, succeeding George T. Somero, who is retiring from banking and other active business interests. Mr. Pellikka has been president of the Murray County State Bank at Slayton, Minn., since 1962 and previously was president of First National Bank of Hoyt Lakes. Both

are members of Bancorporation. There were no other changes in staff, officers or directors.

**FERGUS FALLS:** First National Bank will extend its Friday closing hour from 5:30 p.m. to 8:30 p.m.

**HILLS:** A. E. (Art) Johnson, vice president of Exchange State Bank, has announced his retirement as an active officer, although he will continue as vice president and director. Gene Sundem has been promoted from teller to assistant cashier. Mr. Johnson has been with the bank since 1939.

**MEDFORD:** Gary Pearson has been elected cashier of First State Bank. He moved to Medford from Tri-County State Bank at Chamberlain, S.D., where he was assistant cashier. As cashier, he takes over the duties of D. E. Peterson, who continues as president of First State Bank.

**MINNEAPOLIS:** Harry C. Piper, Sr., 78, co-founder of the investment firm of Piper, Jaffray & Hopwood, died April 30. A graduate of Yale University, he started in business with C. Palmer Jaffray in 1914. He retired as an active partner of the firm in 1962.

**MINNEAPOLIS:** First Bank Stock Corporation has made application for a national bank charter to be located in the Negro community in North Minneapolis. Granger Costikyan, president of First Bank Stock, said the new bank, if chartered, would absorb the operations of the financial services facility to be opened on May 15 by First National of Minneapolis on Plymouth Avenue. The bank, Mr. Costikyan said, will be staffed at first by experienced members of the company's staff, "but as rapidly as possible such staff will be supplemented and replaced by persons from the black community.

**MINNEAPOLIS:** Klorsel Corp. has

purchased Franklin National Bank for an undisclosed amount of money. Klorsel is a newly-organized holding company. Its officers are D. B. Kleason, president of York Enterprises and Motco, Inc., both in Edina, president; Robert W. York, executive vice president and treasurer of York Enterprises, executive vice president; E. F. Kniessel, executive vice president and treasurer, and John E. Abdo, attorney, as secretary. About 95% of the stock was purchased by Klorsel, about 70% of it from J. A. Price, president of the bank. Mr. Kniessel will become president of the bank when Mr. Price retires in a few weeks. The bank had deposits of \$13.4 million at year-end.

**MINNEAPOLIS:** At First Southdale National Bank, Roland M. Holt has been elected vice president in addition to his position as cashier. John D. McDonald has been advanced to assistant vice president, and Robert M. Cross is a new assistant cashier.

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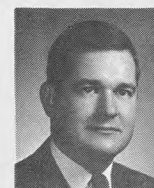


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 John Allee, exec. v.p., Wymore Natl.

### WANT ADS

**BANKING POSITION WANTED**  
 Central Iowa area. Age 26, married, two children. Farm background. Four years' teaching experience. Write Box KR D, c/o NORTHWESTERN BANKER, 306 - 15th St., Des Moines, Iowa 50309.

**WANTED**  
 Experienced Vice President with commercial loan and personnel experience for \$3 million bank in larger midwest city. Send resume

with letter of application to File ALF, NORTHWESTERN BANKER, 306 Fifteenth Street, Des Moines, Iowa 50309.

**BANK TRUST OFFICER WANTED**  
 We recently received Comptrollers approval for a Trust Department and are in need of a well experienced trust officer who has the ability to organize and manage all phases of such a department, as well as develop new business. While a law degree would be advantageous, it is not mandatory. Our bank is well established, located in the heart of the Red River Valley, a wonderful place to live, several accredited schools and colleges in the immediate area, within an hour's drive of many lakes and resorts, takes only a few minutes to drive from home to the office - an excellent opportunity for the right person. Send resume to A. M. Eriksmoen, President, The Dakota National Bank, Box 671, Fargo, North Dakota 58102.

**FOR SALE**  
 Cummins model 300 Electric Perforator and a Cummins model 250 Endorser. Contact Harlan National Bank, Harlan, Iowa 51537. Telephone (area code 712) 755-2126.

**WANTED**  
 Opportunity open soon for experienced second or third man in a \$4-\$5 million, country, suburban bank in Eastern Nebraska. Should

have general all around bank experience and be between the ages of 35 and 45 years. Furnish qualifications and references with application. Write Box FAE, in care of the NORTHWESTERN BANKER, 306 Fifteenth Street, Des Moines, Iowa 50309.

**EQUIPMENT WANTED**  
 Earthmoving construction equipment wanted. Consignment or purchase. Gene Boysen & Assoc. Grand Island, Nebraska 68801. Phone 308 / 384-2040.

**POSITION WANTED**  
 First or second position in small or medium sized bank. 21 years well rounded country and suburban experience covering all lending, operations, public relations and investments. Write File HMO, NORTHWESTERN BANKER, 306 - 15th St., Des Moines, Iowa 50309.

**FOR SALE**  
 The Farm Picture and The Ranch-Farm Picture, modern newsletters that talk money and credit to farmers and ranchers from a banker's point of view. Samples for inspection. Farm Business Council, Inc., P.O. Box F, Urbana, Illinois 61801.

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