

EARLY BANKERS SEE WELL INTO FUTURE

Pioneers Built Strong Financial Institutions, Which Have Grown to Present Proportions.

By A. R. GROH.

The southwest corner of Twelfth and Farnam streets was the site of the first institution in Omaha doing a general banking business. This institution was the Western Exchange Fire and Marine Insurance company, and its office was opened in the spring of 1855. This was also the first financial institution established in Nebraska under a charter from the legislature. Thomas H. Benton, jr., was president, Leroy Tuttle, cashier and A. U. Wyman, teller. Tuttle and Wyman each occupied the position of treasurer of the United States later.

The next banking institution in Omaha was organized in 1856. It was the Bank of Nebraska, and occupied a location on the southeast corner of Twelfth and Farnam streets. This bank issued \$37,000 in currency under the management of B. F. Allen and Samuel Moffatt, which was redeemed in full.

The Omaha and Chicago bank was granted a charter in 1857 and continued in business until 1864.

An early issue of the Omaha Times contains an advertisement as follows: "Gridley & Co., F. Gridley, J. H. Kellom—new banking house. Money loaned. Drafts on New York, St. Louis and all of the eastern cities. Gold and silver bought and sold on reasonable terms." This firm was in business for about three years.

Early Bankers.

Samuel E. Rogers was a banker and real estate broker with an office at Douglas and Eleventh streets in 1857. H. C. Rariden & Co. were bankers and land agents, with an office on Harney street, in 1858. The Nebraska Land and Banking company was in business in that year. Monell & Co. carried on a business as land agents and bankers. Artemus Sahler & Co. and Smith & Parmelee are other early banking firms.

Two houses that started in business before some of those named were Barrows, Millard & Co. and Kountze Bros. The former started a land agency in 1855, the firm consisting of Willard Barrows of Dubuque, Ezra Millard of Sioux City and J. H. Millard of Omaha. From the locating of land warrants and handling of exchange the firm worked into the general banking business.

Kountze Bros. Pioneers.

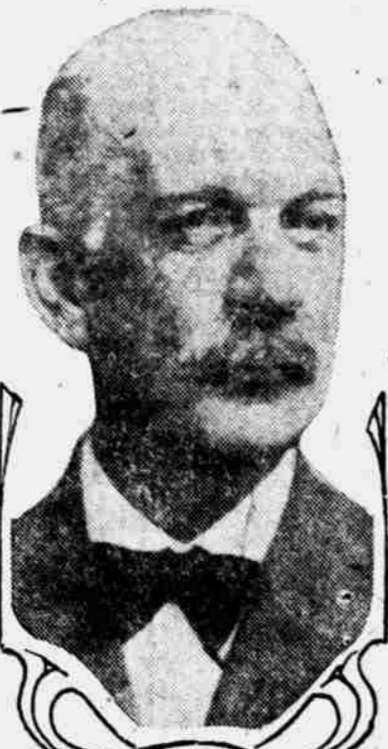
Kountze Bros. started December 10, 1857, just after the panic of that year. This firm originally consisted of Augustus and Herman Kountze, but a few years after included also two other brothers, Luther and Charles Kountze. Their first banking building consisted of a small, one-story building on the north side of Farnam street, between Twelfth and Thirteenth streets. In the rear of this room stood a safe fastened by means of a hasp, staple and padlock. The purchase and sale of gold, brought in from Colorado and other mining camps, constituted a large part of the bank's business in the early days. A shelf extending along the east and north sides of the room was frequently filled with tin pans containing the precious metal. Luther Kountze and W. H. S. Hughes slept in the bank as a guard. When Lawrence, Kan., was burned during the war by the guerilla, Quantrell, it was reported that he and his band of outlaws were preparing for a raid on Omaha. The windows of the bank were then fitted with heavy iron bars and the guard was doubled. The Kountze Bros. established a branch bank in Denver in 1862 and also organized the banking house of Kountze Bros., New York City.

On Same Street.

The banking houses of Barrows, Millard & Co. and Kountze Bros., both located at Twelfth and Farnam streets, were the only two in Omaha that survived until 1863. The former occupied a part of the first floor of a brick building on the southwest corner of Twelfth and Farnam streets. In 1864 Willard Barrows withdrew from the bank and the firm name was changed to Millard, Caldwell & Co., C. W. Hamilton, who had been with the firm as bookkeeper, being admitted as partner. In 1868 Ezra Millard retired from the firm and the name was changed to Caldwell, Hamilton & Co. In 1883 this firm developed into the United States National bank.

The Kountze Bros. firm developed into the First National bank, being nationalized in 1863 and starting then with a capital of \$50,000. Edward Creighton was its president; Herman Kountze, vice president; Augustus Kountze, cashier; H. W. Yates, assistant cashier. It was the first bank in Nebraska to organize under the national banking law and the two

Ak-Sar-Ben's Two Hustling Men of All Work



J. D. Weaver



Gus A. Renze

hundred and ninth in the entire country to organize as a national bank.

Organized Omaha National.

Ezra Millard, Caldwell & Co., organized the Omaha National bank with a capital of \$50,000, holding the position of president and engaging Joseph N. Field as cashier. Mr. Field came to Omaha and signed the first currency of the bank, but never really acted as cashier, that position being vacant until January, 1867, when it was filled by the appointment of J. H. Millard, its present president. This bank began business July 1, 1866, in a one-story frame building, about 20x40 feet at the northwest corner of Fourteenth and Douglas streets. The banking room was separated by a board partition from a little room at the rear which was used as a directors' room by day and a bedroom for the watchman at night. The banking room had a counter of pine boards painted white. A large safe with a "burglar-proof" chest at the bottom stood at the rear of the room. The safe was not considered safe enough to guard from burglars and every night a large sum was taken to the establishment of Millard, Caldwell & Co. and left there over night. This was done until 1867, when the bank occupied its new quarters at Thirteenth and Douglas streets, considered very commodious and elegant in those days.

Grows Into Merchants National.

In the fall of 1866 J. A. Ware & Co. opened a banking house at Thirteenth and Farnam streets. This enterprise succeeded and the business was acquired eventually by Governor Alvin Saunders, Ben B. Wood and others, who started the State Bank of Nebraska and this in turn was succeeded, October 2, 1882, by the Merchants National bank of Omaha. Its building, at the northeast corner of Thirteenth and Farnam streets was erected in 1888.

In 1882 Henry W. Yates, who had been in the employ of the First National bank for nineteen years, severed his connection with that institution and started the Nebraska National Bank, A. E. Touzalin joining him in the enterprise. It started with a paid-up capital of \$250,000, at that time the largest in the state. Its first banking quarters were a frame building, formerly occupied by Brash's Clothing store, and here the bank remained until its permanent banking building at the northwest corner of Twelfth and Farnam streets was completed.

ALFALFA BUTTER MADE IN OMAHA

Company Has \$350,000 Invested in Building and Equipment; Has Customers in Many States.

Of course you have heard of Alfalfa butter, but if you have never bought and eaten any, possibly you have labored under the impression that it is a product of alfalfa, the livestock forage plant that has gone a long way in helping to make Nebraska and Nebraska land famous. If you have been possessed of this impression, the impression has been a wrong one, for Alfalfa as applied to butter is only a trade name. Notwithstanding all this, Alfalfa butter is real butter, made from pure cream, and commands the highest price on the butter market.

A little more than a year ago the Alfalfa Butter company was organized in Omaha with W. W. Richardson, an experienced creamery and produce man, as president, and J. A. Walker, another man with years of experience in the creamery and butter manufacturing business, secretary

and treasurer. Around them they gathered capitalists and practical creamery men and soon completed the erection of a modern creamery and butter manufacturing plant at Eleventh street and Capitol avenue. They purchased a quarter of a block of ground and since then have invested some \$350,000 in a building and equipment.

Have Complete Plant. It goes without saying that here the Alfalfa Butter company has the most complete plant in the country, where daily 20,000 pounds of cream is being converted into the highest grade creamery butter, and, in addition, where 10,000 pounds of country butter is being worked over each day and manufactured into butter that exceeds the best creamery product, if such a thing is possible.

The business of the Alfalfa Butter company gives employment to seventy-five people and it has more than 1,000 producing customers in Nebraska, Iowa, Kansas and South Dakota, who are daily shipping cream and butter to the Omaha plant.

While the Alfalfa Butter company has been doing business but little more than a year and a half, its output this year will exceed \$1,500,000, with every indication that it will be doubled next year, when new producing territory will be taken in and the capacity for manufacturing materially enlarged.

Among the contemplated improvements during next year is increased cold storage room that will be in a new building to the south and west of the present two-story, pressed brick structure. Then, by reason of the increase of the business, it is going to be necessary to enlarge the capacity for manufacturing and to do this, much costly machinery will have to be purchased. This is going to take money and in order to enable the company to raise this money, the people of Omaha are going to be let in on an investment proposition. The company is putting some stock on the market that is guaranteed to pay 7 1/2 per cent. The shares will be in denominations of \$100 each and will be sold at par.

In making butter, both creamery and process, the foreword of the Alfalfa Butter company officials is cleanliness and every room and corner in the plant is as spick and span as the home of a most exacting housewife. Every person who has to do with the manufacture of the butter, each day puts on a suit of clean white duck clothing, the laundrying being done at the expense of the company.

Creamery Is Modern. In the creamery department the newest and most modern machinery is used in the manufacture of the butter and at no time is the butter ever touched by the hand of a human being. The work is all done by machinery and if you eat butter bear-

ing the brand "Alfalfa," you may feel certain of its cleanliness. The process butter department is the only one of its kind west of Chicago that is equipped with the most modern kind of machinery. This process butter, as is well known, is gathered from the farms of Nebraska and adjoining states and from the stores. It comes to the Alfalfa Butter company in great tubs and barrels and of course, there is a considerable portion that does not grade No. 1, but before it goes onto the market to compete with the creamery butter, it has gone through a process that brings it up to 100 per cent grade and makes it the equal of the best products of the creameries.

Making Process Butter. In the manufacture of the process butter, the butter brought from the country is thrown into great forewarmers and heated to a temperature of 120 degrees, after which the oil goes into the pasteurizing units and brought to a temperature of 180 degrees, this heat disposing of any bacteria that might exist. After this, it goes to the cooling vats, where it is ripened, later cooled and then it goes on its way to the churning room and there is converted into the cleanest and sweetest fresh butter that you ever tasted.

After being churned, the fresh butter starts on its way, stopping in large tanks where the buttermilk is worked out and where the butter is

properly salted. Again it moves along and is subjected to another working, this time being made into large cakes, which later on are cut into the proper sizes, finally reaching the tables of the packers, where it is wrapped in oiled paper and slipped into cartons, ready for the trade.

Placed in cartons the butter, until sent out to customers, is kept in a refrigerating room, the temperature of which is kept at just above the freezing point and there it is absolutely away from dust, or air that might taint it, thus being kept absolutely clean.

Costs More Than \$70 a Year to Have a Hat Checked, Providing the Owner is One of Those Unfortunates Who Must Eat Two Meals a Day in a Dining Place Where the Hat Checking Trust Has Established One of Its Lairs. This also assumes that the hat owner on each occasion hands the representative of the trust the conventional fee of 10 cents.

A writer in a current magazine wonders why we stand the robbery. The answer is easy. We stand it because we are too cowardly to protest. Each of us is afraid that we will be called mean and stingy if we do not give away money that has not been earned. Most of us are under no delusions that we really are giving the pleasant young woman or the affable young man in charge of the hatrack a contribution. We know all about the checking trust, and know that the servitor on the job gets only a fraction of our largesse, while the remainder goes to enrich the mysterious persons higher up who control the checking privilege. It is nothing but cowardice—the fear of the opinion of persons whose good or bad opinion is of no moment—which makes the series of small extortion possible.—Detroit News.

PRIDE IN A MAN'S "HOME TOWN"

"Pride in a man's home town" has been recognized as one of the very essential elements making for progress and growth of a city, whether it be large or small, and "pride in a man's home town" usually is possessed only by the man or woman, or the group of men and women, who have reason to feel pride in the part they have taken, or are taking, or will take, in making their city better in some way than other cities.

There are two kinds of pride—one, that arrogant, boastful kind that "goeth before a fall;" which is to be avoided scrupulously; the other, that kind which broadens the vision of its possessor, enabling him to see in his past work, only a foundation for other, bigger and better achievements which are to follow.

It is this latter kind of pride which Omaha today, at the moment of its greater prosperity, of its greater power and wealth and of its greater influence in the affairs of the world, than at any time of its history, is fully justified in exhibiting—for Omaha today is a city, whose many achievements of the past, make the gift of prophecy unnecessary for the man who wishes to paint a true picture of the future of this city, even though he uses the most glowing of terms.

That Omaha can well afford to exhibit this spirit of pride in its past achievements and in its present activities, no one can, for a moment, doubt; and that it will be well worth while for every one of its citizens to make such a spirit a foundation for the upbuilding of a vast superstructure which will make it the dominating commercial, industrial and financial center of the great empire of the Middle West, even our most aggressive neighbors will admit; especially when they note this city's present position of power and influence, its central location in the very heart of a fabulously rich section of the earth, and its most excellent system of rail facilities, by means of which it is given the greatest of opportunities to do that which makes a city "great," which is, to render indispensable service.

As one of Omaha's progressive institutions this company takes pride in its own home town, not simply because it is our home city or because of what we have been able to do to make it a little better or more beautiful—our pride in Omaha comes of the realization of our good fortune to be among a people of foresight and ambition and energy—a people who are ever ready to co-operate in any work which makes for collective, as well as individual progress.

This company has accomplished much that would never have been possible, had not this spirit existed among Omaha people, and we are ambitious to achieve much more in the future in the direction of bigger and better service along those lines which will add to the progress and growth of this city and much of its dependent territory, in a most substantial fashion.

In other words, we have the kind of pride in our own home town that we trust will make it proud to own us.

BANKERS REALTY INVESTMENT COMPANY

Architects and Builders

Ground Floor, Bee Building.

Omaha, Neb.

Growth of Banks of Omaha Reflects City's Business

(Continued from Page One.)

tional bank and the recipient of the check has his account in the First National bank and deposits the check there, that \$10,000 does not go through the clearing house. It is very easy to inflate clearing house figures if one wants to. But Omaha has never attempted to secure a temporary advantage by any such methods. And the clearing house report is all genuine and solid business.

If Omaha is sixteenth in the amount of its bank clearings among all the cities of the United States and that with only nine of its banks putting their interbank transactions through the clearing house, it is easy to imagine the amount of real business transacted in Omaha today.

What is the secret of Omaha's phenomenal growth, expansion and prosperity?

"There is no secret to it," said a banker. "It is natural and legitimate growth, backed up by great and growing industries, which in turn get their nourishment from a surrounding country full of prosperity and from able men in charge of business. To this must be added an unmatched natural location and railroad facilities in all directions that are ideal.

Omaha Banks Safe.

"As for the banks themselves, they are managed by men of brains and integrity. Omaha banks have always been safe and are preeminently safe

today. They are managed along conservative lines. There is no city with better banks than Omaha's."

There is a vast difference even in the physical aspect of Omaha banks today and the humble structures in which the pioneer banks did business.

Some of the banks which today occupy "skyscrapers" started business here in one-story, frame buildings of one room. They had safes so poor that the money was not left in them at night. Their counters were pine boards covered with oilcloth.

Today some of the most prominent and valuable corners in the city are occupied by the structures of these great institutions. The State Bank of Omaha has a fifteen-story structure, occupying part of the ample first floor with its banking rooms. The First National bank, within the last year, abandoned a six-story structure and moved into its fourteen-story building, equipped with all the most luxurious furnishings and the latest things in safety and burglar-proof installations.

Shortly before this move was made the United States National bank moved into its new home, one of the most magnificent banking buildings in this country. The Omaha National bank has had its splendid banking rooms on the first floor of its tall office building for a number of years.

All the other banks have substantial buildings which reflect the prosperity and stability that are theirs.