

Chapter P12

by
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Peter Town National Bank Notes



Figure 1. When Dean Oakes sold this note to me in 1968, he launched my quest for Peter town notes.

Peter is derived from the Latin word for stone. Probably the most famous Peter was the disciple of Christ. Next must be Peter the Great of Russia. Lots of my ancestors on my mother's side were given Peter as their first name, so that is how I got the name.

Many towns in the United States have been named after various Peters, most after the saint, and a few after the czar. Probably a few were named after lesser lights, but none after me.

Early on in my collecting career I looked into the note issuing Peter towns. They included St. Petersburg, Peterstown, Peterborough and six Petersburgs. My favorites were two Saint Peters, one in Illinois, the other in Minnesota.

My definition about what constituted a Peter town was quite liberal because I wanted to include Peters in other languages that broadened the list to include Spanish San Pedro, California, and French Pierre, South Dakota, and even Fort Pierre, South Dakota. Never mind that the South Dakotans failed to import the correct French pronunciation for Pierre when they borrowed the word. Those unwashed called the place "pier," and being rather parochial about it, I note that there is no move afoot among them to fix the problem now!

Peterson, Iowa, eventually made my list being Scandinavian for Peter's son. Close enough for me.

I discovered one title that particularly caught my fancy, The Peters National Bank of Omaha, Nebraska (11829), chartered in 1920. The officers of the bank opted out of issuing notes under the terms of Section 17 of the Federal Reserve Act of 1913 that repelled provisions in the National Bank Act that formerly required bankers to purchase bonds to back their notes. They thereby never got into the note-issuing business. Too bad, that interesting title was out.

There were 15 national bank note issuing towns in the country that made the cut. Twenty-six note issuing banks operated in those towns, under a total of 30 different titles. Some were cities with large banks such as St. Petersburg, Florida, and Petersburg, Virginia. Others were small places or cross roads with thinly capitalized banks such Saint Peter, Minnesota, or Fort Pierre, South Dakota. Most were modest size towns.

Table 1. Note issuing banks in Peter towns.

Data from Van Belkum (1968) and Comptroller of the Currency (1863-1935).

Ch No	Town	Title	Inclusive Years Notes Issued With Title	Last Reported Circulation (Yr)	Fate ^a
California					
7057	San Pedro	First National Bank	1903-1929	48,900 (27)	A
Florida					
7730	Saint Petersburg	First National Bank	1905-1926	196,100 (26)	F
7796	Saint Petersburg	National Bank	1905-1910		
		Central National Bank	1910-1922		
		Central NB&TCo.	1922-1923	197,800 (23)	F(31)
12623	Saint Petersburg	Alexander National Bank	1925-1927	200,000 (25)	A
Illinois					
3043	Petersburg	First National Bank	1883-1929		
		State National Bank	1929-1935	49,600 (34)	O
9896	Saint Peter	First National Bank	1910-1932	25,000 (31)	L
Indiana					
5300	Petersburg	First National Bank	1900-1935	25,000 (34)	O
Iowa					
4601	Peterson	First National Bank	1891-1935	25,000 (34)	O
Minnesota					
1794	Saint Peter	First National Bank	1871-1935	15,000 (34)	O
New Hampshire					
1179	Peterborough	First National Bank	1865-1935	100,000 (34)	O
North Dakota					
11185	Petersburg	First National Bank	1918-1930	25,000 (29)	L
Pennsylvania					
10313	Petersburg	First National Bank	1913-1935	18,750 (34)	O
South Dakota					
2941	Pierre	First National Bank	1883-1934	100,000 (34)	L
4104	Pierre	Pierre National Bank	1889-1935	49,650 (34)	O
4237	Fort Pierre	First National Bank	1890-1894	11,250 (94)	L
4279	Pierre	National Bank of Commerce	1890-1925	79,500 (25)	F
9587	Fort Pierre	Fort Pierre National Bank	1909-1935	10,000 (34)	O
14252	Pierre	First National Bank in	1934-1935	20,000 (35)	O
Tennessee					
10306	Petersburg	First National Bank	1913-1935	30,000 (34)	O
Virginia					
1378	Petersburg	First National Bank	1865-1873	179,200 (73)	F
1548	Petersburg	Merchants National Bank	1865-1873	360,000 (73)	F
1769	Petersburg	Commercial National Bank	1871-1879	99,800 (79)	L
3515	Petersburg	National Bank	1886-1931		
		FNB&TCo.	1931-1933	692,200 (33)	F
7709	Petersburg	Virginia National Bank	1905-1931	981,040 (30)	A
13792	Petersburg	Citizens National Bank	1933-1935	100,000 (34)	O
West Virginia					
9721	Peterstown	First National Bank	1910-1935	25,000 (34)	O

Number of different banks = 26

Number of different titles = 30

a. A=absorbed by another bank; F=failed; L=voluntarily liquidated; O=open at the end of note-issuing period in 1935.

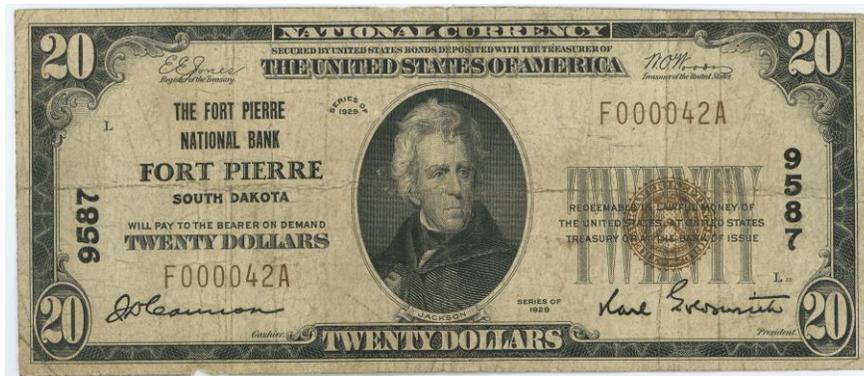


Figure 2. The Fort Pierre banks were among the smallest to contribute notes to this set. This note, the only one I ever had a chance at, appeared on an April 2000 Dean Oakes fixed price list in the BNR.

I liked the nationwide distribution. Also, every series and type was represented among their issues, and most denominations within the types. The individual banks ranged from impossible to collect to common. This seemed like fertile ground. Why not try to form some sort of collection from these banks?

The first task was to define the scope of the collection. I decided that completeness would be defined as one note from every town with an issuing bank. There was no point in attempting to collect a note from every bank and every title. Some banks were simply impossible. Prime examples were three early Petersburg, Virginia, banks that failed early. They are prohibitively rare. Included were The First National Bank (1378) and The Merchants National Bank (1548) that went under in 1873, and The Commercial National Bank (1768) that failed in 1879. Going after that class of rarity sounded like filling a penny board where you are forever looking at the hole for the 1909-S VDB. Besides, why compete with Virginia location collectors for their greatest rarities and ultimately their rightful prizes if one should turn up. No, just going for one from each town sounded like a significant challenge. Many of the towns were represented by a single scarce to collect bank that had a circulation of less than \$50,000, so a town collection afforded plenty of challenge.

Secondary objectives could include obtaining both a large and small size note where possible from each town, and collecting many different types in order to add variety to the set and give it some color. Certainly, it would be enjoyable to get different titles for banks with more than one.

A critical note came my way that nurtured the concept behind this set, and launched me on the pursuit. It was a \$5 1902PB from The First National Bank of Saint Peter, Illinois (9896), that I got from Dean Oakes for \$20 in December 1968. I had stopped in to see Dean in his shop in Iowa City on a trip to visit my wife's folks in Grinnell over the Christmas break from college. He showed me the Saint Peter and I thought it was great. I had never heard of that town before.

After the Saint Peter, Illinois, purchase, I searched through the entire newly released Van Belkum brown book for other Peter towns. In due course, I found The First National Bank of Saint Peter, Minnesota (1794)! It looked tough because it was a \$15,000 outstanding bank. A note from that bank did not come easily, let me tell you, even though the bank issued a myriad of types from 1871 through 1935.

I searched for 14 years for one without success. Along the way I asked everyone I knew if they had seen one, and I waited and waited. Minnesota was avidly collected, and yes some were discovered but they went to Minnesota location collectors. Two wonderful uncirculated specimens turned up, a \$10 brown back and a \$10 1902 blue seal, but they went to Bill Higgins and into his museum in Okaboji, Iowa. People know where the money is and the notes follow!

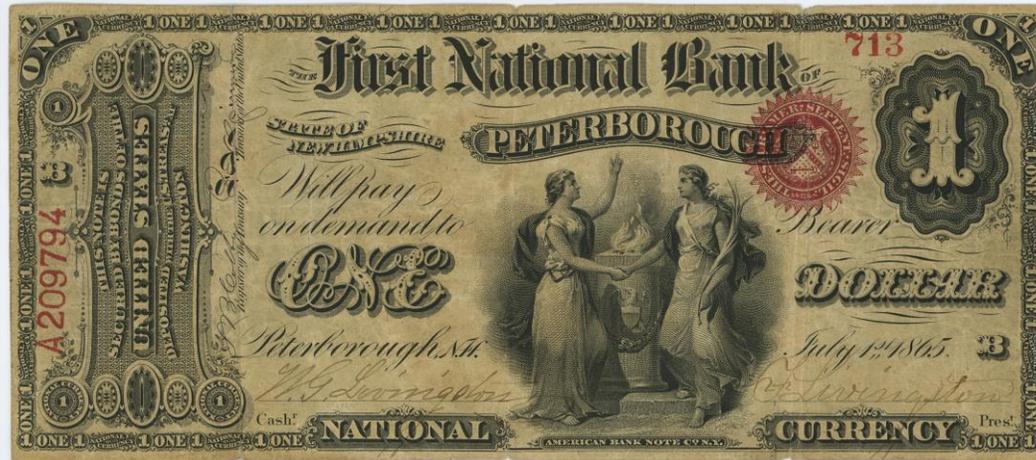


Figure 3. New Hampshire has the only Peterborough in the country, and its bank was the earliest chartered of the Peter town banks.

Finally, early in 1982, I got a gleeful phone call from Lyn Knight telling me he had a small \$20, serial F000117A in about fine. I was glad to pay the \$400 he asked, high as it seemed at the time. The fact is, an expensive phone call from someone who is willing to bother to remember your wants is sure a lot better than no phone call—in fact, it is the type of event that earns both respect and friendship even if the caller is eating caviar at your expense!

The Saint Peter, Minnesota, story was not over though. Amon Carter had a high-grade Series of 1875 \$5 on the bank that was in his pack of gems that he used to show off at major conventions. It was xf with a skinned spot on the back. Steve Schroeder, a prominent Minnesota collector, got it when Amon's estate was sold. Bill Donlon auctioned a reportedly new Original Series \$5 in 1971 that also made its way to Steve. Those were stellar notes, something to dream about. In the meantime, I was groveling for whatever other Peter notes crossed my radar screen. Eventually, not too long ago, Steve sold the early \$5s to another high-power Minnesota collector. Obviously those two simply weren't printed for me, and they now serve as centerpieces in some great Minnesota collection, probably where they really belong anyway.

My next chance at a Saint Peter, Minnesota, was more pedestrian, but very interesting to me. It turns out, the set of logotype plates used for the first printing of 1929 notes for Saint Peter contained some type of error. Only a few 1929 notes were sent to the bank before the error was discovered. \$10s C000004A through F000314A and \$20s D000003A through F000104A were canceled. A new set of plates was made, and the serials on the next printing stepped off from where the first ended. Of all things, I learned that a \$10 from the first corrected sheet had survived, and was in a prominent Minnesota collection. It was AU and bore serial B000315A. This had the appeal of a number one note to me, and it had probably been saved as such by a banker. Eventually the collection with the prize was sold at auction in June 1998, and Glen Jorde bid on it on my behalf and obtained it.

Of all currency dealers, Glen has been the most helpful in locating Peter notes for me. Sometimes I wonder if he prints Saint Peter notes in his basement because he astonished me in 1999 by turning up two exceptional Saint Peter 1902 notes, selling one to me—a \$20 date back in CU. Finally, I had a large note on the bank, and it was a beauty.

My luck with this pocket change outstanding bank had been phenomenal, and I was more than satisfied. In fact, my fortune with the bank exceeded anything that seemed just. But then a retired BEP employee, who happened to collect a couple of notes during the course of his career, walked into a Las Vegas show with yet another Original Series \$5, this one a shade under CU. Gary Whitelock, then an agent for Lyn Knight Auctions, intercepted it a half hour before I arrived at the show, and took it in as a consignment for Knight's August 2002, Dallas sale. Glen Jorde attended the sale and purchased it on my behalf thus providing what is the centerpiece of my Peter holdings.

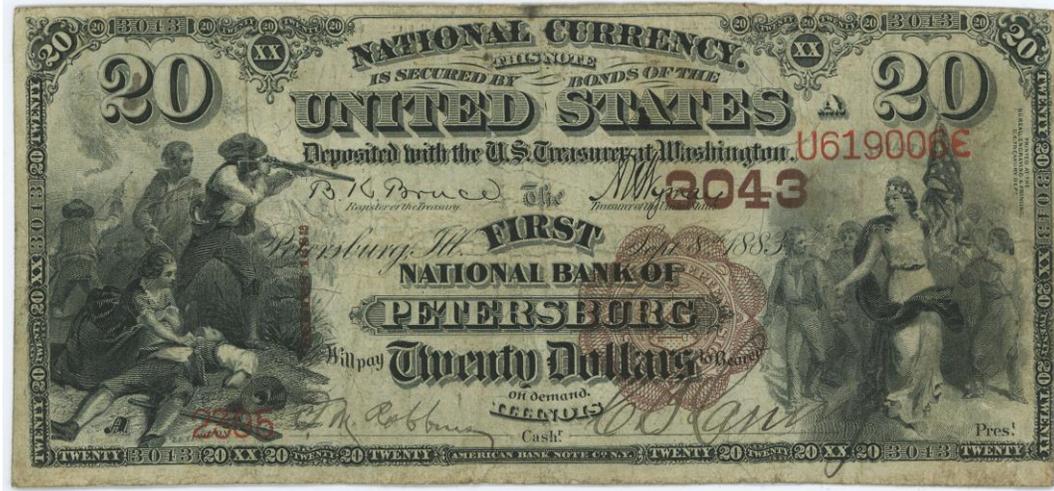


Figure 4. This Series of 1882 brown back adds much needed color to this Peter town collection.

Another one that I thought I would never see turned out to be the last town I learned of that went with my set. The town is Fort Pierre, South Dakota. I had never thought to check the forts, and when I stumbled across this town and its two banks in 1995, I looked with dismay at the minuscule statistics for the banks there. The First National Bank was a brown back only bank, liquidating in 1894, with \$11,250 in circulation. The Fort Pierre National Bank (9587) opened in 1909, and survived the entire note issuing era, but had a minimal \$10,000 circulation maintained by small emissions of the various Series of 1902 blue seal and 1929 types. A note from here would be ultra-tough to find, and previously I had never even heard of the place let alone a note. Fort Pierre is located directly south of Pierre on US 83, and has a current population of under 2,000. It was hopeless, but I started looking anyway.

Then out of the blue—as all these things really are—I was leafing through the April 2000, Bank Note Reporter when I spotted a Dean Oakes ad. I glanced through the nationals, and there, of all things, was a 1929 \$20 from Fort Pierre. I couldn't believe it. The note was very reasonably priced at \$550, but the ad was stone cold. It had been on the streets for a week or 10 days. Even so, ever the optimist, I called Dean's office, got his assistant Bill Bagwell and made my plea. Amazingly, the note was still in stock. Stunned with my good fortune, I obligated my funds. The last town was in! Ironically the town set started with a purchase from Dean and finished with Dean!

From the outset in the 1960s, I knew San Pedro, California, was going to be an uphill climb. The First National Bank there did not issue 1929 notes, and California was avidly collected even then. It was going to have to be a 1902 blue seal, and the competition would be overwhelming. The first one I saw was a \$10 1902PB offered in a fixed price list from John Kraszewski in 1968, a GI stationed in Germany who was finding notes in Europe and selling them from his APO address. I sent for it but missed that one and began to learn from California collectors that the bank was virtually impossible.

Miraculously, Curt Iverson turned up a 1902 10-10-10-20 San Pedro sheet sometime around 1977. He cut it, not being able to sell an expensive sheet in those days. I met him at a show in February 1978 and saw one of the \$10s in his case. It was way too expensive for my blood because California was really hot, but I couldn't leave it alone. I finally asked him if he still had the \$20. His reply was yes, and I couldn't resist. This would be the first uncirculated note in my set, and a great bank besides, so I laid out the \$450, and he sent it to me.

Two serendipitous finds stick in my memory, both coming within a year of the other. The first involved running into Leon Thornton rather late at the Memphis show in 1983. I asked if he had any nationals, and he replied that he had nothing from the west. Besides, he said everyone already had looked at his stock and had just about picked him clean. I asked to look at the remainders anyway. Don't bother to ask, and you won't be rewarded with discovery. Out of an envelope containing just a few notes came a beautiful 1902PB \$20 on The First National Bank of Petersburg, Indiana (5300). The bold red stamped



Figure 5. A chance encounter with Leon Thornton allowed me to obtain this attractive note from this small southwest Indiana town.

signatures splashed across it were really eye catching.

The second came when I ambled up to Art Leister's table at a show in January 1984. I have always held Art in high regard because he has always been a bastion of the retail paper money trade. He told me he had nothing from the western states I collect. Even so, I asked to look at his early nationals rather than walk away. You have to be reasonably aggressive in this game. Close to the top of the stack that he handed to me was an ace on Peterborough, New Hampshire (1179). Talk about the perfect note to give this set a little color!

The only chance I ever had at a small note from The First National Bank of Peterstown, West Virginia, came early—in 1968—on a fixed price list from Johnny O. Baas. Johnny did business as Johnny O from Hazlehurst, Mississippi. Eventually, after he retired, he and his wife sold everything they had, invested in a camper trailer and hit the road never to be heard from again numismatically. Anyway, there on his list was a vg or worse 1929 \$20 on Peterstown for \$30. The bank was a must because it was the only possible Peterstown. I wrote with the request that he send it on approval if he still had it. He replied that he did but he wouldn't send it to me because the grade was too low to be acceptable. Fortunately, after a few weeks I sent the 30 bucks and still thoroughly enjoy looking at it.

The note issuing town of Peterson, Iowa, with its First National Bank (4601), gave me pause. Did this qualify for my set or not? I delayed adding it to the list until 1999 or 2000, after I had gotten the Fort Pierre that I considered to be my last need. I had seen a few large and small notes go by from the bank years ago, but none in the last decade and a half. The town is in northwest Iowa, 60 miles northeast of Sioux City, and is now so small, it isn't even listed in the index to the Rand McNally road atlas. Its bank was modest, with an ending circulation of \$25,000 in 1935. It should be possible but not easy to find a note from there.

Search as I would, the task was beginning to look futile. Then, of all venues, someone donated a very respectable looking \$10 02PB from the bank to the Currency Auctions of America-Heritage St. Louis Charity Auction held November, 2001. That appeared to be a noble venture worthy of support, and finding the Peterson in the sale seemed like as a good omen. I submitted one bid to the sale, a bid that had to be classified as unlimited for the Peterson lot. The note hammered at a fraction of the bid. Now I think I have corralled a note from the last issuing Peter town that qualifies for the set.

Ever the collector, I have been searching for decades for a related note, one with my middle name Wesley. The only possibility was a large size note from a very scarce Iowa bank, The First National Bank of Wesley (5457). The bank opened in 1900 and failed in 1928. It had a closing circulation of \$25,000. Two or three notes have been reported from the bank. I always hoped the one printed for me would turn out to be an 1882 value back because that is one of my favorite types; however, only 560 10-10-10-20 value back sheets were issued. Lightning struck in a May 2003 Stack's sale that contained a nice looking \$20 value back.



Figure 6. This well circulated note with great signatures from tiny Petersburg, ND, 30 miles west of Grand Forks on US 2, came from the fabulous Ella Overby hoard discovered in Glenwood, Minnesota, in 1970.

Some truly spectacular Peter notes were issued. One I especially like is the \$5 brown back from Peterborough, New Hampshire. That plate was made in 1885, and has the distinctive title block layout where FIVE DOLLARS appears inside the tombstone rather than the town name. Only one issued survivor seems to be known, and I saw it recently in a very prominent New Hampshire collection where it is thoroughly appreciated.

Equally high on my dream list are the brown back \$5s issued by The First National Bank of Pierre, Dakota Territory and The First National Bank of Fort Pierre, South Dakota. I certainly wouldn't turn up my nose at a note from one of the three early failed Petersburg, Virginia, banks either. Speaking of Petersburg, Virginia, there are two each of \$50 and \$100 red seals reported from The Virginia National Bank (7709), one of the \$50s being a number 1. I doubt that any of them are in my future though!

My little Peter set could still use a bit of fleshing out in terms of color. It is light on Series of 1882 notes. In fact, I have no 1882 date or value backs at all. There probably aren't enough Original Series or Series of 1875 notes in my little set, but then there aren't enough of those to go around period. Don't have a red seal either. The collection lacks notes from several possible banks. Various titles are missing. It could also use a large or small note from some of the banks that issued both.

Is it incomplete? Are there holes that should cause frustration and burnout? Hardly, each potential find represents a tangent that can be taken when the opportunities arise.

This set has provided pure enjoyment for about 35 years. It has no defined boundaries other than a note from each issuing town. What direction the set takes depends solely on what turns up next. The end is not in sight so maybe it will help me live a little longer just trying to get there. The worst thing for a collector is to establish a fully defined set. Two things are possible, you finish the set or you find it impossible to finish the set. Either results in burnout, and in no time, you are washed out of the game. The objective is to have a challenging unbounded pursuit.

It is my opinion that one should carve out a collecting strategy that defies completion. If the limits on the set are undefined, the collection becomes subject to the chance discovery in the next hoard or serendipitous walk-in purchase at some coin shop somewhere across the country. Consequently, your quest can always offer up excitement, and the thrills will come at the most unexpected times in the most inexplicable places.

Notice that if you got this far in this article, you probably enjoyed the stories more than the actual notes that are illustrated. That is important.

Along your own way your story will be populated by all sorts of interesting people, and it is from your interactions with those people that you will gain the greatest riches that this hobby can serve up. Ultimately the real enjoyment is in the people; the notes are only the vehicle for meeting people—us!

SOURCES OF DATA AND PHOTOGRAPHS

Bureau of Engraving and Printing, 1875-1929, Certified proofs of national bank note face plates: National Numismatic Collections, National Museum of American History, Smithsonian Institution, Washington, DC.
Comptroller of the Currency, 1863-1935, Annual reports of the Comptroller of the Currency: U. S. Government Printing Office (Washington, DC.).
Van Belkum, Louis, 1968, National banks of the note issuing period, 1863-1935: Hewitt Brothers Numismatic Publications (Chicago, IL), 400 p.



Figure 7. Both large and small size notes are possible from rural Petersburg in central Pennsylvania.



Figure 8. Finding a nice looking 1902 note from here involved a long wait.

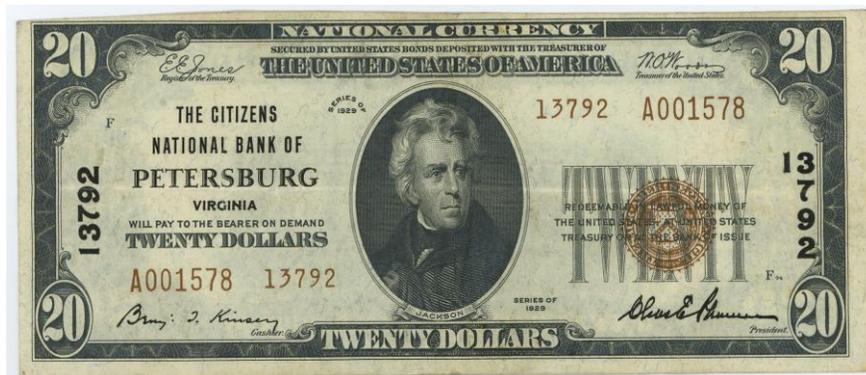


Figure 9. Petersburg, Virginia, serves up an unending variety of notes for this collection. Here is a particularly attractive type 2 note.

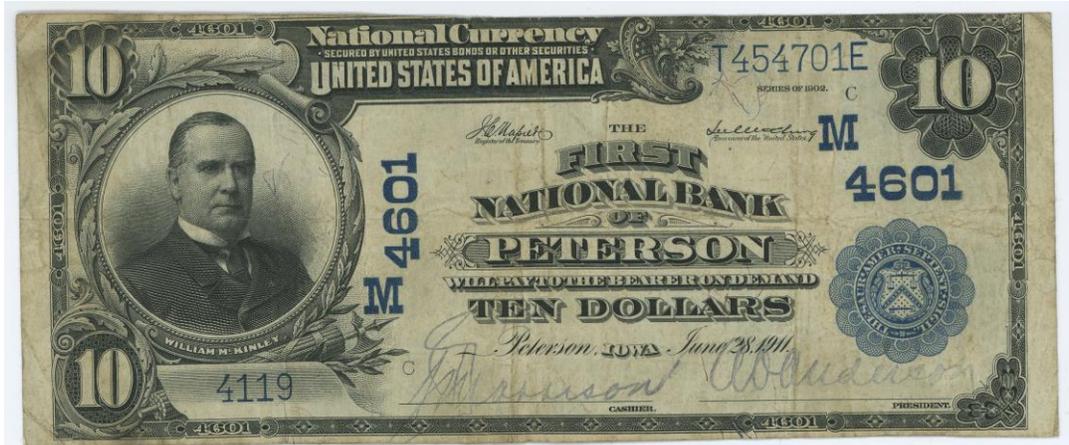


Figure 10. The CAA St. Louis charity auction in 2001 generously delivered up this Peter's son note.



Figure 11. West Virginia hosts the only Peterstown in the country, and notes from its little bank are tough to find in either large or small size.



Figure 12. Pierre is pronounced Pier by its residents, but even so its French origins give it's notes a prominent place in a Peter town collection.



Figure 13. There even is a 14000 charter in the Peter town set, this being from the elusive reorganized successor to charter 2941.

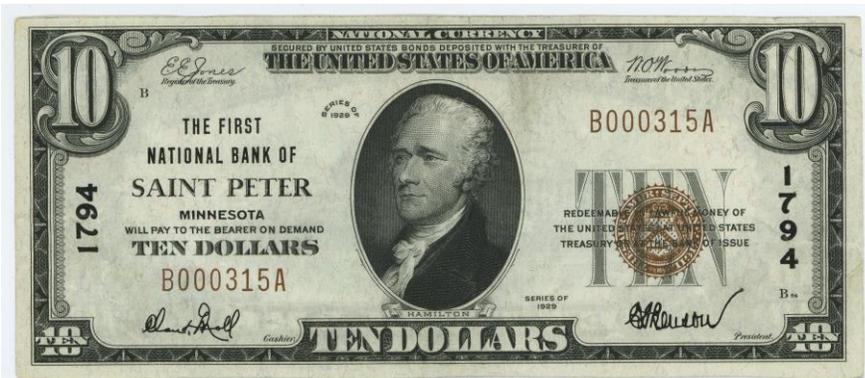


Figure 14. The first printing of 1929 notes for Saint Peter, MN, contained an error so all but the first few were canceled. This note is from the first sheet of error-free \$10s from the second printing. It appears to have been saved by a banker like a number one note.



Figure 15. This jewel emerged from the woodwork at a Las Vegas show in 2002, a half hour before I got there. It had previously gone through a Knight auction before arriving as the centerpiece of this collection.



Figure 16. San Pedro is a working-class community that has been incorporated into Los Angeles. The town overlooks the ocean from a hill just west of Long Beach. This note was cut from a sheet by Curt Iverson in the late 1970s.



Figure 17. Notes issued by the banks in St. Petersburg are decidedly scarce for a medium size city. Making matters worse is the fact that all the banks issued only large size, and Florida collectors have a vice like grip on the few that are out there.



Figure 18. Why Wesley here? Wesley is my middle name. The only possibility was a large size note from this Iowa bank. A value back turned up in 2003. What more could I ask for?

This chapter is from The Encyclopedia of U. S. National Bank Notes published jointly by the National Currency Foundation (www.nationalcurrencyfoundation.com) and Society of Paper Money Collectors (www.spmc.org).