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*The Story of an
Institution which is
Fifty Years Old*

1865 ~ 1915

*The Story
of an Institution Which is
Fifty Years Old*



By LOUIS M. TOBIN

1865-1915

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The Story

It was founded by B. F. Harris. It has been carried on by his descendants upon his principles. It has become more than a bank—it is an institution.

That is what I would say if I had to write the story of the First National bank of Champaign in a single, crisp paragraph. For that is the story, in a nutshell, of the First National, which is fifty years old on January 30, 1915, and justly proud of it. It tells better than any other way just why this bank can look back upon half a century of service to the community and prosperity to itself.



B. F. HARRIS
at 55

The story of the First National is more than a mere chapter of material success. You can never tell it at all by a matter-of-fact chronicle—when it was established—what buildings it has

occupied—the amount of its deposits.

When I was little, I imagined that a bank was a grim, mysterious, impersonal machine—that the men I saw behind the railings were some kind of automatons—subordinated to the brass rails and imposing safes—that there was nothing human at all in this machinery for handling money. Today we all know that business, banking or any other

branch is but the reflection of the character of the men behind it—that it is anything but impersonal.

*It Is a Story
of Men—
Not of Gold* ¶ So the story of the First National is a personal story after all—not a story of ponderous vaults and sacks of gold—not a mere story of age, for age in itself is not especially significant of merit. It is a personal story, because the bank was founded by B. F. Harris. A son and a grandson have followed him as its head. The third generation of his family owns it. It is the “Harris” bank in fact. For fifty years it has reflected the principles and character of its founder.

I have said that the bank has become an institution. This was not said idly. It was not mere phrasing. We are careless these days with that word “institution.” In our easy speech, almost any building or business is likely to be termed an “institution.” When I said that the First National had become an institution, I sought some term expressive of the important place it filled in the community, I meant more than that it was solidly, firmly established—I meant that it was performing important duties for its community, outside of the routine transactions over its counters.

Today, when we appraise success, we ask more than a record of personal profit. So the historian of this bank which is so proud of its fifty years must inquire: What have these fifty years meant to the community that has dealt with this bank? What has been the public spirit of this bank?

To answer these questions, you must go back to the beginning—to another Champaign, the Cham-

paing of fifty years gone—the Champaign of 1865. It was hardly more than a frontier hamlet. Scarcely ten years had passed since Mark Carley had built the first dwelling. The population was 1,400. The day of the pioneer had scarcely passed.

A man whose name was already written large upon the history of the young county—he was its largest land owner and its greatest cattle feeder, although he was only in the prime of life, a tall sturdy, straight-limbed pioneer—decided to establish a bank.

*A
Decision
and Its
Con-
sequences*

His name was B. F. Harris.

His career had already been a wonderful epic. He had left his father's house and fared forth without resources—if you do not count a strong will and indomitable purpose. He had pioneered from Virginia to this virgin country thirty years before to become one of the greatest individual factors in its development. He had prospered beyond the dreams of avarice—the county and his fellow pioneers, too, had prospered because of his initiative, counsel and help.



When he was to die, years afterwards, rich in years and honors, they would call him the oldest and most successful cattle-feeder in the world. (There's an old scale in the bank today. It was used to weigh 100 head of cattle that he had fattened and sold in Chicago. Their average weight was 2,377 pounds—stockmen have never been able to equal the record.) The state into which he

adventured eighty years before was to recognize his service to the commonwealth by hanging his picture in its Farmers' Hall of Fame.



So this was the man who decided to establish a bank.

The decision in itself was not remarkable. Almost anyone in that young community who desired could call himself a banker and open a bank.

The importance of the decision rested in the character of the man who made it—and in the kind of bank that he decided to establish.

*The Days
of "Wild-
cat"
Currency*

W Banking in Champaign in 1865 was a precarious business—for banker and depositor alike. Those were the days of "wildcat" currency, issued at the will of the banker, curtailed only by his credit at the printer's. In fact, banking was a speculative industry. The banker took chances—his customers took more.



The farmer who wrestled with the hardships of pioneer life—the merchant who supplied his wants—encountered not only exorbitant interest rates—especially if necessity was dire—but also faced constantly the prospect of bank failures. There was hardly a limit to the fees that were exacted from borrowers. The legal interest rate of 10 per cent may seem formidable when you look back at it—there were few who contented themselves with that. The real interest rates ranged from 2 to 5 per cent a month.

¶ If you had lived in Champaign County in 1861, *When Long Faces Were Worn* more than likely you would have worn a long face one morning when you found the doors of the Grand Prairie Bank in Urbana and the "Cattle" Bank, its Champaign branch, closed. They had gone down in the general collapse of the stock security banks of Illinois. It was a hard blow to the struggling community.

Another bank was opened in Champaign in 1862, but it was operated on much the same old lines; some years later it was to suffer the fate of its predecessors. People were afraid of banks. The growing town and county were severely hampered by the lack of a responsible, conservative institution.

B. F. Harris was not satisfied. A man of large interests, he wanted a bank where his own money would be safely administered. A man whose career had been marked by deeds for the general good, he wanted a bank where the money of the people would be free from hazard. He knew that there must be another kind of banking from the current system. He knew that if another man gave him funds to guard, that he guarded them. He constantly cared for money that people were afraid to entrust to the banks of the day.

And men living here today will tell you that above everything else this pioneer abhorred the general custom of exacting as large an interest fee as could be secured from the needy borrower. Had B. F. Harris done so, there would have been no criticism. It was an accepted custom. But when he loaned his own money, these men will tell you, he



accepted the legal rate of interest—nothing more.

I have heard this from their own lips. I have read eulogies of this pioneer. But this glimpse of his character has been more impressive than all I have read.

A man who felt that money entrusted to him was sacred—that it was practically dishonest to extort usurious interest—was to establish a bank.

It was a matter of course that the bank he established would reflect his opinions. So that is why the decision was of such importance.

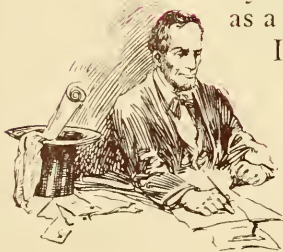
*The Dawn
of National
Banks*

Congress had finally recognized the need of better banking. A National Banking Act had just been passed creating national banks—under laws and regulations practically unchanged today. In fact the revision of the currency system last year was practically the first change the Government had made in the law since that time.

But the opportunity to secure a national bank charter did not appeal to the bankers of the county. It meant that there would be stipulations regarding reserves—that national banks would be investigated by bank examiners.

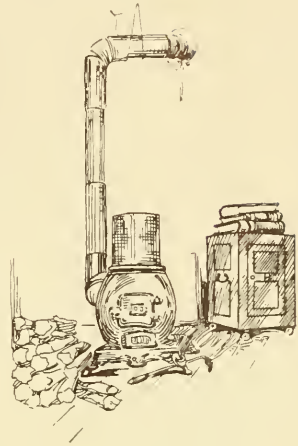
The law did appeal to B. F. Harris. It was the kind of bank he wanted for his own money and for the people's money. He called together the men of the community he considered most likely to be interested. A charter was secured from the United States on January 30, 1865. It was signed by a man who counted B. F. Harris as a friend—"A. Lincoln."

It was numbered 913!



II Main Street was the mart of the young town. Teams were hitched in front of the unpretentious store buildings, mostly frame. Men with tall hats and long coats stood on the sidewalks and discussed the topics of the day—which mainly dealt with the great Civil War, then in its final year. So it was on Main Street that the new bank was located—in a frame building on the site of the Kuhn building, now occupied by Metzler and Schafer, grocers.

A big “cannon” stove defied the corn-belt winter. Around it often grouped the men of Champaign. A small safe, innocent of “combinations”—they opened and locked it with a key—was the most important accessory.



II You can see this safe today. At one end of the banking room of the First National it stands humbly—as if conscious that it fits oddly with its surroundings of marble—as if conscious of the massive modern vault which overlooks it from the other end of the room. It spans that half century for you—here is this wonderful banking-room, there is a memento of its small beginning. I have no doubt that the grandsons of B. F. Harris from their desk across the room look at it with more than pride—that, humble as it is, it is a silent reminder of their heritage of service.

*Where the
Old Safe
Stands
Today*

It was not the intention of B. F. Harris to be the active head of the new bank. His interest had been to see a safe institution established. He was con-

tent to have another—Harry Thomas—serve as president. But in a year he took over the presidency.

Some stockholders irked under the restrictions of the National Banking Act. They pointed out that private banks were making much more profit. The First National was held to the legal rate of interest—10 per cent. Here the private banks secured from 12 to 16 per cent, besides a heavy commission. And the Government was too “nosy.” Any day an uncommunicative, unsympathetic bank examiner with a penchant for examining notes and asking questions, might come in and interfere with profit-making plans!

*When
a Pioneer
Set Down
His Foot*

When B. F. Harris set his foot down flat. The bank was to keep on its sober path. It was to charge only the legal rate of interest. It was to earn only reasonable dividends to its stockholders. It was to go along slowly and surely. It was to serve the community—not to speculate on its funds or exact a heavy profit from its necessities.

That was to be the policy of the First National.

The disgruntled stockholders parted company. B. F. Harris took over the presidency. They helped organize or drifted into competing private banks. Within three years there were three



The First Home of the Bank
1865

private banks competing with the First National. You read in Judge J. O. Cunningham's history of Champaign County that the First National "came to the front as the first financial institution of the county."

Q On the musty, faded ledgers of the bank in 1865, 1866, 1867 and 1868, you can pick out names that are familiar today—such as those of Henry Swannell, Joseph Kuhn, G. W. Kennard, Frank Wilcox, Dan Morrissey, William L. Branch George F. Rising and James A. Hossack—all alive and still customers of the First National. And there is a great list of names that are familiar still—of men who helped to make Champaign and Champaign County—who have passed to the Great Beyond. (For

*Customers
of Fifty
Years Ago
Still
Customers*

there is scarcely a family that has lived here more than a generation but has helped the First National or has been helped by it.)



The Second Home
1872

By 1872 the bank was moving into a new building of its own, on its present site, so well was the policy of honest profit and service paying. And Time, the great adjuster, soon demonstrated that the theory of the other banking school was wrong—the three private banks ingloriously passed out of existence.



The Founder, B. F. HARRIS

1811-1905



The Late H. H. HARRIS

1844-1914

The Little Safe Is Outgrown ¶ So you see what “it was founded by B. F. Harris” means in the story of this bank, which is fifty years old. He had put it in the right path. While he was to live to ripe years, it rested with others to carry out the principles he had insisted on in its early years—to expand them to meet the needs of the progressing community. The humble key-lock safe was outgrown. The deposits had advanced from \$7,359.65 on the opening day in 1865 to \$114,022.62 on January 1, 1875. The bank had been true to its principles in its early years. Now came another to decide its policy.

So the story of the First National becomes again a personal one. Henry H. Harris, son of B. F. Harris, for forty years was to be in active charge of the institution. Until B. F. Harris died in 1905 he was to be the nominal president—presiding always at the meeting of the directors, a kindly, stately figure of a man—although for decades his son had been the active head of the bank.

The Day of the Second Generation ¶ Henry H. Harris had been born in 1844 in the log cabin on the Sangamon River where his father had first settled. If the father was to establish the character and principles of the bank, it was the task of the son to apply them and broaden them for forty years. Henry H. Harris was to follow in his father's footsteps as a farmer and a cattle feeder—the bankers of the state were to honor him in 1898 by selecting him president of the Illinois Bankers Association.

The Harris policy came to mean that a bank was to be conducted on a theory that it had a public service to perform. That the best personal service



was based on "safety first," even if that expression was yet to be invented. That it was well to put stress on the character, rather than the wealth of the prospective borrower. (Today the bank advertises, "Your money when you want it; our money when you need it," which is more than an advertising phrase—it is carried out.)

You can construct for yourself the story of the progress of the bank, if I give you the frame work—a few instances of the application of its policy—scattered through the years.

¶ In 1873—when the great panic came—when all other banks in this locality had closed their doors, fearful that a "run" might be precipitated with disastrous results, the young Henry H. Harris had refused to close. He knew that a bank which wouldn't give you your money, when you wanted it and needed it, wasn't doing its public duty.

*A Bank
That Never
Shut*

And the older Henry H. Harris knew that in 1907—during that brief financial flurry when the "clearing-house certificate" was born. The First National stood like a rock, refusing to use the certificates or drafts, paying cash on demand, and loaning to its regular customers at its invariable rate of 6 per cent.

Never has the First National failed to meet all obligations in cash on demand. That's a pretty big thing to say for fifty years. The First National can say it truthfully.

When a **U** Bonds are not all that bankers like to hoard.
University They have a little letter in the archives of the
Was in First National. This is the way its fading type-
Want writing reads:

SECRETARY'S OFFICE

UNIVERSITY OF ILLINOIS

URBANA, ILL. June 14, 1897

First National Bank,

Champaign, Ill.,

Gentlemen:

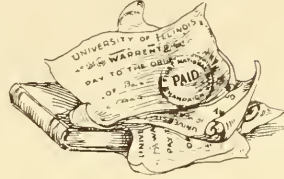
The Board of Trustees of the University of Illinois, feeling very grateful to you for the assistance rendered the University during its recent financial trouble, hereby tenders its sincere thanks for your kindness in this regard.

Very respectfully yours,

W. H. Pillsbury
Secretary.

To learn why the trustees of the University of Illinois had been grateful, you must go back to the failure of the Globe bank of Treasurer Spalding of

the university. The university was sorely distressed by the crash. Ready money was necessary, no state officials would advance it. It was surmised that the state would eventually come to the rescue—but that meant waiting for a legislature to convene. Meanwhile there were salaries to be paid—bills to be met.



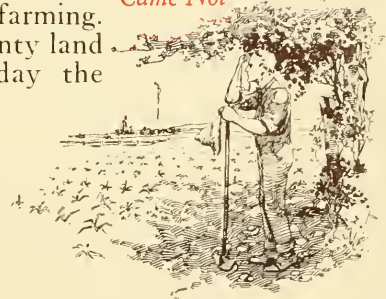
“Issue your warrants as usual. Send them to the First National. We will cash them freely, without discount, and hold them until there are funds to pay them.”

This, in effect, had been the message that Henry H. Harris had sent to the trustees. They had accepted the offer. The First National cashed thousands of dollars worth of warrants. It was adhering to its tradition of the duty of an institution.

Today the solitary, tangible recompense is this little letter. But this memento has sufficed. The deed must have been its own reward, for they have kept that little letter in those musty files all these years.

The Harris' have always been practical farmers. The bank, as a matter of course, long ago recognized the importance to the community of good agriculture. It has always coöperated with the farmer. Its officers could talk intelligently with him about his problems—whether of financing or farming. They showed their faith in the future of county land long ago by acquiring many acres. Today the

*The
Summer
That the
Rain
Came Not*



First National is naturally and logically the bank of the Champaign County farmer.

There came a drought in 1913. A pitiless sun withered and scorched the erstwhile fruitful fields. Country and city alike felt the blow. It meant a shortage of money, so money tightened up. The farmer who wanted a loan was lucky if he secured the concession even at 7 per cent.

B. F. Harris, then vice-president of the bank, knew that the set-back was only temporary. He issued a circular letter to the farmers. Its tenor was "cheer up." He gave some authentic advice on conserving moisture thereafter. But he did not content himself with generalities. The farmers needed cash.

"We have so managed our affairs, that despite the drought, we are loaning and will loan at the same 6 per cent rate we have loaned for years. There is no better borrower than a good farmer. We are glad to coöperate with him."

That was the meat in the circular.

When the rural carrier left that message, many a farm home was brightened. Hundreds of farmers were tided over. I will not say that it was not good business for the bank. It was. But the big thing was that the bank *knew* it. It might have held onto that money. It had a good excuse. It might have asked 7 per cent interest—and got it. It had a good excuse. But it realized that it was an institution—that here was a time of stress for the people. Their prosperity must be mutual. It had the vision to help—and only at a fair profit.

So the Harris' have the right to call the First National the "6 per cent bank." It has been the "6 per cent" bank not only in fair weather but in bad. That's a pretty important thing for a borrower to remember.

*For This
Was the
6 per cent
Bank*

In a way I have jumped ahead of my story. I left the bank in a building it had moved into in 1872. It was constructed of stone and brick and was solid and substantial. About 1900 this building was remodeled. But by 1910 the bank's business had assumed such proportions that the building was torn down. It was replaced by the present magnificent building, five stories—in type and character of construction and architectural design unsurpassed in the state.

Henry H. Harris, strong son of a strong father, did not live to see the bank celebrate its golden anniversary. His forty years of active service ended suddenly last summer at the full zenith of seventy years. The third generation took the reins. Another B. F. Harris became president.

*The Day
of the
Third
Generation*



B. F. HARRIS
President

B. F. Harris and Newton M. Harris, sons of Henry H. Harris, had long been closely connected with the progress of the institution. They, too, had applied themselves to farming and cattle feeding. They had other large interests. B. F. Harris, the older brother, had served as president of the Illinois Bankers Associa-

tion in 1911 and 1912, and had been one of the factors in committing it to a working interest in agriculture. He is today the chairman of the Agricultural Commission of the American Bankers Association. Newton M. Harris is the vice-president. Over the heads of the brothers at their desk hangs a portrait of their sturdy grandfather.

And across the room there is that key-lock safe!

*An
Atmosphere
of Business*

There is an atmosphere of efficiency about this bank today. The men who run it are men of big interests as has been said—men of large measures—of broad minds—they are able to think big. They are more than bankers. The Harris' have made successes in other undertakings, for they have diversified interests. This knowledge gained by handling their own varied holdings has been profitable to customers of the bank who come for counsel.



N. M. HARRIS
Vice-President

For the First National is a clearing-house of financial and business advice. Men of big affairs—and men of lesser interests—bring their problems. Advice has been extended to the merchant who wants to expand—to the school-teacher who wants to buy a small-sized bond with her savings.

*When People
Come to
Counsel*

Hazen S. Capron is the cashier, following the long service of the late G. A. Turell. I have often surveyed with interest the long line that daily waits to talk with Capron. I have seen the biggest men of

the local business world in conference over his counter, followed by a young woman who has just come from the savings department window. She has evidently drawn her savings, which have apparently assumed some little proportion, for she wants to know where to put them where they will produce more interest—and be safe.

Capron is a man of crisp sentences. When he opens his mouth he says something. He is the financial father-confessor of thousands of people. He performs his varied duties with a minimum of what, for want of a better word, you might call “bunk.” An old-time cashier, even if he loaned you the money you were entitled to, would have considered himself failing mentally if he failed to make a little speech conveying the idea that the bank was doing you a great favor.



H. S. CAPRON
Cashier

The other day a business man told me a little story typical of this bank. He had borrowed money, paid the interest, and was now liquidating the loan. He was grateful. “I want to thank you a thousand times,” he said. “We’re not entitled to thanks,” said Capron. “You were a good man to loan to; you have assets and character. We need your business. You paid us. This bank is just as glad to have your business as you are to give it.”

*A Story
From
Real Life*

That would make an old-time cashier—used to palaver and expecting a kowtow—turn over in his grave! But the First National knows that loaning



THE HOME OF THE FIRST NATIONAL TODAY

money is its business, just as selling sugar is the grocer's. It does not see why it should do its business patronizingly.

Cass Clifford has come back from being assistant state treasurer at Springfield for two years to be assistant cashier of the bank with which he has been identified for many years. A young man of unusual judgment, he will be of great service to its clientele.



W. E. C. CLIFFORD
Asst. Cashier

Today the First National is by long odds the largest bank in the county, both in its commercial and its savings departments. I had heard that people with a little nest-egg to deposit were sometimes afraid to “bother” a big bank with it. So I asked President Harris.

“That is a wrong idea,” he said. “No matter how big a bank grows, it wants even the smallest accounts. We have big accounts and hundreds of little ones, too. We give the small account the same attention as the big one. We figure each small account is potentially a large one.”

And the big bank is the best bank for the small fellow—for the small fellow can't afford to take chances—it is the one that is most likely to be able to serve him, out of its larger resources, just when he needs service the most. The First National people, in their advertisements, continually lay stress on a factor they consider the greatest in making loans.

They say that the best collateral is character. And even the little fellow can have that!

*The Story
That
Deposits
Tell*

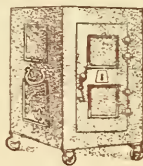
¶ What are the deposits of this oldest and largest bank in Champaign County? Go back to the time of the key-lock safe and span the half century by decades. We must list the deposits on the same day every tenth year—it wouldn't be accurate to pick one day one year and another day next time. We must start on January 30, 1865, the first day it was open, but thereafter the first of the year is the appropriate date for investigation.

Jan. 30, 1865.....	\$7,359.65
Jan. 2, 1875.....	\$114,022.62
Jan. 2, 1885.....	\$248,437.37
Jan. 2, 1895.....	\$460,875.23
Jan. 2, 1905.....	\$831,399.54
Jan. 2, 1915.....	\$1,626,274.38

*What of
the Future?*

¶ So this is the story of the bank which became an institution—which looks back with just pride on its fifty years of service to the community and prosperity to itself. If we can tell the future by reading the history of the past, the story of the next fifty years will be the same. Men will come and go.

But the little key-lock safe will stand sentinel.





Syracuse, N. Y.

PAT. JAN. 21, 1908

UNIVERSITY OF ILLINOIS-URBANA



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