

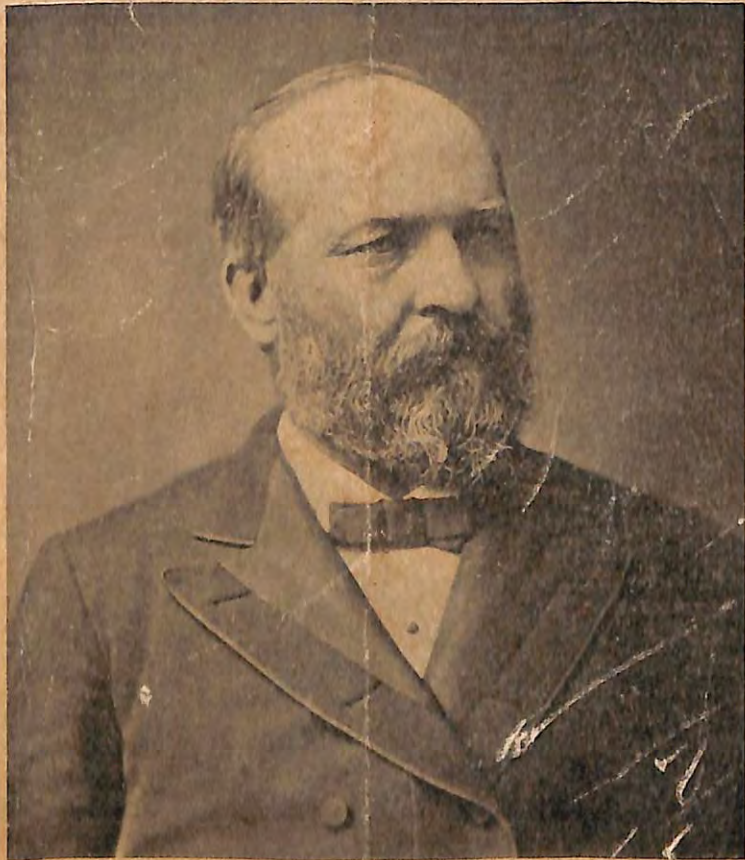


# THRIFT

A Magazine of  
Inspiration & Advancement.



## Anniversary Number



JAMES A. GARFIELD

Sept. 1912

Vol. III. No. XI

## FOUNDED 1892

*"Institutions, like men, are great because of their character, not their size. In the formation of a great character, time is a necessary element. Character in an institution is a growth, a building toward an ideal, persisted in until some measure of success is attained, and recognized by those with whom it has to do."*

The Garfield Savings Bank was founded with definite ideals, and for twenty years has steadfastly followed them. Cleveland's recognition of the character thus developed has been prompt and generous. This article is to tell something of the modest start, the ideals and the twenty years of development.

In 1892 suburban banking was a new idea in Cleveland. There were few banks in the outlying districts, most of them less five years old, and all started against the advice of experienced down-town bankers. So there was considerable of the pioneer spirit in the 34 men who subscribed that year to stock in "The Garfield Savings Bank Co. of East Cleveland." Another element of that early ideal was the purpose to make this distinctively a *savings* bank, for the deposits of modest savers, rather than for large commercial accounts. This has been adhered to until now, our 17,800 depositors carry an average balance of \$243.00. Again, the purpose to go to the people for their deposits actuated the establishing of the first Garfield office at Lake View on Euclid Avenue. Repeatedly since, as opportunity presented, new suburban branches have been opened, and these conducted with a view to the convenience of depositors. This purpose has been carried even to opening savings windows alongside the pay-windows in a factory on pay-days.

At the first stockholders' meeting, in June, 1892, fifteen directors were elected, all representative East Clevelanders. The directors elected H. Clark Ford President, Darius Adams First Vice-President, and T. Spencer Knight second Vice-President. The Garfield has enjoyed the peculiar blessing of uninterrupted management by its founders for two decades, Mr. Ford having served continuously as President, with the following Vice-Presidents in addition to those named above: Henry C. Kirby, George Stone, Jas. W. Stewart, Harry A. Garfield, J. M. Henderson and Harris Creech.

The doors were opened Aug. 17, 1892, and under the highly efficient management of the first Secretary and Treasurer, J. V. Dawes, the bank began an immediate and gratifying growth.

Those were days of modest beginnings. The total salaries of the three employees for 1893 were \$1,890. But by careful management the Directors were able to declare a 4% dividend in 1894. The minutes-book reveals a conscientious charging down of items of special expense before the payment of dividends, all through the years. Nevertheless 4% dividends were paid in '94 and '95, 5½% in '96, 6% in '97, '98 and '99, and a continually increasing rate until 1907, when the present rate of 10% was

established. On the original capital of \$25,000, later \$50,000, and then \$100,000.00, total dividends have been paid to stockholders amounting to \$127,000. Over against this a total surplus has been piled up for the protection of the depositors, of \$210,000. Protection to the depositors is another of the original ideals which has been woven into this institution's character. The first by-laws adopted in 1892 provided for a semi-annual examination of the bank by *directors*, and forbade any officers or employees to buy securities on margin or for speculation. Both rules are still in force. Proper auditing has always largely engaged the Directors' attention.

In July, 1896, it was voted, "That we proceed to open a branch bank at once, on St. Clair Street, near the corner of Doan, Glenville, Ohio." A folder announced that, "We have established at this prosperous center a Banking House completely equipped to conduct all Banking business of whatever nature. Our purpose is to make the Bank especially convenient for residents of Glenville and the vicinity. Your time is your capital; by doing business with our local bank, you save time and thus husband your capital." And again, "Our present location is temporary. We are to have permanent quarters in one of the new blocks." The pioneer spirit of 1892!

This branch was opened in August, 1896, and now occupies a handsome building of its own, with over \$600,000.00 of deposits.

In June, 1897, occurred the death of Mr. Dawes, one of the ablest officers The Garfield has had. In December of the same year land at the corner of Euclid and Anndale, now East 118th

Street, was bought. Next year our first individual banking building was completed thereon, and the original Lake View office moved in. This and the Glenville building were among the first west of the Alleghanies to be owned and occupied solely by a bank. Now every large city has such buildings, both down-town and in its suburbs. Again the spirit of pioneering.

With two suburban offices promising a large development, a down-town headquarters now seemed a wise provision. Accordingly in March, 1898, a Main Office was opened in The Colonial Arcade on Prospect Ave. The next year land was bought for the above-mentioned Glenville building, and that building erected in 1901. In 1900 a new set of by-laws provided for monthly meetings of the Board of Directors, in addition to the weekly Finance Committee meetings. Thus early did The Garfield promulgate the idea of "directors who direct." In this twentieth year the plan has been extended to a *weekly* meeting of the full Board of fifteen.

In January, 1901, the capital, which had been increased to \$50,000 in 1894, was increased again to \$100,000.00. The deposits amounted to \$901,179.00 at this time.

In 1902 a new branch was started at the corner of Superior and Doan, now East 105th Street. This branch has developed as remarkably as has its community, its deposits now being \$480,000. The banking room was remodeled and enlarged in 1907, and is now again taxed to its capacity.

The thorough audits of all offices by the bank's auditor were followed with interest by the directors and al-

ways dwelt upon in the annual reports to the stockholders. Nevertheless in 1903 an additional audit was contracted for, with Haskins & Sells, Certified Public Accountants. Their report submitted after months of labor, contained the following words: "The affairs of the bank at the date of our examination, were in good condition and reflected, in our opinion, a management both efficient and conservative."

In 1905 "Thrift, A Magazine of Inspiration and Advancement," was started, to be the periodic visitor to all people interested either in The Garfield or in the universal problem of "getting ahead." Its bi-monthly appearances have continued for seven years, and many thousands of readers have been strengthened by it in good resolves, as well as in loyalty to this institution. In 1907 it was found necessary to enlarge the Lake View building—an operation which is about to be repeated, five years after. In June of that year the Gordon Park branch was started, at the corner of St. Clair and East 72nd Street. This is another example of The Garfield purpose to meet the people more than half way. Mill-workers of many nationalities are being served here, their deposits already amounting to over \$200,000.00. Foreign exchange is sent from this office to almost every country in Europe and a number of languages are spoken.

The next year—1908—was the panic year, one of tremendous stress in Cleveland's financial circles. Thirteen banks and branches closed their doors, and public confidence was shattered. Then, as in the panic of 1893, the golden worth of character in a bank

was revealed. The Garfield Bank's deposits were reduced only about 13% and its number of accounts less than 1%. This set-back was overcome, as soon as people were able to earn again.

In the next year, 1909, the Main Office was moved from Prospect Avenue, over to The Garfield Building on Euclid Avenue. A magnificent safe deposit and banking equipment was thus made available, as well as a more favorable business location. The results in growth have amply justified the move.

It was about this time, or earlier, that a novel policy leading to greater security was adopted—the policy of discouraging loans to directors, officers, and employees. This has been adhered to with the result that less than 1½% of The Garfield's assets are so loaned, and these well secured. Another plan adopted at this time was for the monthly checking by a Director of all securities owned by the bank.

The Officers' Committee was also established in 1909, composed of the real estate appraiser and officers in charge of the Main Office and branches. This committee follows in detail every week's transactions, passes on small loans and makes recommendations to the Directors on large loans. This and the employees' stock purchasing plan (also started in 1909) have helped in developing administrative ability and a sense of ownership in the men. In January of 1909 The Garfield qualified under the new Thomas Banking Act, announcing its readiness to be examined by and to report to the State Superintendent of Banks. It was interesting to find that our by-laws and

policies covered nearly all the provisions of Act, and in many cases were more strict.

A real estate department was established in 1910, to serve the interests of depositors who own or wish to own homes, or who are ready to develop from depositors to investors. This has proved as attractive a feature as the issuing of 6% bonds for those who prefer investments in personalty.

The Garfield Savings Bank was the first bank in Ohio to adopt the new principle of an independent audit when in July, 1910, an annual contract was made with Ernst & Ernst, Certified Public Accountants, to audit the affairs of the bank at will without notice, making reports to the Directors.

The year 1910 also saw the inception of The Steady Savers' Club, a simple arrangement whereby the Bank aids its savings depositors in building up their accounts every month. The club members are adding tens of thousands to their savings annually.

The Garfield's first new move in 1911 was to establish the "fifty-cent rule," regarding minimum balances on commercial accounts. The wisdom of this move has been acknowledged by other banks, and its benefit both to the bank and to the community proven.

The second innovation in 1911 was the ten-day house-to-house campaign in Spring and Fall for accounts. This novel means of advertising undertaken by the employees themselves, was fruitful of large results, so that The Garfield ranked third among all the savings banks of Cleveland in percentage of growth in deposits for the year.

In 1912, the anniversary year, The Garfield submitted to a searching audit by the Clearing House examiner, to

whose examination—as well as to those previously mentioned—it is henceforth subject. The old ideal, "security first," continues as a trait of this institution's character.

A second magnificent safe deposit equipment has come under The Garfield management in 1912, with the leasing of the vaults in the Williamson Building. A large field for service lies before this new and unique branch.

The crowning event of the two decades was the increase in June, 1912, of the Capital from \$100,000 to \$200,000.00 issued and paid for.

With such a foundation to build upon as these pages have incompletely described; with a score of years behind it filled with honest endeavor and wise forethought; and now with ample capital and a well-established reputation, who can foretell the bounds of The Garfield Savings Bank's future success? The present management desires not to engage in imaginative flights, but rather to assure its friends and depositors of its purpose to adhere to the honored traditions of this institution and to follow the ideals of the founders.

—GSB—

This is Volume 3, Number 12 of Thrift. It should be marked Volume 6, Number 6. Thrift has been published every other month since 1905, and a volume has been considered as containing the twelve numbers issued in each two years. This arbitrary division, not annual as it should be, but biennial, does not give a true impression of the age of the magazine.

For this reason the Anniversary Number will be considered as closing not only double-volume 3, but also single-volume 6, and the next Thrift (issued in November, 1912) will be marked Volume 7, Number 1.

## THRIFT

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PRINTED IN CLEVELAND AND PUBLISHED  
BI-MONTHLY EXCLUSIVELY FOR

THE GARFIELD SAVINGS BANK COMPANY

FOUNDED 1892

Garfield Building, Euclid Ave.  
Euclid Ave., Corner E. 118th St.  
St. Clair, Corner E. 105th St.  
St. Clair, Corner E. 72nd St.  
Superior, Corner E. 105th St.  
Williamson Bldg, Vaults

Sent gratis to the thrifty upon request.

## EDITORIAL

In the middle of October 1912 The Garfield Bank is to celebrate its 20th birthday. A general reception will be held at all offices on that day and we hope that all depositors and friends of the bank will drop in to wish us continued good fortune. Of course we don't want you to suspect that we are hinting for birthday presents—but if any of our friends can bring in a new account or two on that day we shall consider it a very appropriate and reasonable remembrance. We aim to increase our number of depositors by one thousand between now and the 15th of Oct., and anything that any of you can do to swell the total will be greatly appreciated.

—GSB—

The portrait of President Garfield on the cover of this issue to the best of our knowledge has never been published before. We have made a thorough search and feel sure that this is the first appearance in print of this photo. We publish the portrait through the courtesy of Mr. C. A. Smith.

—GSB—

Did you ever wonder when and why the idea of saving first started? Why, you can easily tell—but when?

Those scientists who have studied the origin and development of civilization think that the earliest business of man was hunting and fishing.

Men in earliest times were little better than animals, their thought as that of most of the animals, only to get enough for today's wants without thought of tomorrow. Now in the tribes of fishermen some among them, perhaps only one at first, thought that if he caught fish enough one day to supply food for the next he could have time to do something else. Perhaps he spent that day in fixing a sail for his boat or perhaps in making a crude net or in searching for plants and fruits to make a more varied diet. Suppose he found that his sail made the boat so much faster, that he could go farther and take more fish and he caught enough for two days' food, or three.

That would give him two days in which he could do other things and each time he was able to increase his wealth by the simple process of saving; and so the idea was born which has developed so wonderfully. Every little saved increases independence just so much and makes possible larger income and better chances to save.

A bank advertisement which appeared recently was introduced by the sentence "Thrift began with Civilization." Why not put it the other way, civilization began with thrift. It was only after man had the foresight to accumulate enough to give him time for things other than the struggle for existence that there was any possibility of civilization. Writers on economics tell us that any high development of civilization is impossible without a distinct leisure class, and that means fortune accumulated as result of thrift.

## DREAMING

I hate to read of millionaires  
Because such reading seems  
To hypnotize me utterly  
And start me dreaming dreams.  
How many times I've figured out  
What I'd be apt to do  
If I were in that fellow's place  
And had a million too.  
Of course I'd use my fortune well,  
More sensibly than he,  
For I'd give ten per cent at least  
To worthy charity.  
Another ten per cent would go  
To help along a few  
Of my deserving relatives  
Whose bills are overdue.  
And then my duty to the church;  
Of course a goodly share—  
Say twenty-five per cent or so,  
Would be devoted there.  
I'd give this latter quietly,  
Insisting that my name  
Must be withheld, that none might  
know  
Whence this donation came.  
I'd only let the pastor know;  
He'd have to know, you see,  
Because my name upon the check  
Would show it was from me.  
Another twenty-five per cent  
Would do myself and wife;  
The income we'd derive from that  
Would keep us both for life.  
Then after that—well, after that  
I dream away and plan  
To spend still another ten per cent  
To help my fellow man.  
And finally my dreaming gets  
A bit confused, and then  
I take a tumble, and my feet  
Touch solid earth again;  
And common sense assures me, as  
It stops me with a jerk,  
I've wasted time enough to do  
A dollar's worth of work.

—Catholic Standard & Times

A story is told concerning a famous general, who, on the morning of a certain battle, was asked as to his plans for the ensuing day. He replied in a whisper: "Can you keep a secret?" On being answered in the affirmative, the general added, "So can I."

This story illustrates our attitude regarding the affairs of all our patrons. Any business which you may transact through The Garfield will be considered absolutely confidential by both employes and officials.

—GSB—

"To the unthinking, 4% or 5%, or 6% interest on one's dollar seems a sum so small as to be utterly negligible. But to the man who understands, it is of the most vital importance. To the investor, a dollar contains not merely 100 cents, but 104, 105 or 106 cents. The slow, steady accretion of interest, year by year, builds up one's fortune as a river builds up its delta through the steady deposit of sand. Great oaks from little acorns grow, and great fortunes are made up of an infinite number of small additions. Money put to work through judicious investment yields interest as a field yields wheat. In the end it brings its possessor, if not wealth, at least a competence that ensures independence and comfort."—  
Henry C. Stillman

—GSB—

## WHAT 4 PER CENT WILL DO

If you deposit five dollars a week in the Garfield Bank at four per cent compound interest;

After twenty years you can draw out five dollars a week and still have all the money you put in and half as much more.

## TOO GREAT A HANDICAP

How often you have seen two young men finish their education at the same time and start working at the same time at about the same wage. One starts to save at once, depositing a certain sum out of every month's salary in the savings bank just as he pays his board. The other spends his whole salary thinking perhaps that he will save when he gets an increase of salary. After a year or two of work the young man who has spent his entire wages begins to think of the future and starts saving. Can he ever catch up with the first fellow? The chances are all against him. In the first place he has formed the habit of spending rather than saving and that makes it very much harder for him to save regularly. The first fellow has also the advantage of interest on money saved to increase his income. The fact that he has a bank account increases his confidence and independence. Suppose both worked for the same firm and a promotion was in sight for one of them, all things being equal which do you think would get it? The man with the bank account! Why? Because the bank account means greater efficiency on the part of the holder.

Don't let any one get ahead of you. Be the man ahead. You can not afford to give anyone a handicap in the race to success.

—GSB—

## THE PLEASURE OF HOME-BUILDING

One of the greatest pleasures in life is that of home-building. A young man and his wife start out together ambitious for success and prosperity. As their fortunes vary they move from house to flat to apartment, until the bore of tearing up and finding new

homes becomes too stupid and tiresome to repeat. Then they think of the delight of having a home where they can feel free to stay as long as they please without the bother of landlord, rent or moving. When they see their way clear to make a start—that is—when the pass book shows a balance big enough to make a good sized down payment on property; then the real fun begins.

Evenings are spent in talking over plans, materials and places. This is their chance to work out the ideas which the years of living in rented homes have taught them. Then comes the fun of finding a contractor, watching the house grow from a hole in the ground to a skeleton of timbers, then all along the way through the vexing delays which always come in the building until the house is all complete. The last moving becomes a pleasure in place of a bore and what a joy it is to have their own house, to know that they can change what does not suit, that when they plant a shrub or hardy annual they are not planting for some one else. Rarely does it happen that one becomes very much attached to a rented home; on the other hand the home which has been bought as a result of hard work and self-denial is usually very dear to its occupants, especially if they have planned and built it.

Now to which class do you belong? The class which owns its own home and loves it or the class which is anticipating a home? Or did you never think about it much? The only way to have one is to save money. The Garfield will help you to do that. Begin now and put away a fixed sum every week. Take it out just as surely as you do the insurance money or the rent.

## FIVE YEARS FROM TODAY

After it is past, five years seems like a very short time.

Most of the people you have known that long do not look a day older than they did then.

But many of them have made very important changes in their conditions—and such profitable changes that they possibly look younger than five years ago.

The most surprising fact about their story would be the ease with which they saved their two hundred and fifty, five hundred or their thousand.

Are you one of these yourself? Then what you can do in "five years from today" will be more than a duplicate of the past five.

Five years from today—what can you have then, by setting aside something from each day's earnings? Call it your profit—how much profit a day will it take to get it?

Determine that you will make a start today for a home of your own. What kind can you move into five years from now for 50 cents a day? Saving three dollars a week at four per cent compound interest gives you \$861.03, of which \$81.03 is interest.

With \$861.03 you can make the first payment on a home worth \$2,000; by paying, say \$800, and keep the \$61.03 for a new start.

You are at home from the first day you move in, and you cease paying the landlord, but pay your rent money to the savings account.

With your regular \$3.00 a week, your four per cent interest, and your rent, call it \$20 a month, you can in three and a half years more burn that \$1,200 mortgage.

The young unmarried man living at home can save half his salary, and if away from home, a third of it.

Beginning at 17, by the time he is approaching marriageable age at say 22, he will have, at five dollars a week, a savings account of \$1,462.00, of which \$162.00 is interest.

The \$162.00 is good for a two-week's trip for two—the \$1,300.00 will make a good payment on a comfortable cottage and allow a cash purchase of furniture besides.

Your resources five years from today depend not so much on how much or how little you may make today, but on how little or how much will-power you have today.—*Marble Bank Monthly*.

—GSB—

Do you know that at sixty years of age 95% of men are dependent upon their daily earnings or on their children for support? Does such a picture of declining years look attractive? Then put your money by, carefully and persistently, and don't break into the store for anything short of sickness or death. *You want to be independent.*

The trouble is with so many of us that just as soon as we save \$50 or \$100, we find something to use it for and away it goes and we must begin all over. Do you always get the worth of your money when you spend your hard-earned surplus? Never. You get nothing for your lost interest. The thing to do when you have \$100 is to find where you can invest it to get 5% or 6%.

Ask the Garfield if we have any bonds to sell; many times we can supply you.

# REAL ESTATE

## A Rental Department

**A** RENTAL DEPARTMENT has just been added to the service which the Bank is giving its patrons in the handling of real estate.

☞ This department will meet the increasing demand which is coming to us for houses and suites to rent.

☞ It will also meet the demand, on the part of the owners, for a reliable agent, who will take entire charge of the upkeep and rents in order to obtain a maximum income at a minimum expense.

☞ Mr. W. C. Eaton, the manager of the new department already has a good list of houses and suites for rent in all parts of the city.

### SUCCESS

Lots of people come to our bank and ask us what we consider "The Receipt for Success." We generally answer them by quoting the following formula:

"FIXED PURPOSE+PERSISTENCE=SUCCESS."

By this, we mean in order to succeed, a person should have some fixed purpose in mind and then keep at it through thick and thin. Success is not very often won by people who just work ahead haphazard with no definite purpose in view. Neither is it won by people who do have a definite purpose in view but who get discouraged easily and do not persist until they win out.

Success in saving money is based almost entirely on the above formula. If you just start to save a little money now and then without any definite idea of just how much you are trying to accumulate you will not have as much

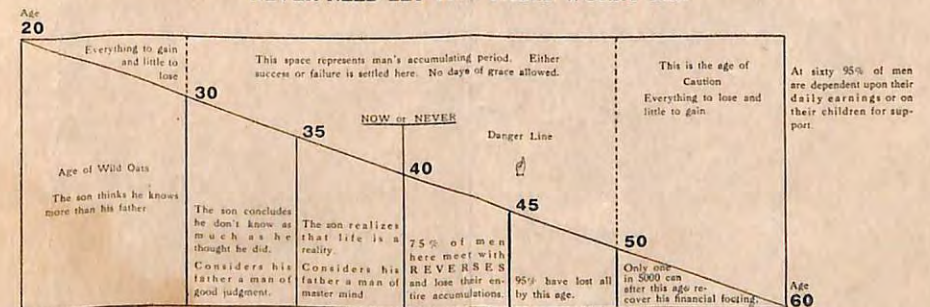
success as you will have if you first decide that you want to get say \$100.00 in the bank and then start in with that fixed purpose in your mind and keep persistently and regularly saving and adding the interest which the bank pays you, until you have a hundred dollars. This is the way that all big things in the world are accomplished and we want to suggest to you that you make up your mind right now on a sum of money that you want to have in the bank and then keep persistently at it until you have saved the amount you have decided on.

We want to help you to be a success and this is the best way for you to start and in this connection let us say to you that the time to start is now. After you get to be a certain age every day that goes by diminishes your chance of success unless you get started.

The chances for success of the average man have been scientifically figured out and are shown on the following Success Table:

### SUCCESS TABLE

THE MAN WHO HAS MONEY IN A SAVINGS ACCOUNT DRAWING INTEREST NEVER NEED LET THIS TABLE WORRY HIM



Ability to save money and to begin to save at a fairly early age have made possible the great financial power of many of the richest nations. Asked

the basis for all the wealth of his country, a French banker replied: "Compound interest. That and nothing more."—*"The Banker", Joliet.*



# THE WILLIAMSON BUILDING



*Since August First our new Storage Vaults  
and Safe Deposit Department in The  
Williamson Building have been open for  
service. We have a complete equipment,  
convenient of access.*

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**STOP! INVESTIGATE!**