

NORTHWESTERN Banker Newsletter

Vol. 3 No. 74

Des Moines, Iowa

September 30, 1974

Nebraska Views Electronic Banking

Richard E. Atkins, president, Nebraska Bankers Association, and president, Osmond State Bank, made the following comments at the recent series of Nebraska Group Meetings. Attendance was at a record, and officers or representatives from nine out-of-state bankers associations were present.

In January of this year, the banking industry in Nebraska was given an electrifying jolt by the First Federal-Hinky Dinky electronic operation in Lincoln. It hit the Nebraska financial industry in an unguarded, solar plexus—our deposits!

This continuing action is not only emotional but it is also a financial fact that it has appeal for a customer to conduct financial business while shopping. There is little doubt that savings and loan associations expect to be full service banks to families in the next few years!

The executive council of the Nebraska Bankers Association directed a series of meetings to explain electronic banking. A continuing "electronic study group" was formed, and voluntary contributions to fund the group are now \$136,000 from 265 banks or 60% of the total of 448 banks in Nebraska.

In this study NBA has received thousands of hours of voluntary assistance from industry and regulatory agencies. Representatives from the Federal Reserve Bank in Washington, Kansas City, Omaha—the Comptroller of the Currency—FDIC officials—and state supervisory officers, as well as the Justice Department and the ABA have given assistance and counsel. They are watching anxiously to see what Nebraska bankers do with electronics.

Competition

The field of electronics is here to stay. It has made it possible for non-banking competitors to offer a wide variety of financial services. Today, some of the fastest growing savings institutions are credit unions.

Non-financial institutions have found corporate profits after taxes were not as high as profits reported by banks, so they have developed their own financial services. General Motors, General Electric, and Ford have three times as much in instalment paper as Chase Manhattan, Citicorp, and Bank of America.

Looking at Sears operations, we find that 34% of its earnings are made up of financial transactions. Sears has 30,000 terminals to place

in all its stores on line with computer! Of course, Sears currently controls a bank, as well as a thrift institution.

Studies indicate that any future growth in deposits is going to be from the consumers' dollars—not from the sophisticated corporate funds. This is the reason for savings and loan agents in nearly every community in Nebraska.

At present, the savings and loan associations have an interest advantage. This will have to change. Over a period of years, the percentage of financial assets held by commercial banks has declined.

There is concern that banks will have to pay interest on demand deposits. Competition is going to require us to operate differently than ever before, and we may have to pay interest on demand money. Country bank customers have changed as much as the corporate treasurer. They want interest on any idle funds, even if it is overnight.

Electronics has found a way for customers to make deposits—even though your bank door may be locked. Electronics has made branching a moot question. No firm is going for brick and mortar when it can perform the same operation with a piece of relatively inexpensive machinery.

The policy of the Nebraska Bankers Association remains
(Turn to back page, please)



Dale Luckow

We're ready to serve you at 7th & Walnut
in our new home.

IOWA-DES MOINES NATIONAL BANK

An Affiliate of Northwest Bancorporation



[515] 245-3131

88th Annual Iowa Bankers Convention



R. E. Tool

AN EXCITING program is in store for the more than 5,000 bankers and wives expected for the 88th annual convention of the Iowa Bankers Association, scheduled for October 6-9 at Hotel Fort Des Moines in Des Moines. The convention starts with a completely new form of entertainment when the President's Reception is combined with a Las Vegas Night Party at Uncle Sam's Night Club, located at 20th and Keosauqua. The party starts at 7:00 p.m. and concludes at 11:00 p.m. and will give convention-goers a genuine Las Vegas atmosphere.

The 26th annual Agricultural Breakfast Conference will again be held at Veterans Auditorium, starting at 8:00 A.M. The formal program will begin at 9:00 A.M. T. Edw. Batty, Chairman of the IBA Ag Breakfast Sub-committee and president, The First State Bank, Rockford, will preside.

The Annual Dance and Midnight Breakfast will be at the Val Air Ballroom, 63rd and Ashworth Road in West Des Moines, once again and will feature the big band sounds of Mike Day and his orchestra. This event starts at 8:00 p.m. The Annual Theater Party at C. Y. Stephens Auditorium on the Iowa State University campus in Ames will feature Sandler & Young, two nationally prominent, versatile entertainers whose song and patter routines continue to delight nightclub crowds. Curtain time is 8:30 p.m. Bus transportation will be provided.

Complete details on the 88th Annual IBA Convention are published in the September magazine issue of NORTHWESTERN BANKER, starting on page 95.



J.L. Campbell, Jr.



Neil Milner



7th FED BOARD members met in Des Moines, Sept. 25, inviting all Iowa Fed members. Shown from left are: Wm. H. Franklin, chmn., Caterpillar Tractor, Peoria; Robt. P. Mayo, Fed pres., and John Sheehan, member Board of Governors, Washington, D. C. Viewing the current economy, the three Fed officials expressed concern "the world is suffering from a lack of self confidence."

newly named executive manager of the Nebraska Bankers Association. Mr. Harris, 30, will join the staff on November 1 and will take over as executive manager January 1, 1975, the effective resignation date of the current manager, William H. Osterberg, Omaha.

Mr. Harris joined K-N Natural Gas Co. in 1968. Prior to that he served as a reporter for the Hastings Daily Tribune and the Holdrege Daily Citizen.

The executive council of the Nebraska Bankers Association has approved moving the Association office from Omaha to Lincoln. The move is expected to take place within the next few weeks.

Iowa News

CHEROKEE: Doyle Simonsen recently was elected to the board of the Central Trust and Savings Bank. He is president of Simonsen Mill, Manufacturing and Propane Services at Quimby.

DAVENPORT: John F. Hodson, executive vice president of First Bank, has been named president.

DES MOINES: Wendell Gibson, general counsel for the Iowa Bankers Association, has announced that he will retire from the Association effective October 1.

HUMBOLDT: Sharon Blomker has been appointed instalment loan officer at the First National Bank.

BELLEVEUE: Noel Macek has joined the Southroads Bank as cashier.

CRETE: Robert D. Zuehlsdorf, cashier of the City National Bank, has been promoted to vice president. John D. Hamby, Jr., has joined the bank as vice president and loan officer.

HASTINGS: Hastings State Bank has filed an application for permission to establish a drive-in facility at 910 East South Street.

Nebraska News

Robert E. Harris, manager of public relations and governmental affairs for the Kansas-Nebraska Natural Gas Co., Hastings, is the

Tr. & Sav.



Christy Armstrong



Leo Kane



Bob Scott

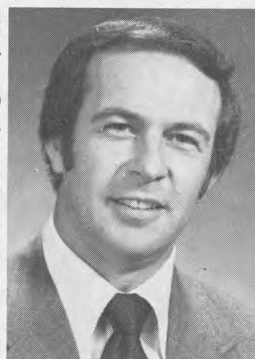
*'WE HAVE WHAT YOU WANT
in a correspondent bank'*

**American Trust
and Savings Bank**

9TH AND MAIN, DUBUQUE, IOWA

FRASER MEMBER FDIC - FR

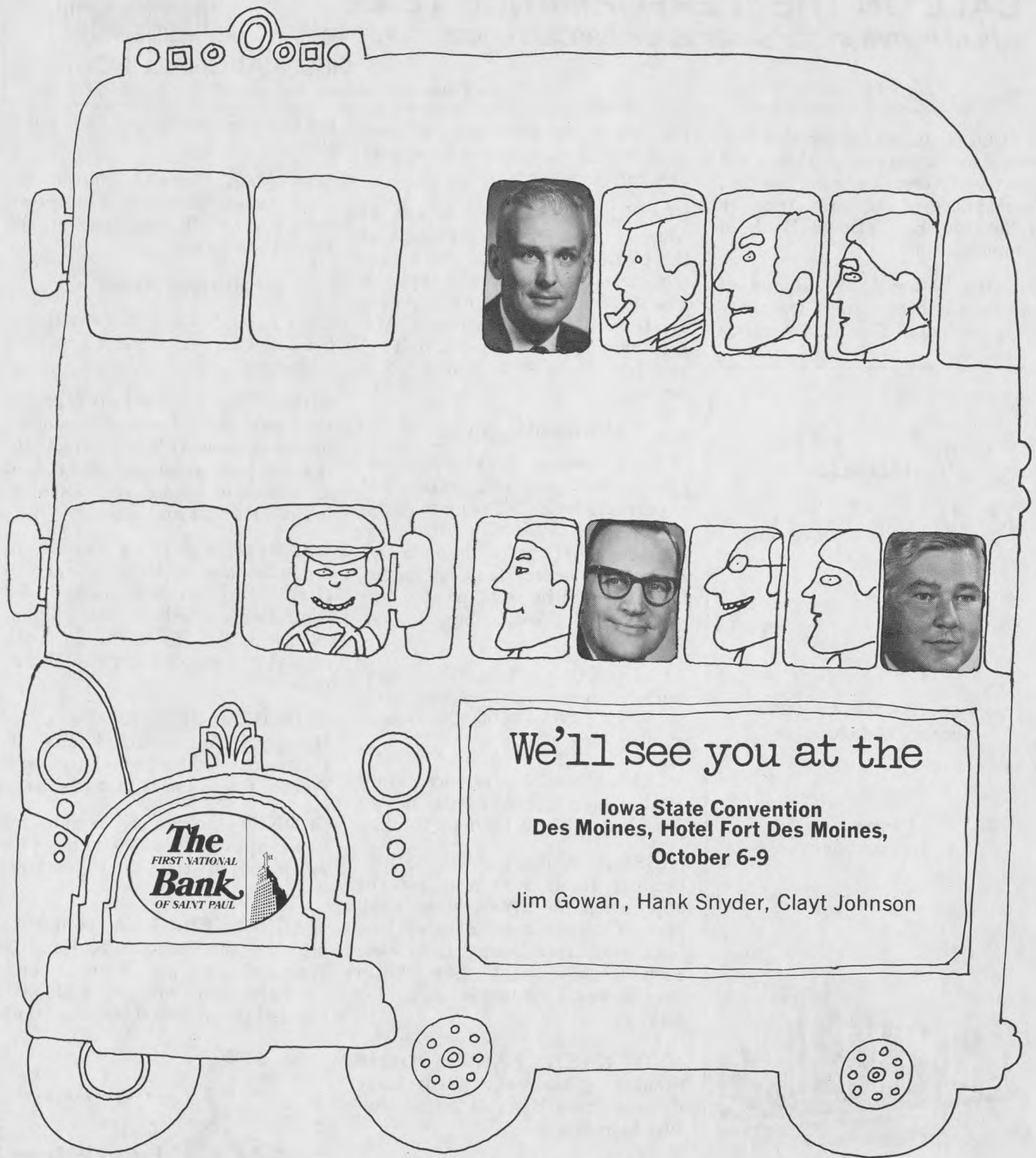
A good
correspondent
bank relationship
is still built
by good people.
Yours and ours.



Terry Martin
Vice President

Call me
toll free . . .
800-332-5991

**Merchants
National Bank**
Cedar Rapids Iowa 52401 A BANKS OF IOWA BANK



We'll see you at the
Iowa State Convention
Des Moines, Hotel Fort Des Moines,
October 6-9
 Jim Gowan, Hank Snyder, Clayt Johnson

*Your friends from The First National Bank of Saint Paul,
 where your bottom line is our top priority.*

CALL ON THE "PERFORMANCE TEAM"

where common transactions are handled uncommonly well.



FIRST NATIONAL LINCOLN

13th & M Street • Lincoln, Nebraska 68501 • Member, F.D.I.C.

LINCOLN: James Colgan has been elected executive vice president and director of Nebraska Securities Co., a subsidiary of NBC Co., and an affiliate of the National Bank of Commerce here.

OMAHA: Dwaine W. Rogge of Lincoln has been named executive vice president of First Mid America

Inc., an investment banking firm. He formerly was vice president and director of research.

STAPLETON: L. E. Alford of North Platte, former president of the North Platte State Bank, has purchased the Bank of Stapleton and the Burnham Insurance Agency from E. H. Burnham. Mr. Burnham joined the bank in 1947 and purchased it in 1952. He is retiring.

Minnesota News

The Minnesota Bankers Association is anticipating a record 900 registrants for its 25th annual Bank Officer and Staff Conference on October 8-9 at the Radisson South Hotel in Bloomington. An added highlight will be concurrent workshops held on Wednesday, October 9.

ARLINGTON: Arlington State Bank has increased its capital stock from \$100,000 to \$150,000 by sale of new stock.

MINNEAPOLIS: Terrence Sandvik has been elected assistant vice president of F&M Savings Bank.

NISSWA: A hearing will be held October 15 at 9:30 a.m. on the application for a new state bank here. Capitalization of the new bank would be allocated as follows: \$200,000 in capital, \$200,000 in surplus and \$100,000 in undivided profits.

RED LAKE FALLS: David Steuart joined the Red Lake County State Bank as an agriculture loan officer.

SOUTH ST. PAUL: Open house will be held by the Northwestern National Bank in its new building on October 10-11.

WASECA: Robert H. Hammond, 30, has been appointed assistant vice president in charge of the instalment loan department at Security State Bank.

WAYZATA: Ronald Lee Trach has joined the Wayzata Bank and Trust Company as assistant to Lloyd M.

Faust, vice president and trust officer.

WILLMAR: John O. Barton has been named assistant vice president and credit manager of the Bank of Willmar.

Illinois News

CHICAGO: Stanley S. Leavitt has been elected assistant cashier of Lakeside Bank.

CHICAGO: A permit to organize the Community Bank of Lawndale has been issued. Total capitalization will be \$2 million, consisting of \$1 million in capital, and \$500,000 in both surplus and reserve.

GRANITE CITY: A permit to organize the Colonial Bank of Granite City has been issued. Total capitalization will be \$1 million, consisting of \$400,000 in both capital and surplus and \$200,000 in reserve.

HICKORY HILLS: Bank of Hickory Hills has named James J. Binkowski teller manager and Werner Chesna assistant cashier.

SKOKIE: George J. Logan has been appointed assistant vice president of the First National Bank.

WARRENSBURG: A permit to organize the Community Bank of Warrensburg has been issued. Capitalization will be \$500,000, consisting of \$200,000 in both

Illinois Bank Building Corporation

11054 SOUTH MICHIGAN AVENUE
CHICAGO, ILLINOIS 60628

Phone
312 / 568-1030



DESIGNERS AND CONSULTANTS
TO FINANCIAL INSTITUTIONS

IBBC



Call
Everett P. Brown
for

**Personal Attention
to All Your
Correspondent Needs**

U S NATIONAL BANK

OMAHA
An Affiliate of Northwest Bancorporation

CALL 402 536-2000
AREA CODE



capital and surplus and \$100,000 in reserve.

WOOD DALE: The First Security Bank has announced the promotion of Gary M. Newman to assistant cashier.

Wyoming News

JACKSON HOLE: Daniel T. Geittmann has been elected president of the First National Bank, succeeding Robert T. Noel, who was promoted in June to vice president for administration of Wyoming Bancorporation.

North Dakota News

EFTS, deposit interest rate ceiling legislation, federal pension laws and bank taxes will all be topics of discussion at the 1974 North Dakota Bankers Association Group Meetings. The program begins at 3:30 p.m.

Dates and places follow: Northeast Group, Oct. 7, Andrews Steak House, Rugby; Northwest Group, Oct. 8, American Legion Club, Mohall; Southwest Group, Oct. 9, Seven Seas Motor Inn, Mandan; Southeast Group, Oct. 10, Elks Club, Valley City.

Banking for a brighter future.



For straight talk on correspondent banking talk with Homer Jensen at CCB. We do your kind of banking.



Des Moines' second largest independent bank. Main Bank East Fifth and Locust 50309 515/244-5111

LANGDON: Roger Moore has joined the First Bank of Langdon as manager of the instalment loan department and assistant cashier. He formerly was associated with the Southside National Bank of Missoula.

LISBON: Bill Weber has joined the Farmers State Bank.

MARION: DuWayne Bott has joined the State Bank of Marion after purchasing controlling interest in the bank from Wayne Kaspari. He previously was vice president and director of the Security State Bank at Adams.

OAKES: Steven A. Enger has joined the First National Bank as trust officer.

SHEYENNE: Ralph Leet has been

named vice president and agricultural representative of the Farmers & Merchants Bank.

Valley National Bank
A BANKS OF IOWA BANK
Member FRS • Member FDIC
Des Moines, Iowa 50304 515/288-9711

JOHN RODGERS WELCH
Correspondent
Banking Officer

See what's new in Iowa credit insurance. Visit us in our Hospitality Suite at the Hotel Fort Des Moines during the Iowa Bankers Association convention.

Stan Grout

Norm Fletcher

Paul Wold

CREDIT LIFE AND DISABILITY INSURANCE

WITH THE

FULL SERVICE

plan

offered by

St. Paul
Hospital & Casualty

A Mutual of Omaha Company

P.O. BOX 1711, ST. PAUL, MINNESOTA 55111
PHONE (612) 854-4515

South Dakota News

The South Dakota Bankers Association will hold its Installment Credit Conference on Thursday, October 10, at the Howard Johnson's Motor Lodge in Rapid City. Registration for the conference begins at 11:30 a.m. and the program begins at 1 p.m. Adjournment will be at noon on Friday, October 11.

The program includes workshops on the Motor Vehicle, Bank, and Retail Installment Loan Acts. Other topics to be discussed are Simple Interest, Credit Discrimination on the Basis of Sex or Marital Status and the Economy of the Upper Midwest.

BELLE FOURCHE: Kenneth Thomas has joined the Belle Fourche office of the First National Bank of the Black Hills as installment loan manager.

SPRINGFIELD: The Springfield State Bank recently held an open house to observe its 50th anniversary. Don Dwight is the bank's president.

Wyoming News

GILLETTE: William C. Naramore has joined the Stockmens Bank as a loan officer and assistant investment officer.

ATTENTION: Mr. Banker

When your employees file a discrimination suit, it's too late. Let us help you take preventive steps.

L. P. Associates

P.O. BOX 135
ROCK ISLAND, ILL 61201
PHONE: AC 309 764-9690

**When
you need
a little help
call us on our
toll free
wats number
800-362-1615**



EDDIE A. WOLF



WILLIAM B. GREAVES



RUSSELL G. PLAGER



GREGORY S. WOLFE



GERALD B. MURPHY

Correspondent Bank Department



Central National Bank & Trust Company

DES MOINES (515) 743-8161 MEMBER FDIC
LOCUST AT SIXTH/FIFTH & GRAND/35TH & INGERSOLL/WEST DES MOINES

NETS (Continued from page 1)

against branch banking. At the same time, we must ask, "Are we going for progress by developing electronic banking? Why should we be on the defensive? Why not develop a system which will put us ahead in the financial industry?"

At present, we are ahead of the TMS system developed by First Federal because we have third party transfer. The conclusions of this study group approved by your executive council suggest that your association support legislation which will permit electronic banking without changing the corporate structure of the industry or giving anyone an advantage. To determine the policy of the association, you will be asked to vote on this policy matter.

The eyes of the banking industry in the U. S. are looking at you to see what you decide to do about the establishment of NETS.

WANT ADS

Rates 35 cents per word per insertion. Minimum: 12 words
NORTHWESTERN BANKER
306 15th St., Des Moines, Iowa

WANTED

Two used vault doors and ventilators, 3½ inch with 6R rating or better. Send prices and dimensions to Joe Ludley, Fidelity Savings Bank, Marshalltown, Iowa 50158.

POSITION AVAILABLE

Installment loan officer wanted by \$20MM bank in major Iowa county seat. Must have consumer banking experience. Position leads to head of department. Send resume to: Hugh Van Hosen, Newton National Bank, Newton, Iowa 50208.

POSITION AVAILABLE

AVP needed for the Commercial Loan Department of a \$60MM Nebraska Bank, affiliated with a national holding company. Commercial lending experience required. Excellent benefits. Please send resume including education, experience and references. Write Box DCO, c/o NORTHWESTERN BANKER, 306 15th Street, Des Moines, Iowa 50309.

BE YOUR AREA'S LEADING AG BANK. Doane's Farming For Profit can fill a gap in your marketing program. Send this exclusive ag newsletter to the best farmers in your area. For a free 6-month sample subscription, write: D. R. Gorr, DOANE, Dept. 702, 8900 Manchester Road, St. Louis, Mo. 63144.

FOR SALE

1 Pitney-Bowes Addresser, table, file drawers, and supplies; plates and foil inserts. Like new. Bank of Elgin, Elgin, Nebraska, phone 402/843-2228.

POSITION WANTED

Young man, 29, 6½ years experience in consumer lending, all phases internally, plus working with dealers, seeks position with central Iowa bank with opportunity for advancement. References. Contact Bob Ormston, 225 N. 25th, Fort Dodge, Iowa 50501. Phone 515/576-1048.

POSITION AVAILABLE

Ag Representative and Installment Loan Officer. Rural \$20MM bank, adjacent to the Twin City area desires aggressive college graduate with Agricultural, Installment Loan and Collection background. Excellent opportunity for the right man. Send picture and complete resume to: Mr. Jack Ellis, Vice President, State Bank of New Prague, 201 Central Avenue North, New Prague, Minn. 56071.

We Serve Banks and Bankers from Minnesota to Texas, from Iowa to Colorado. For more information, Write or Call:

TOM HAGAN & ASSOCIATES
Box 12346, N.K.C., Mo. 64116
(816) 474-6874

"It Takes A Banker To Know One"

SERVING PROFESSIONALLY

Banking, Financial & Business Personnel
Iowa and Nationwide

CAPITAL PERSONNEL SERVICE

204 Securities Bldg. 515-283-2545
Des Moines, Iowa 50309

Vol. 3 No. 74 Northwestern Banker Newsletter is published weekly by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309. Subscriptions 25 cents per copy, \$6 per year. Second class postage paid at Des Moines, Iowa. Address all mail subscriptions, changes of address (Form 3579) manuscripts, mail items to above address.