

NORTHWESTERN Banker Newsletter

Vol. 3 No. 99

Des Moines, Iowa

March 24, 1975

IBAA, First Federal Give EFT Opinions

At their annual Bank Management Conference in Lincoln earlier this month, members of the Nebraska Bankers Association were presented a one-day program devoted entirely to the Electronic Transfer of Funds subject. This follows a year of concentrated activity by NBA officials in an effort to arrive at an answer to the TMS program put into action in January, 1974, by First Federal Savings & Loan of Lincoln.

TMS offers S&L customers the opportunity to make deposits or withdrawals from their First Federal accounts by using a personal identification plastic card at inexpensive terminals in Hinky Dinky supermarkets. The program was expanded from Lincoln into the Omaha metropolitan area in mid-March by going into Omaha, Fremont and Wahoo. An Omaha and a Fremont S&L have joined First Federal on the system.

Two of the speakers presented diametrically opposing viewpoints on the question of whether EFT should be further developed or should be suspended by a two-year moratorium presently under study by Congress. The speakers were Howard Bell, executive director of

Independent Bankers Association of America, Sauk Centre, Minn., speaking for independent bankers, and John Dean, president of First Federal, developer of TMS, speaking for his firm. Digests of their comments follow:

Mr. Bell explained the reasons behind IBAA's opposition to further bank development of EFT systems now and the association's support of the proposed two-year moratorium on EFT development by financial institutions. IBAA, he recalled, involved itself in court actions with the Federal Reserve Board, in Nebraska as amicus curiae with the Nebraska attorney general against Hinky Dinky stores and the TMS system, as an active originator and supporter in Congress of the two-year moratorium, and most recently as a litigant against the Comptroller of the Currency to prevent him from implementing his regulation that rules unmanned teller terminals are not branches and can be established at any location without regard to state lines.

He said IBAA does not oppose the technique but feels a long period of study needs to be made before its use, with consideration to

such matters as restraint of trade and domination of business in opposition to anti-trust laws. He listed convenience to the public as the advantage of EFT, but listed a number of disadvantages, such as the above legal problems, potential branching in states where state law prohibits this activity, and dominance of business by large banks with unfair competition for small banks.

Mr. Bell said the prohibitive cost also is a factor and cited examples from bankers who previously had given their high costs of doing business with EFT systems.

Mr. Dean shared all the data he could muster with bankers on development and results of the TMS program he introduced in January, 1974, through Lincoln Hinky Dinky supermarkets. Mr. Dean told Nebraska bankers, "When the ACH goes into effect, we hope to be one of your first customers." He added that First Federal is writing checks against 861 banks in 46 states outside of Nebraska.

He said First Federal now is running a paper-free operation internally with its total on-line teller facilities. He said the FHLBB was correct in making First Federal prove that such an on-line system

(Please turn to Page 3)

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.

Maybe you should take a fresh look at things.

Call and ask for Gene, Ed or Jim in our Banks and Bankers Division. 712.277-6517



Security National Bank
6th & Pierce Street, Sioux City, Iowa
Downtown • Morningside • Leeds
Member F.D.I.C.

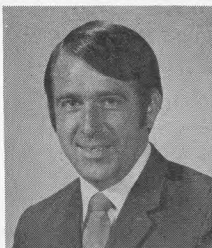
IBAA President

Nearly 3,000 persons attended the 45th annual convention of the Independent Bankers Association of America in Las Vegas last week. Kenneth J. Benda, president of the Hartwick State Bank, Hartwick, Ia., was advanced to the presidency. He is succeeded as first vice president by Charles O. Maddox, Jr., chairman and president, Peoples Bank, Winder, Ga. The new second vice president is Edward A. Trautz, president, East Lansing State Bank, East Lansing, Mich. Elected treasurer for a two-year term was William P. Givens, president, Merchants National Bank, Muncie, Ind.

A complete report with pictures will be given in the April Northwestern Banker by Publisher Malcolm Freeland.

Iowa News

Ten meetings are being held in Iowa this week by the Iowa



Larry Welch

We're in our new home at Seventh and Walnut. Stop in and visit us soon.

IOWA-DES MOINES NATIONAL BANK

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Bankers Association to review EFT legislation prepared by the IBA legislative committee, approved by the IBA Council and now being considered by the Iowa legislature. The meetings start today, March 24 and conclude Friday, with two held each day—the first at 9 a.m., the second at 2 p.m., except for the Ottumwa meeting at 2:30 p.m. today. Meetings are scheduled as follows (no registration fee):

- Mon.—Des Moines Hyatt House, D.M. Red Lion Inn, Ottumwa
- Tues.—Jumer's Motor Lodge, Bettendorf Town House, Cedar Rapids
- Wed.—Twin Torch Inn, Waterloo Julien Motor Inn, Dubuque
- Thurs.—Holiday Lodge, Clear Lake Starlight Village, Fort Dodge
- Fri.—Hilton Inn, Sioux City Ramada Inn, Council Bluffs

ALTOONA: Earl R. Freel, executive vice president, has been named president of the Altoona State Bank succeeding Clifford M. Custer who has been promoted to chairman. Also announced were the appointments of Ray B. Nielsen to vice president and cashier and Max Wright to vice president and public relations director.

DES MOINES: Plaza State Bank has announced the election of Forest T. Lewis as president and trust officer. He formerly served as executive vice president.

DES MOINES: Mary F. Holstad, investment officer at Central National Bank and Trust Company, has been named a member of

the Iowa Commerce Commission.

WAUKON: Richard Lomen, president of the Waukon State Bank, has purchased controlling interest in the bank.

Nebraska News

ELWOOD: The First National Bank of Elwood has announced the addition of LaVerne Stuehm to its staff as agricultural representative.

KEARNEY: First National Bank in Kearney has changed its name to First National Bank and Trust Co. of Kearney. The bank is constructing a new building at 21st and 1st and is expanding its trust department.

OMAHA: Frank O. Starr has resigned as president and director of Omaha National Corp. and as president and chief executive officer of The Omaha National Bank. The 51-year old executive will become chairman, president and chief executive officer of Jefferson Bank and Trust in Denver, Colo. Morris F. Miller, chairman of the holding company and the bank will assume duties of acting chief executive officer of the bank until a special committee of directors presents its recommendations for a successor "in the near future," a spokesman stated.

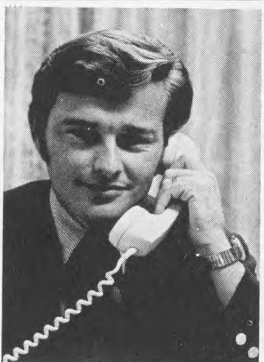
Minnesota News

BROWNTON: Loren Schmeling has joined The First State Bank. He formerly was associated with the State Bank of Young America.

CANBY: John W. Hansen has joined the National Bank of Canby as assistant cashier and loan officer. He has been associated with the Farmers Merchants Savings Bank of Waukon, Ia.

ELBOW LAKE: L. A. Smith, chairman and president of the Bank of Elbow Lake, has announced that a group headed by Mr. and Mrs. E. J. La Fave, Jr., Morris, has purchased controlling interest in

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



Mark Christen
Assistant Cashier

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

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



Get to know our Correspondent Bankers.

Get to know: (left to right) Leon Winters, Harold Kinney, Bill MacMillan, Bill Fleming and Norm Burkepile. And let them get to know you. Then, when you need help with any of our services, you'll get the help you need. Quickly and efficiently.

COLORADO NATIONAL BANK
17th and Champa • Denver, Colorado 80202 • (303) 893-1862



the bank. The La Fave family has been associated with the Citizens Bank of Morris for the past 56 years. E. J. has been managing officer for the past 15 years.

Mr. Smith has been reelected chairman and president of the Elbow Lake Bank and all employees will continue in their positions.

MINNEAPOLIS: Jay A. Larsen has joined the loan examiner department of First Bank System. He formerly was with the First National Bank, Mankato.

MOORHEAD: Ken Benson has been promoted to senior vice president of the American State Bank.

NORTHFIELD: Nina M. Errington has been appointed cashier of the Northwestern State Bank.

Illinois News

CHICAGO: Michael J. Whelan, president of The Dovers National Bank, has announced the following promotions: Robert J. Skertich to assistant vice president, John E. Wagner, III, to assistant cashier, and Philip J. Andrews to pro cashier.

ELK GROVE VILLAGE: An application for a permit to organize the First Security Bank has been filed. Total capitalization would be \$1,200,000 consisting of \$480,000

Don Rainer,



Agricultural Representative . . .

wants to build a solid correspondent banking relationship with you.

Use our toll free WATS line: 800-362-1688



Bankers Trust

6th & Locust/
Des Moines, Iowa 50309

in both capital and surplus and \$240,000 in reserve.

MORTON: An application for a permit to organize The Morton Trust & Savings Bank has been filed. Total capitalization would be \$1 million consisting of \$400,000 in both capital and surplus and \$200,000 in reserve.

WAUKEGAN: An application for a permit to organize the United Bank of Waukegan has been filed. Total capitalization would be \$1 million consisting of \$400,000 in both capital and surplus and \$200,000 in reserve. There would be 50,000 shares of stock with a par value of \$8 each.

Wyoming News

MILLS: An application for a national bank, First National Bank of Mills, has been filed by five Casper men. The organizers would issue 10,000 shares of stock for capitalization of \$350,000.

North Dakota News

DEVILS LAKE: Joyce Atherton and Shela Grafsgaard have been elected assistant cashiers of the Western State Bank.

Colorado News

STERLING: Raymond E. Schryver has been named vice president and trust officer of Security State Bank.

EFT OPINIONS.
(Continued from page 1)

and TMS would keep the customers records confidential, and results have proven that this confidentiality is retained.

Mr. Dean stated, "This system is the real friend of small banks and s&ls...(and) will stem the tide of branching. The cost now is \$500 for a terminal with \$300 in other

SERVICE WITH NO SMILE.

All our computer knows how to do is work. Quickly. Efficiently. But no smile.

Bill Rickert and Ken Young are the ones who smile. Especially when they're showing somebody how our straight-faced computer works.

Call Bill or Ken today.

1-800-772-2015



National Bank of Waterloo

aware
are they of you?
are you of us?

FRASER SIGN
AN ADVERTISING CO., ROCHESTER

Call our Bond Department

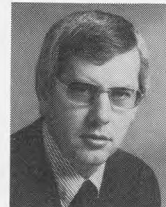
For up-to-the-minute, accurate information



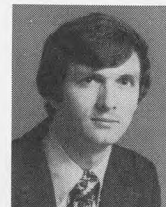
COMMERCE BANK
of Kansas City ^{NA} 10th and Walnut
(816) 234-2000
Member FDIC



Walter Knowles
Vice President-
Manager
Bond Department
234-2458



Cecil Denton
Vice President
Government and
Municipal Securities
234-2450



Jim Peters
Asst. Vice President
Money Market Center
234-2219

costs, or \$800 total per store. Isn't that within the means of small banks? Isn't it better to a lower cost per check transaction?

"This country must have small banks, small S&Ls, small businesses. We can't survive with just 'biggs.' America must be served by small institutions...Let's establish greater dialogue since we'll be sharing the same terminals—and we will be sharing them—and let us go forward to serve the people of America even better and in the way they're entitled to be served."

WANT ADS

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

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.

POSITION AVAILABLE

Trust Officer to manage growing department. Emphasis on new business development. Excellent opportunity for someone with 3 or 4 yrs. experience. Replies confidential. Write Box WFD, c/o NORTHWESTERN BANKER, 306 15th St., Des Moines, Iowa 50309.

POSITION AVAILABLE

Cashier—Excellent opportunity for someone with 3 or 4 years bank experience. Replies confidential. Contact Chas. Ertzinger, 815/562-7171.

OUR WESTCLOX ELECTRIC ALARM clocks, at \$2.78 Each, and handsomely packaged, are your best one-shot premium gift buy! The clock is lovely, tiny, white...fully guaranteed...and will bring in lots of new \$100 openings. Use for Welcome Wagon, too. Minimum, 144. Warehoused, so no samples. *Dollars below list.* BOB TUCKER ASSOCIATES, BOX 1222, PT. ARTHUR, TX 77640. "Since 1958"

FOR SALE OR LEASE IMMEDIATELY

12' x 40' Trailer designed for facility banking. 2 drive-in window positions, safe, night deposit, wired for alarm, electric heat, air conditioning, lavatory and hot water. Call Northwest Bank of Peoria—309/685-6131.

POSITION WANTED

Young man, age 32, with extensive experience in all phases (application through closing) in mortgage lending, and in special lending. Several years with Minneapolis savings and loan as loan officer, then manager of five departments. Have BA degree in Finance from Roosevelt University, Chicago. Wish to enter commercial banking. Have references. Will relocate. Married, two children. Box SSI, c/o NORTHWESTERN BANKER, 306 15th St., Des Moines, Ia. 50309.

POSITION WANTED

Experienced banker, age 40, seeks opportunity for broader responsibility and advancement. Now No. 2 man in \$50MM deposit bank; responsible for installment loans, commercial and real estate loans, personnel and operations. Will relocate. Write Box ASM, c/o NORTHWESTERN BANKER, 306 15th St., Des Moines, Ia. 50309.

POSITION AVAILABLE

Managing officer for growing suburban bank in west central Wisconsin. Responsible for all areas of the bank. Salary open. All replies held strictly confidential. Send resume to Box SPW, c/o NORTHWESTERN BANKER, 306 15th St., Des Moines, Iowa 50309.

POSITION AVAILABLE

Key position open as head of installment lending department of major midwest bank. Send resume in confidence to Box GKO, c/o NORTHWESTERN BANKER, 306 15th St., Des Moines, Ia. 50309.

Ready To Sell Your Majority Bank Stock?

Write or Call:
J. Mason Henry, President
CHARLES E. WALTERS CO., INC.
P. O. Box 1313, Omaha, Nebr. 68101
Phone: (402) 553-6400

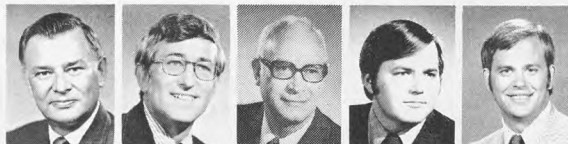
WANTED—EXPERIENCED BANKERS

TRUST—3-5 yrs. experience in personal Trust administration. J.D. degree helpful. \$17,000
INSTALLMENT LOAN—real "take charge" off. with 3-5 yrs. bank exper. in direct & indirect. One who can build dept. in \$25MM Kansas bank. \$16,000
AGRI-LOAN—prefer M.B.A. with farm mgmt. background. Sr. officer position. \$22,000
DATA PROCESS MGR.—for large D.P. center. Service other banks. \$20,000
INSURANCE—bank insurance only. Mature individual. Salary & commission. OPEN
Several other Jr. & Sr. positions open. Many clerical (tellers, proof operators, secretaries) for people moving to Kansas City area. REMEMBER:

"IT TAKES A BANKER TO KNOW ONE"

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

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

"C" Central National Bank & Trust Company
MAIN BANK LOCUST AT SIXTH AVENUE, DRIVE-IN MOTOR BANK AT FIFTH & GRAND
FULL SERVICE OFFICE AT 35TH & INGERSOLL, DES MOINES, PHONE 243-8181, MEMBER FDIC.

Vol. 3 No. 99 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.