



## THE PAPER COLUMN

by Peter Huntoon

If you ever visit Holbrook, Arizona, head south on Highway 77. When you get to the tracks, look over the old buildings to the south. One a couple of doors to the west - 103 West South Central to be exact - was the original home of the First National Bank of Holbrook. That bank, with a modest early history, was the cornerstone of the Great Western Bank and Trust Company which now boasts 30 branches and three mini-banks in 18 Arizona communities.

Along in the 1950's, the old building was converted to a bar. Under years of accumulated dust and cobwebs, you can still see from the basic fixtures that this building was once a bank. The vault was transformed into a large beer cooler, and the large front windows were partially bricked over so patrons could lean on something safer than glass. You can still find the word BANK partially hidden behind a board above the front windows.

### Founding

The First National was founded in 1922 by optimistic and foresighted local entrepreneurs. It was the 28th National Bank chartered in Arizona, and one of the smallest. The first group of officers included president W. R. Scorse and cashier J. M. Lee. Listed among early directors were Fred Schuster, J. C. Paulsell, and Julius C. Wetzler. A man who would become a prominent Holbrook personality, Lloyd C. Henning, replaced cashier J. M. Lee during the first year of operation. Henning was formerly the manager of the Navajo-Apache Bank and Trust Company's Holbrook branch (home office in Winslow).

The First National Bank of Holbrook was started from scratch. Some of the founding families shared other Holbrook banking interests. The bank had two competitors when it was established: the Merchants and Stock Growers Bank, and the newly formed Bank of Holbrook. Both were state banks. H. H. Scorse and Adolph Schuster helped incorporate the Merchants and Stock Growers Bank in 1909. Julius Wetzler and Fred Wetzler were heavily involved in the Bank of Holbrook. Quite obviously these families believed in the future of Holbrook.

When the First National Bank of Holbrook opened in 1922, Holbrook had a population of about 1,000. The fact that there were three banks in town bore silent testimony to the status of Holbrook as a prominent trade center in Arizona's vast Navajo country.

### Early Days

Three names dominated the early days of the bank. In 1924, Thomas E. Taylor was named president of the

## The First National Bank of Holbrook, Arizona - A Little Bank That Made It Big!

bank and Joseph R. McEvoy replaced Lloyd Henning as cashier. Henning advanced and in 1932 replaced Taylor as president. This trio saw the bank through very difficult times. The First National Bank of Holbrook would be the smallest National Bank in Arizona to survive the great depression.

Holbrook felt the crunch as the great depression stymied the economy of the nation. During the depths of the depression, there were days when only two or three people wandered into the bank. Yet it remained open. The bank never sustained a run, demonstrating the confidence of the community in its management. Deposits fell off but through careful practices the bank remained solvent against tough odds. Other Arizona banks did not share such good fortunes.

A look at the statistics for Arizona's National Banks shows just how rough things got before World War II again brought prosperity to the region. When the First National opened in 1922, there were 21 other national Banks in the state. Three more opened for business before 1936, including the First National in neighboring Winslow. Of these 25 banks, only seven survived the depression intact. Five failed outright. The others were absorbed by larger banks in life-saving mergers. Most of Arizona's depositors were protected, but in all, 18 National Banks disappeared between 1922 and 1936.

Under the stewardship of president Henning, the First National Bank of Holbrook listed its 1935 assets at a mere \$721,116. This compared to \$27 million for the Valley National Bank of Phoenix! The hard years were history though, and prosperity faced the bank in the coming decades.

### \$5 Nationals

With a circulation of only \$10,000, the First National Bank of Holbrook had the distinction of being the smallest note-issuing bank in Arizona to survive the depression. The bank issued only \$5 notes as follows: 3837 sheets of 5-5-5 Series of 1902 Blue Seal Plain Backs, 1434 sheets of Series of 1929 type 1 \$5's, and 2332 type 2 \$5's.

The bank's notes would rank among the greatest of Arizona rarities were it not for a hoard of \$5's that was found in Snowflake about 15 years ago. At that time, someone found a group of notes in or under an abandoned building which contained several Nationals and assorted type notes, all large. Included were a 1902 PB \$5 on Flagstaff (serial 7192-D), a 1902 PB \$5 on Winslow (1804-C), and a 1902 PB \$10 on Albuquerque, New Mexico. Several Holbrook notes were found, and I have been able to track down six of them with serials 2894-D, 2895-D, 2897, 2923-B, 3016-B, and 3033-D. Other Holbrook notes, and notes from other area banks, are



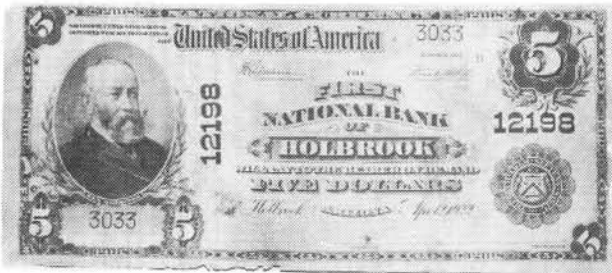
Map showing the cities and towns served by offices of the Great Western Bank or its predecessors. Towns in ( )

no longer have open branches. The Great Western Bank had its origins in the First National Bank of Holbrook.

certain to exist from the hoard. Once the hoard was found, it was turned into the Snowflake Branch of the First National Bank where the notes were widely distributed among interested townspeople.

When you view the notes from the hoard, it is apparent that most of the Holbrook specimens were uncirculated or almost uncirculated when they were put away. Unfortunately, they were severely damaged by water so that most traces of the stamped signatures faded off the notes, and the notes are discolored and very brittle. Typical pieces have chips missing from the margins, and cracks extend into the design.

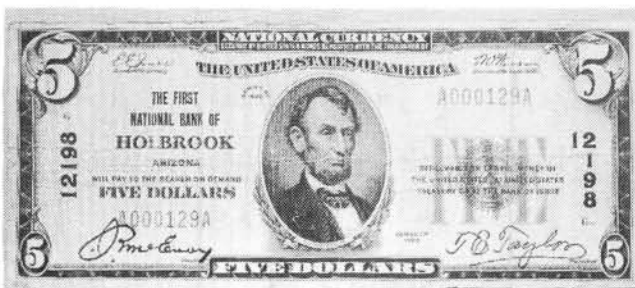
Aside from this hoard, I have been able to document only two other large \$5's from the bank. One is in fine condition with serial 3035-A (two sheets from the highest recorded serial in the hoard), and the other is a beautiful AU with serial 3814-B that was turned up by the late Harry Coleman of Tucson in the 1960's.



*Holbrook \$5 Series of 1902 Blue Seal Plain Back. This one was found in a weathered hoard in Snowflake, Arizona, about 15 years ago.*

Small notes on the bank still rank among the rarest of Arizona's 1929 issues. In 1978, when I wrote about Arizona small notes (PAPER MONEY, v. 17, p. 249), I had located only one small note, a type 1 \$5 in vg bearing serial A000129A. (This rare specimen had the Taylor-McEvoy signature combination. Recently I had the pleasure of seeing a vf type 2 note on the bank with serial A002231.) This late issue piece sported the previously unknown Henning-McEvoy signature combination. The owner of the type 2 \$5 assured me that a few more type 2 notes were extant.

Holbrook National Bank Note signers Joseph Taylor



*Small size \$5 Holbrook with signatores of J. R. McEvoy - cashier, and T. E. Taylor - president.*

Holbrook National Bank Note signers Joseph Taylor and Lloyd Henning eventually served as state senators. Taylor was first, being elected in 1933.

## Growth

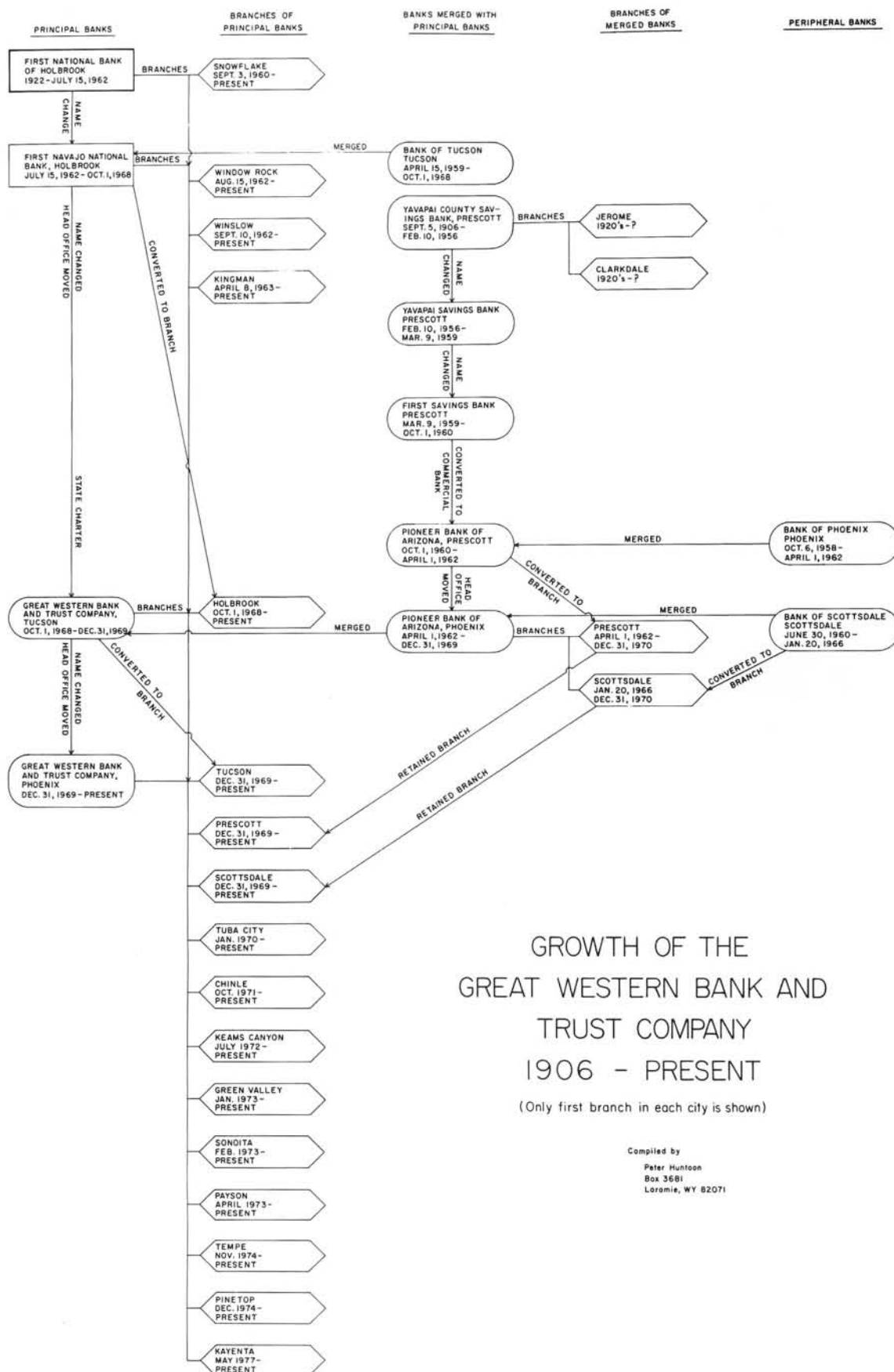
By 1951, the First National Bank had outgrown its quarters on South Central. On February 17, the bank was moved to 266 Navajo Boulevard, the same location now occupied by the Holbrook branch of the Great Western Bank. If you tour the "new" building, you will discover that a few additions have been made to it since 1951.

Arizona's little National Bank began to spread its wings in 1960. On September 3, 1960, its first branch was opened in Snowflake.

In 1962, the name of the bank was changed to the First Navajo National Bank of Holbrook. This marked a significant milestone in the growth of the bank. An agreement had been negotiated between the bank and the Navajo Nation whereby the bank would be the only bank to operate branches on Navajo lands in Arizona. The first tribal branch opened in Window Rock in August, 1962.



*Lloyd C. Henning - second cashier of the First national Bank of Holbrook. Later became its president. Served as a state senator.*





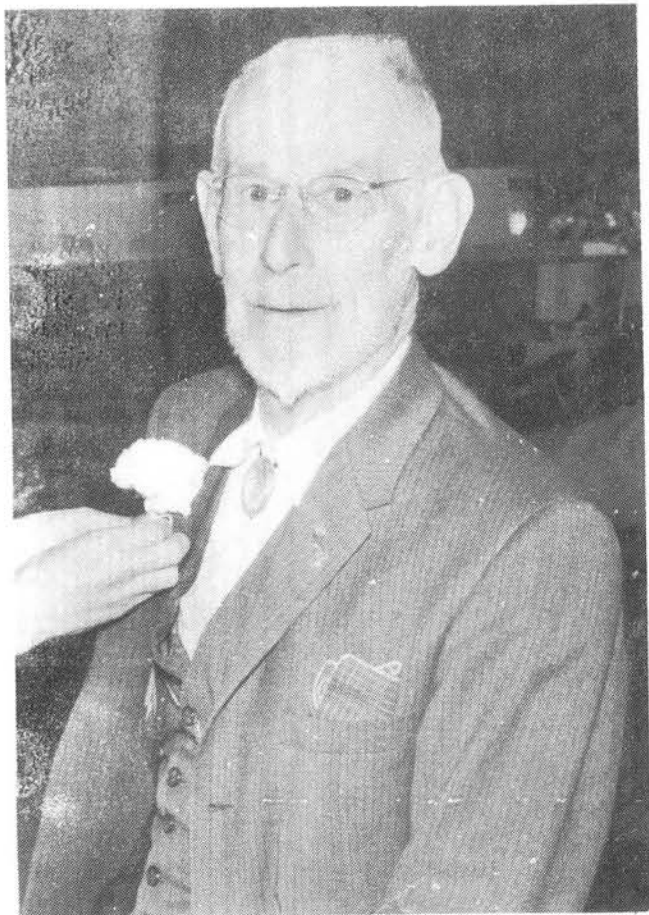
Next came non-tribal branches in Winslow (1962) and Kingman (1963). The bank was developing into a major force in northern Arizona, and this was just the beginning.

### Great Western

In a seemingly unrelated development, the Bank of Tucson was organized under a state charter in 1959. By 1968, the Bank of Tucson began to search for a partner in northern Arizona. The First Navajo National, with its very important Navajo franchise, was an ideal mate. A merger of the two would create a state-wide branch banking system.

On October 1, 1968, the First Navajo National Bank and the Bank of Tucson merged. In the process they formed the Great Western Bank with headquarters in Tucson. The Holbrook bank was converted into the Holbrook branch of Great Western.

Another important merger took place on December 31, 1969, when the Great Western Bank of Tucson joined with the Pioneer Bank of Phoenix. The Great Western title was retained but the corporate headquarters were moved to Phoenix. Not only did the merger result in a new home office for Great Western, but three branches were added to the system: Prescott, Scottsdale, and Tucson.



*Joseph R. McEvoy - early cashier of the First National Bank of Holbrook.*

One historic footnote arising from the Pioneer merger was that the Pioneer Bank traces its roots to the Yavapai County Savings Bank of Prescott. As shown on the bank's family tree, this merger pushes the history of the bank back to 1906, 18 years before the opening of the First National Bank of Holbrook itself, and six years into the territorial period!

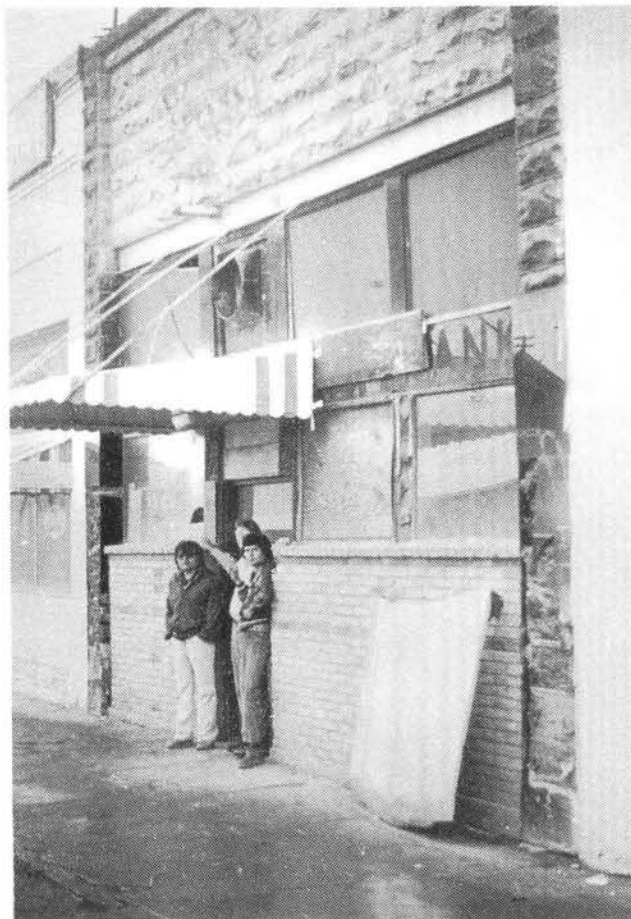
### Today

The growth of the Great Western Bank has been steady since 1969. The branch banking agreement between the First National Bank of Holbrook and the Navajo Nation has played a major role in the growth of the bank. The following tribal branches have been opened since the first one was established at Window Rock: Tuba City (1970), Chinle (1971), Keams Canyon (1972), and Kayenta (1977). The placement of these facilities on Indian lands made modern banking services available in what used to be one of the most remote parts of Arizona. There is no question that the bank has made a very positive impact on the commercial development of the area.

### Pride

You wonder if Taylor, McEvoy, and Henning had any

*(Continued On Page 207)*



*Original home of the First National Bank of Holbrook at 103 W. South Central. The bank was converted into a bar in the 1950's, then abandoned.*



## If At First You Don't Succeed - Try - Try - Again!

by Elvin B. Miller

As a paper money collector with an ardent interest in Virginia National Bank Notes, occasionally I have the opportunity to appraise them. Recently a group of Virginia Nationals came in for that purpose. In the lot

was one note that was very interesting. Below is a copy of the appraisal done on this note:

\$5 1902 The American N. B. of Richmond, CH S5229 F-606. 90,334 sheets of 5-5-5-5 were issued. This bank went into voluntary liquidation Dec. 29, 1928 and was succeeded by The American Bank of Richmond. Later, when that bank failed, it became the largest bank failure in the state's history. Stamped sigs. of O. Baylor Hill (C) and Oliver J. Sands (P). See below note no. 48693 VG/F pressed



### THE PAPER COLUMN

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(Continued From Page 206)

idea they were founding such a major Arizona bank as they withstood the battering of the depression. Could they foresee branches scattered throughout the state and a corporate headquarters in the state capital?

The historic roots of fast-growing, large corporations are commonly lost in the shuffle. As the corporate managers of Great Western enjoy air conditioned, spacious offices in metropolitan Phoenix, do they realize that the original home of their bank still stands? After years of abuse, there is a dilapidated but proud building at 103 W. South Central in Holbrook that waits for recognition. The ghosts that haunt that place don't understand air conditioning, but they remember with pride spending one of their hometown \$5's in a distant city!

#### Acknowledgments

Special thanks are due Orson W. Rogers, vice president, Holbrook office of the Great Western Bank, for information on the early history of the First National Bank of Holbrook. Ms. Ardy Hoffman, home office of Great Western, and Jennette Young, Arizona State Banking Department, located historical records which helped complete the bank's family tree.

Several systems were used to place the imprint of the cashier's and president's signatures on large size National Bank Notes. One system utilized by a number of the larger banks was to have a trusted bank official accompany the unsigned, uncut sheets to a local printer's shop. This printer would have a previously prepared plate that would print the required signatures of both of the signing officials on a full sheet of notes at one time. After the printing process was completed, the sheets were then cut by the printer and returned to the bank by the accompanying bank official.

The previously described National Bank Note has the required signatures printed on the note in three different locations, each above the other. I would suggest that this is a printer's alignment error. As to the value, without the extra signatures - \$35.00, with the additional signatures - ?

This note now resides in the appraiser's collection along with National Bank Notes from 176 of the 224 issuing Virginia National Banks.

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