

NORTHWESTERN Banker Newsletter

Vol. 2. No. 25

Des Moines, Iowa

October 23, 1972

Adams Proposes Public Policy Committee

Editor's Note: During a news conference at the American Bankers Association convention in Dallas on October 11, Eugene H. Adams, newly-elected president of the ABA, gave the following statement. Mr. Adams is president of the First National Bank in Denver.

Banks today operate in an aroused and changing social environment. And the conditions for doing business are changing just as rapidly. As bankers, we are challenged daily to meet new standards of customer service and new obligations of public responsibility. At the same time, we are called on to preserve cherished old banking practices — the long traditions of trust and confidentiality in our customer relations.

We feel encouraged by the results of the recent Louis Harris survey which indicated a high degree of public confidence in banks as business institutions and bankers as community leaders. We take pride in our record of achievement to date.

In an effort to assure that we continue to keep pace with emerging needs, and to translate awareness into responsive action, I am proposing to the ABA Board of Directors the formation of a new Public Policy Committee within the leadership of the American Bankers Association. The Committee would be a high-level forum for the discussion of all public interest issues as they affect banking. It would also be a place where

constructive solutions could be discussed.

I will recommend that the chairman of the Public Policy Committee be the incoming president-elect of the ABA, Rex J. Morthland, board chairman and chief executive officer of the People's Bank and Trust Company of Selma, Ala.

In its initial stage, its members would include the chairmen of the ABA's Government Relations, Communications and Education Councils; chairmen of the Marketing, Instalment Credit, Commercial Lending, Charge Account Banker, Personnel, Trust and State Association Divisions; and the chairmen of the Research and Planning, and Urban and Community Affairs Committees.

The mandate and responsibility of such a Public Policy Committee would be broad. It would receive informational input and suggestions from all of the ABA operating divisions represented. It would serve as a central point for developing and disseminating an awareness of the problems and concerns of the public regarding banking. It would also assist in formulating goals and priorities for the various functional units of the Association in dealing with public issues.

The Committee would not permit us to shy away from controversy. It would help us confront such issues as:

- consumer need and expectations;
- banking's role in an evolutionary society;



PICTURE OF THE WEEK — When the American Bankers Association's 98th convention was convened in Dallas, it was also the opening day of the Texas State Fair, the nation's largest fair, and Marshal of that mile-long parade was Art Linkletter, well-known TV personality. The Texans arranged to swing the mile-long parade past the convention center where the parade paused long enough for Art Linkletter to join with Allen P. Stults and pretty Sue Robards in cutting the ribbon to convention hall with a pair of Texas scissors. Mr. Stults, chairman of the American National Bank & Trust Co., Chicago, was presiding at the convention as president of the ABA.

- freeing bank employment practices from barriers of bias and tradition;
- competing social needs for bank funds;
- conflicts between the right of privacy and demands for accessibility to bank financial records;

(Turn to back page, please)




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IOWA NEWS

The 86th Annual Convention of the Iowa Bankers Association gets underway today (Monday) at the Hotel Fort Des Moines in Des Moines with the 24th Annual Agricultural Breakfast Conference as the first order of business. Dean Edwards, cashier of the Rubio Savings Bank and chairman of the breakfast, will introduce three speakers scheduled to discuss export markets, soybeans, and Iowa land values.



T. H. HUSTON

J. CHRYSTAL

Thomas H. Huston, president of the IBA and president of Columbus Junction State Bank, will preside over the balance of the two and one-half days of meetings. He is scheduled to be succeeded as president by John Chrystal, currently

IBA vice president. Mr. Chrystal is president of Iowa Savings Bank, Coon Rapids.

This will be the last Iowa convention for Arthur E. Lindquist, Jr., who announced earlier his plans to retire December 1 and move to a home he and Mrs. Lindquist purchased several years ago in San Diego, Cal. Present for the Iowa convention to meet members is A. Neil Milner, 36, currently executive manager of the South Dakota Bankers Association, who will take over Mr. Lindquist's duties at IBA headquarters in Des Moines, January 1, 1973.

Prominent among the speakers for the convention will be Eugene H. Adams, newly-elected president of the American Bankers Association, and president of First National Bank of Denver.

Another banker of national prominence who will be speaking is H. L. Gerhart, Jr., president of the Independent Bankers Association of America, and president, First National Bank, Newman Grove, Nebr.

Other guest speakers include: William Ruder, president of Ruder & Finn, New York, the public relations council for the Foundation's ad program; a panel of Nation's Business editors; Morris D.

Northeast Iowa Banks

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Crawford, Jr., chairman of the Bowery Savings Bank, New York, who is a member of the Hunt Commission; Carl E. Bahmeier, Jr., former secretary of the South Dakota and California Bankers Association and now a consultant in San Francisco; Peter Hackes, NBC news TV commentator, and Alex Karras, former All-American tackle from the University of Iowa and former All-Pro tackle with the Detroit Lions.

The traditional President's Reception will be held tonight at Terrace Hill at 23rd and Grand, which will be the future home of Iowa Governors. A buffet supper, with dancing to the Woody Herman Orchestra, will follow at Val Air Ballroom located at 63rd and Ashworth Road in West Des Moines.

An important departure from convention custom is the staging of the Tuesday night play, "Two by Two," at C. Y. Stephens Auditorium in Ames on the Iowa State University campus. KRNT Theater was forced to close in late summer due to rain damage and the new campus auditorium was available. The Merchants National Bank Kolache party will follow immediately in the adjacent Hilton Coliseum.

The convention adjourns Wednesday noon.

CLEAR LAKE: Ken Bales, vice president of the Community State Bank, recently received the gavel as president of the Clear Lake Chamber of Commerce.

DES MOINES: The first of six persons charged in connection with the May 16 robbery of the Pleasant Hill branch of the East Des Moines National Bank was recently sentenced in U. S. District Court.

Robert D. Smith, 39, of 2724 Dean Avenue, was sentenced to five years imprisonment for "willfully and unlawfully" disposing of \$1,200 that he allegedly knew had been taken from the bank in the \$16,000 holdup. He had

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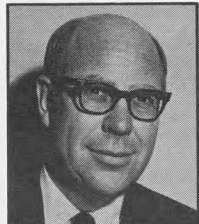
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pleaded guilty to the charge. The other five charged have pleaded innocent and their trials are pending.

DES MOINES: The ABA has appointed Dale C. Smith, executive vice president of Central National Bank and Trust, to the executive committee of the correspondent banking division of the association.

The ABA also announced that Thomas H. Huston, president of Columbus Junction State Bank, has been appointed to the economic advisory committee and Collin W. Fritz, president of Central National Bank, was appointed to the savings bond committee.

ELGIN: The promotion of Francis D. Butikofer to vice president and trust officer at Elgin State Bank was announced last month by Verlon L. Britt, president. Mr. Butikofer joined the bank in 1958. In August, 1962 he was transferred to the Wadena office, was elected assistant cashier and manager there in 1963, and elected a director in 1966. In January, 1971, when he returned to the head office in Elgin, he was advanced to assistant vice president.

HUMBOLDT: Richard K. Mikelson, assistant vice president at Humboldt Trust and Savings Bank, was recently appointed to fulfill the unexpired term of Harry Strong, as city treasurer. Mr. Strong resigned after holding the post over 45 years. The appointment was made by the Humboldt mayor with the council's approval.

NEWTON: The Jasper County Savings Bank has opened "Banque Boutique," a new women's department on its main floor. Modern draperies, a sitting room atmosphere and pink roses help the new department cater to the woman.

PERRY: Perry State Bank recently officially opened its new drive-in teller facility with a ribbon-cutting ceremony. The facility is located at Third and Lucinda, one block from the bank's main office.

STUART: Walter Hawley, First State Bank president, recently announced that the bank is presently planning a new building. The proposed site is located on the corner of Division and North 3rd Street. The new facility will have ample parking, an after-hours depository and a drive-in teller service.

NEBRASKA NEWS

OMAHA: A ground lease has been signed for a new bank at the Q-120 Shopping Center southeast of 120th and Q Streets, according to Alfred G. Thomsen, president of the Alfred G. Thomsen Co., leasing and managing agent for the center. An application for a charter for the West Oaks Bank has been filed with the State Banking Department, Mr. Thomsen said.

Principal investors are Leon Lange-meier, president of the First National Bank of Lyons; Duane Acklie, president of the Bank of Norfolk, and LeRoy Hilt, president of Hilt Truck Lines, Inc., of Millard. Construction of the shopping center is scheduled to begin next spring, Mr. Thomsen said. It is being developed by Center Associates, headed by Russell Brehm of Lincoln and U. S. Sen. Roman L. Hruska.

ILLINOIS NEWS

CHICAGO: Joseph P. Gaffigan has been elected president and chief executive officer of the Illinois State Bank, according to Kenneth Larrance, chairman of the board. Mr. Gaffigan, formerly a vice president at American National Bank and

Trust Company, heads a group which completed purchase of the bank last August.

CHICAGO: Samuel Wm. Sax, president, Exchange National Bank, announced last week that directors have approved the election of two bank officers. Named vice presidents were Marcel Boyreau, corporate plans and staff department, and Eugene P. Tunney, head of the bank's real estate division.

MINNESOTA NEWS

The Independent Bankers of Minnesota will hold their annual state convention October 25-26 at the Sheraton-Ritz Hotel in Minneapolis. Council meetings and committee meetings will be held Wednesday, October 25, with a full convention day on Thursday, October 26th.

ELBOW LAKE: Richard Stonestrom has been elected vice president and a member of the board of directors of the Bank of Elbow Lake, according to L. A. Smith, president. Previously, Mr. Stonestrom was manager of the Alexandria Production Credit Association.

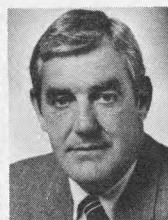
LITCHFIELD: Glen Wischmann, vice president of the Northwestern National Bank of Litchfield, has been named to a similar position at the Northwestern Bank and Trust Company in St. Cloud.

MINNEAPOLIS: Farmers & Mechanics Savings Bank plans to open a detached banking facility with up to nine tellers' windows on 7th Street north of Nicollet Mall. The site is now occupied by the First Federal Savings & Loan Association, which is moving into the IDS Center. An opening date has not yet been set, according to officials.

MINNEAPOLIS: The Minnesota Motor

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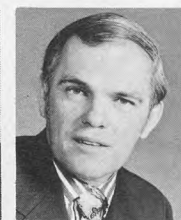
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Vehicle Title Law, which became effective October 1, was the principal topic of in-depth discussion last week at the 23rd Annual Bank Officer and Staff Conference. A report on the conference and this important subject will appear in the November *Northwestern Banker*, prepared by a staff member covering that meeting.

WINDOM: Omer Trom of Spring Valley has been named cashier of the First National Bank, according to V. L. Thompson, bank president. He succeeds James Clark who has moved to the position of vice president.

SOUTH DAKOTA NEWS

HURON: C. R. Weaver has been promoted to the position of vice president and assistant manager of the National Bank of South Dakota. He was employed at the Jamestown National Bank as assistant cashier and agricultural representative until 1968 when he joined the Huron staff as agricultural representative. He was later promoted to assistant vice president.

LEMMON: The Bank of Lemmon and the Citizens State Bank of Clark recently became members of the Federal Reserve System, according to Bruce K. MacLaury, president of the Federal Reserve Bank in Minneapolis.

SOUTH DAKOTA NEWS

ABERDEEN: Kenneth P. Johnson has been elected vice president and trust officer of the Aberdeen National Bank. He had been vice president and trust officer of the First National Bank of Freeport, Ill., for the past 9 years.

SIOUX FALLS: Thomas J. Staebell has been elected assistant vice president at the south branch of the National Bank of South Dakota.

COLORADO NEWS

DENVER: George J. M. Kelly, who recently retired as Denver vice president of Continental Airlines after 24 years of service, has been named a vice president of the Denver-based First Trust Co. He has been a director of First Trust since 1962.



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DENVER: The appointment of Dottie Roberts to the board of directors of Skyline National Bank was recently announced by President Lewis L. Gaiter.

Miss Roberts has been active in advertising in Colorado for 27 years. She is former owner and publisher of *Guest-guide* magazine and is now head of her own advertising and publications consulting firm.

WYOMING NEWS

CASPER: A. J. Anderson has been promoted to loan officer and agricultural representative at the First National Bank of Casper. Formerly he was employed as assistant regional credit manager of Allied Mills, Inc., in Omaha, Nebr.

JACKSON: Felix Buchenroth, Jr., president of Jackson State Bank, has been appointed to the membership committee of the American Bankers Association by President Eugene H. Adams.

KEMMERER: Merl Case, 70, who retired in 1967 as a vice president of The First National Bank, died recently following a lingering illness. He had been living at Cokeville since his retirement.

WISCONSIN NEWS

MAIDEN ROCK: Richard O. Weyrauch, vice president of First National Bank in Minneapolis, has purchased controlling interest in the First National Bank of Maiden Rock. He will continue in the correspondent bank division at First National of Minneapolis and there will be no personnel changes made at the Maiden Rock bank.

Prime Moves Up Again

Most major banks last week moved their prime rate up to 5-7/8% and expectations generally are that the rate will

continue a gradual upward move during the coming months. The prime was last at 6% in July, 1971, when it paused there briefly in its sharp decent from an all-time high of 8½%.

Federal Reserve Board Chairman Arthur F. Burns led administration opposition to the move by stating he "views with concern" recent increases in the prime lending rate, although it appears the government continues to be reluctant to use controls authorized earlier this year by Congress.

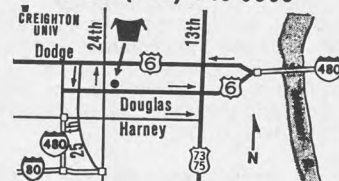
In the banking fraternity, Gaylord Freeman, chairman of the First Chicago Corp. and the First National Bank of Chicago, predicted at a meeting of security analysts that the prime would reach 6% by year-end and 6½% by mid-1973. He was quoted as stating, "I believe that a moderate increase in interest rates would be a welcome way of restraining inflation once the elections are over."

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PUBLIC POLICY COMMITTEE...

(Continued from Page 1)

- and, the long-range consequences of investment and industrial technology on the environment.

I intend that such a Public Policy Committee serve as a sensitive ear for a wide range of viewpoints, and be an acute public interest conscience for banking. Its structure and mandate would permit us to speak out with a clear strong voice.

The American Bankers Association and the industry as a whole believes that

every change and action that benefits our society ultimately benefits banking as well. In that spirit, I would look to the new Public Policy Committee to be a persistent monitor and a personalizing influence for the ABA on the direction of those changes as they affect the business of banking.

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