

# NORTHWESTERN Banker

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## Trust Men and the "Middle American"

*Edwin R. MacKethan, president, trust division of the American Bankers Association, and executive vice president, Virginia National Bank, Norfolk, Virginia, made the following comments on "Trust Men and the Middle American" at the 38th Midcontinent Trust Conference in San Antonio last week.*

All of us like to handle, or dream of handling, the large, liquid accounts or estates of multimillionaires. There are today many more such accounts than there were 50 years ago. We need to get them into our trust departments. We can render a real service to the owners and beneficiaries of such accounts and I hope we shall be even more successful in future years. However, with the possible exception of a few large trust institutions, the 3,500 trust departments in the United States cannot exist to serve only the large accounts.

The prime question would seem to be: Are we developing the trust tools to handle in the trust department the affairs of the middle American? In partial answer we can point to the common trust funds with which some years ago we began to cover the investment problem of the small accounts. They have been most useful, but



E. R. MacKethan

we cannot afford to stop here. Should we now be asking ourselves questions such as these: But what else have we done? How many of us have in our trust departments a streamlined small estates division? Or a special procedure for small estates?

In the small cities and towns the trust officer sees every day the man I have chosen to call the middle American. I hope you try to serve him—I believe you do—but can you do it to his and his family's satisfaction and at a profit to your bank?

There is always the question of the size of the account which can be profitable. It will vary, of course, from trust department to trust department, but I venture that the minimum in your institution is higher than it should be. I predict that if you want to stay

in business you have to develop means to handle economically the trust business of the middle American. You are going to have to stop talking about the minimum size account you can afford to take and find the means to service at a profit the account on which you think you cannot now break even. I grant you may not want to solicit accounts below a certain minimum, and I won't try to say what that minimum is, but I do say we trustmen have to get into position to service the middle American.

A young man you know has a wife, three minor children, a home, one or two cars, and a good salary from an established firm. Can you make a profit handling his estate? Most of you will say "No." I say you can or should.

This man needs you and the services of your trust department. He probably already has in group insurance, profit sharing benefits, and personal insurance \$100,000, maybe one or two thousand dollars in checking and savings accounts. His home is probably in joint names with rights of survivorship; we hope he has insurance to clear the mortgage, if any.

If he lived in Virginia and came to me I would recommend a life insurance trust with the bank as

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### IOWA NEWS

**DES MOINES:** The Iowa Bankers Association will hold its 22nd annual Tax School on November 24-25 at the Hotel Fort Des Moines here. Registration will begin at 8 a.m., Monday, November 24. Registration fee is \$10. J. C. Blackford, president of the Iowa Bankers Association, will call the meeting to order at 9 a.m.

**DES MOINES:** The following men have been elected officers at the organization meeting of the Associated Bank Corporation: President—Joe Gronstall, president, Carroll County State Bank, Carroll; vice president—Donald Heining, president, Security State Bank, Hubbard; secretary-treasurer—Ronald Saylor of Davenport.

Associated Bank Corporation is said to be a new concept in Iowa banking and will serve as a nucleus for bankers and people of the local community to participate in their local bank ownership. This new Iowa corporation will be involved in bank management and investment.

**ESTHERVILLE:** Francis Shadle, president of the Iowa Trust & Savings

Bank, has announced that Vaughn Brau has joined the bank's installment loan department. Mr. Brau is a 1969 graduate of Mankato State College, Mankato, Minn.

**MAQUOKETA:** The Maquoketa State Bank is sponsoring a tour of Texas feedlots in the Amarillo and Hereford area on December 1-3 to help area farmers size up their competition and improve their own cattle operations. Farmers mainly from Jackson and Clinton County will be participating in the tour.

**MARSHALLTOWN:** Merger of the Fidelity Savings Bank here with Brenton Banks, Inc., was announced last week by Neil Chadderdon, Fidelity president.

He said a contract has been agreed upon for an exchange of Fidelity stock for stock in Brenton Banks.

The merger is subject to approval by the Federal Reserve and other regulatory agencies. Mr. Chadderdon will remain as chief operating officer. Total assets of the Marshalltown bank is \$28 million. Mr. Chadderdon was a founding director of the National Bank of Des Moines, one of

the banks in the Brenton companies, and he will continue to serve on that board.

### NEBRASKA NEWS

**OMAHA:** Fred H. Douglas, vice president at The Omaha National Bank, has been named officer in charge of the correspondent bank department, in light of the impending retirement of H. H. Echtermeyer, senior vice president, from active banking in June, 1970. Mr. Echtermeyer has, however, agreed to stay on at the bank in an advisory capacity and will continue to be assigned to the marketing division. Both men came to the bank from the Livestock National Bank in 1954.

**SIDNEY:** Two new vice presidents have been added to the staff at the Sidney National Bank. Francis L. Goodwin, Jr., who has served the bank as agricultural representative, has been named vice president and agricultural representative. James Brumfield, who has been employed as cashier, has been promoted to vice president and cashier.

### MINNESOTA NEWS

**MINNEAPOLIS:** Burton N. Noah, formerly executive vice president of the Marquette National Bank, Minneapolis, has been elected president of Associates Capital Company, Inc., South Bend, Ind., succeeding R. E. Berryman, who has been named president of First Bank & Trust Company, South Bend. Associates Capital is the commercial finance and leasing subsidiary of Associates Investment Company.

**MINNEAPOLIS:** The telephone number of the Northwestern National Bank has been changed. The new number is 372-8123.

**MINNEAPOLIS:** The National City Bank of Minneapolis has elected two new directors. They are Shreve M. Archer, Jr., and John H. Daniels, both executives of Archer Daniels Midland Company of Decatur, Ill., a leading processor of agricultural products.

**ROCHESTER:** Application has been

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filed with the Minnesota Department of Commerce for a new state bank to be located in the Northbrook Shopping Center here. The proposed name of the new bank is Zumbro Valley State Bank. Incorporators named in the application are: T. Emil Gauthier, Fred C. Kennedy and J. E. Brengman, all of Rochester. The proposed capital structure is \$650,000, consisting of \$500,000 common capital, \$100,000 surplus and \$50,000 undivided profits. No date has been set for hearing on the application.

WOOD LAKE: Mrs. Margery Cunningham has been promoted to assistant cashier at the State Bank of Wood Lake. She succeeds Mrs. Geraldine Schuler, who has resigned. Mrs. Cunningham has been employed at the bank for the past five years.

## ILLINOIS NEWS

CANTON: Grand opening celebration is in progress at the newly constructed bank building of the National Bank of Canton. The new structure is located a block west of the bank's old building.

CHICAGO: Richard C. Rastetter has been advanced from vice president to senior vice president at the Continental Illinois National Bank & Trust Company in a series of organizational changes made last week. Mr. Rastetter is particularly well-known to bankers in the *Northwestern Banker* area, since he has been in charge of correspondent banking business in Iowa, Illinois and Indiana in the bank's national division. William H. Grove, vice president, will supervise this area in the future.

Five other officers have been named as senior vice presidents. They are: George R. Baker, Edward M. Cummings, Eugene Holland, Robert O'Boyle, all of the commercial banking area, and Ray F. Myers of the trust department.

CHICAGO: The First National Bank has announced the election of two

new officers in the bank's trust department. They are: Raymond A. Eckersall, trust officer in the personal trusts division; Herbert O. Fraser, trust officer in the corporate trust division.

DECATUR: The Citizens National Bank has purchased the 12-story Citizens Office Building, 250 N. Water Street, adjacent to the bank, according to William Barnes, III, chairman and president.

NAPERVILLE: Application for federal deposit insurance for the Washington Bank & Trust Company here has been approved by the FDIC. Total capital accounts at the bank stand at \$1 million. Bernard C. Rigbee is bank president.

## SOUTH DAKOTA NEWS

VIBORG: Don Ihnen has been named cashier at the Security National Bank here, having been transferred from the United National Bank of Kennebec, S. D.

## COLORADO NEWS

ERIE: Arthur B. Alley has been named vice president at the Erie Bank.

LAKEWOOD: Directors of the First Westland National Bank in the Westland Shopping Center have elected John T. Weber, C.P.A., as a new director. Officer promotions announced at the bank include: Jon S. Hellman to vice president; Larry Hauserman to assistant vice president; Arthur B. Alley to cashier; Paul Ogle to assistant cashier.

SOUTHGLENN: Frank P. Gardiner, senior vice president at the First National Bank of Denver, has been named chairman of the board at the First National Bank of Southglenn. Mr. Gardiner joined the Denver bank



in 1949 and has served as a director of the First of Southglenn since 1964. He succeeds Eugene H. Adams, who has resigned as chairman. Mr. Adams is president of the First of Denver and vice chairman of the First National Bancorporation, Inc.

## NORTH DAKOTA NEWS

BISMARCK: Mrs. Rena Bartsch has retired from the Bank of North Dakota, effective December 2. She has been in charge of the state scholarship and state student loan program for the last several years and has been employed by the bank for over 47 years. This is a record for any employee in the 50-year history of the bank.

FARGO: The North Dakota Bankers Association's 8th annual Agricultural Credit Conference will get underway at the Gardner Hotel here on Thursday evening, December 4, with a social hour, smorgasbord and dance. The conference will continue through December 5.

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### Trust Men...

(Continued from Page 1)

trustee and a simple will naming the bank as executor. In the event of his death, we would have little to handle except \$100,000 cash and a minimal estate. However, if he should happen to die in an accident on a business trip, we'd probably have a quarter million dollar account.

We in Virginia National Bank can render a much-needed service and make a profit on that kind of set-up. If you cannot, I suggest you inquire: Why Not?

### WANT ADS

Rates 25 cents per word per insertion. Minimum: 12 words.

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Outside farm representative for \$6.5 million bank in northeast Iowa. Opportunity to participate in operations

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#### POSITION WANTED

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#### CASH FLOW SHEETS

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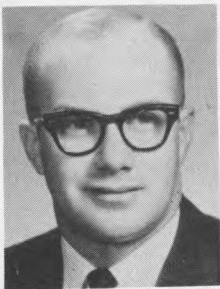
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