The Hereford National Bank / The First National Bank of Hereford – Charter #5604

by Michael Saharian

My mouth began to water for a thick, juicy steak when I learned there was a city in America named for a breed of beef cattle. Hereford (HUR-furd) is located 48 miles southwest of Amarillo, in the southern portion of the Texas Panhandle in Deaf Smith County. Herefords have taken their name from the county of Herefordshire, a historic agricultural region of England where this breed has evolved. Early Hereford breeders moulded their cattle with the idea in mind of a high yield of beef and efficiency of production. More than 5 million pedigree Herefords exist in over 50 countries. Per the Texas State Historical Association, the first Herefords were introduced to America by politician Henry Clay in 1817. In 1876 some of the first Herefords arrived in Texas, and were introduced into the Panhandle in 1883. Enough bull!

The Hereford National Bank was organized by a group of twelve businessmen, farmers and ranchers on September 29, 1900. The bank was chartered on October 23 and opened for business November 1, 1900.

One of the 12 organizers and the first president of The Hereford National Bank was John Edward Ferguson (1858-1931), who was born in Sedalia, MO. A staunch Democrat, he was elected and served the county as judge in 1893-1894. In 1900 Judge Ferguson sold his ranch and became a resident of Hereford, where he began working for the bank. He resigned in June of 1905, but retained his stock and continued to make Hereford his home for many more years.

Fagan J. Clinkinbeard (1875-1956) was the first cashier of The Hereford National Bank and one of the 12 organizers. After cashiering for only a year in Hereford, he resigned and in 1904 became cashier at the First National Bank of Norton, Kansas. He also worked at banks in Baxter Springs, KS and Windsor, MO. It appears Mr. Clinkinbeard's first name was derived from his mother's maiden name, Lila Fagan.

A January 17, 1902, article in The Hereford Reporter stated *"Cashier F. J. Clinkinbeard has resigned to accept a similar position much nearer to home. County Clerk F. B. Fuller, at the January 14th bank director's meeting, was elected to fill the vacancy made by Mr. Clinkinbeard's resignation."*

Francis Bartow Fuller was born in Sugar Valley, Georgia on January 29, 1862. He was born while his father was killed fighting for the Confederate Army, and never saw his son. After riding the range for 15 years, Mr. Fuller was elected district clerk by the people of Hereford in 1898, serving in that capacity for four years. He then became interested in The Hereford National Bank, which he helped to organize, and held the position of cashier for five months. On July 4, 1902, The Brand newspaper reported *"F. B. Fuller has resigned his position as cashier of The Hereford National Bank and accepted a position with the new banking firm Smith, Walker and Co."* From 1903-1907 Mr. Fuller was the cashier of The Western National Bank of Hereford, before moving to California, where he organized the El Centro National Bank. This financial institution of the Imperial Valley opened its doors March 6, 1909, and Mr. Fuller became its first and only president, before being absorbed by The Southern Trust and Commerce Bank of San Diego in 1920. At that time, he became vice-president of The Southern Trust, remaining in that capacity until his death on October 18, 1926.



The second president of the bank was John Lee Fuqua (1866-1948), a native of Tupelo, MS, who assumed the duties of the office on July 1, 1905. During J. L. Fuqua's presidency, on March 16, 1906, The Hereford Brand paper printed a front-page story reporting The Hereford National Bank will be changing their name, due to the increase in the volume of their banking business. The paper stated, *"Their capital stock has been increased from $25,000 to $50,000 and the name of the institution has been changed to The First National Bank of Hereford, TX."* J. L. Fuqua continued as president with the newly named bank for 5 more years, before resigning in 1911 to trade cattle and dabble in the real estate market.



The Hereford Brand

DON'T FAIL TO READ THE ADVERTISEMENTS OF OUR BUSINESS MEN

J. L. FUQUA, President C. W. DODSON, Cashier

The First National Bank
OF HEREFORD, TEXAS

Capital Stock $50,000.00 Surplus and Profits $9,218.49

THE HEREFORD NATIONAL BANK has become THE FIRST NATIONAL BANK of Hereford, Texas, with increased Capital Stock and change in Directory.

Owing to the natural development of the country which means an increase in the volume of our banking business, we have for sometime felt the necessity of making a corresponding enlargement, and for taking care of the business of this section of the country. The result of our deliberations is that our capital stock has been increased from $25,000 to $50,000.00 and the name of the institution has been changed from The Hereford National Bank to THE FIRST NATIONAL BANK of Hereford, Texas. We expect to increase our circulation to $50,000.00 at an early date and are in a position to extend to our customers and friends every courtesy consistent with safe and conservative banking.

The directors of THE FIRST NATIONAL BANK which is composed only of men of recognized business ability, now stands as follows: J. L. Fuqua, R. J. Kleiss, L. Gough, C. W. Dodson of Hereford, and W. H. Fuqua, of Amarillo, Texas.

At an early date it is our intention to erect a two-story brick or stone building on our present location, in order to meet the growing demands, and better facilitate the handling of our rapidly increasing business.

We wish to call attention to the following statement of the condition of THE FIRST NATIONAL BANK at the close of business February 16, 1906.

CONDENSED STATEMENT OF

THE FIRST NATIONAL BANK
OF HEREFORD, TEXAS
at the close of business, February 16th, 1906.

RESOURCES		LIABILITIES	
Loans and Overdrafts	$113,962.09	Capital Stock	50,000.00
U. S. Bonds and Premiums	12,968.75	Surplus and Profits	9,218.49
Banking House and Fixtures	4,268.25	Circulation	12,500.00
Other Real Estate Owned	11,491.37	DEPOSITS	164,727.12
Redemption and	625.00		
Cash and Exchange	113,142.96		
	$256,445.41		$256,445.41

The Hereford National Bank has prospered from the day of its organization [illegible] the directors take this opportunity of acknowledging their indebtedness to the general public for [illegible] ever part which they have taken in making its success possible. Our institution has ever availed itself [illegible] every opportunity of advancing the material interests of Hereford and this particular section of [illegible] and the policy of THE FIRST NATIONAL BANK in the future will be a constant [illegible] effort along the same lines.

If you have not hitherto carried an account with us a trial will convince you that THE FIRST NATIONAL BANK is the bank "of the people" and that your [illegible] business entrusted to us will always receive our most prompt and careful attention.

It shall be the policy of THE FIRST NATIONAL [illegible] at all times to look after the best interests of its customers and friends in Deaf Smith and Castro Co[illegible] surrounding territory.

Remember THE FIRST NATIONAL BANK [illegible] will always appreciate your business.

J. L. FUQUA, President
C. W. DODSON, Cashier

The bank announced in October of 1902 that Cavitt Watson Dodson (1871-1964), who was born in Robertson, TX, had become the new cashier. Mr. Dodson remained with the bank for 7 years, until one Monday morning he did not appear at the window, leaving customers inquiring of his whereabouts. They learned he had placed his resignation in the hands of the bank officials some weeks ago, but same was not accepted and did not become effective until the time stated, which was May 21, 1909. When asked why he resigned, Mr. Dodson replied "*I think I have served my time behind the bars and that I need the rest and change of work."*



After the resignation of Mr. Dodson, the position of cashier was vacant for 18 months, when in December of 1910, J. J. Gallaher accepted the position of cashier.

James Joseph Gallaher was born on a farm near Savoy, TX in Fannin County on February 29, 1872. When he was eight years of age, his father and sister were killed by a tornado. It was a priority of his father for his son to have a good education, which he did, when he graduated from Grayson College at Whitewright in 1891. During this time, he became an expert penman and a few years later was made a Mason. His first venture into business was as owner of a drug store in Savoy. His obituary appeared in the Waco News-Tribune on October 23, 1952, stating *"His beautiful penmanship, much of it still evident in Masonic documents, took Mr. Gallaher out of the drug business. A banker glanced at a receipt the druggist had given him and told the young store owner: You belong in a bank. The drug store, which had been purchased by trading a farm, was sold and Mr. Gallaher went into the banking business."* Serving for two years as cashier of The First National Bank of Hereford, J. J. Gallaher resigned in February of 1913, but remained as one of the directors. He then became involved with a bank in McKinney, TX and in 1919, became the vice-president of The First National Bank of Marlin, TX. While in Marlin, Mr. Gallaher was elected as Grand Treasurer of the Masonic Lodge in 1936 and moved to Waco. One of his Masonic duties was in taking over the Grand Lodge Library and filling it with many rare volumes on Texas, much of which was compiled and catalogued by Mr. Gallaher. He died on October 22, 1952, in Marlin at the age of 80.

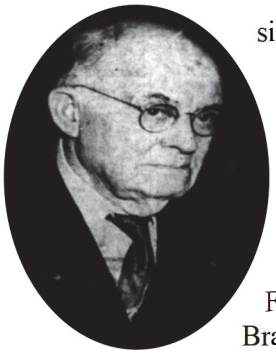
Both bank titles issued 56,544 National Notes (1882 Brown Backs, Date and Value Backs, and Plain Backs), totaling $706,800. The First National Bank of Hereford issued 14,036 small size National Notes, totaling $167,270. Track and Price documents 14 large size National known for charter #5604 and 14 small size National known, all of which are the type 1 variety. No National Notes are documented in the census from The Hereford National Bank. Track and Price lists the 1902 $20 Plain Back note as the only large or small uncirculated National Note in their census.

The note has the pen signature of cashier E. B. Posey, a native of Ellis County, TX. Ellis Benton Posey (1885-1957) started his banking career in 1905



Imaged by Heritage Auctions, HA.com

as a janitor-bookkeeper at the Hollis, Oklahoma State Bank. He married Louella Fuqua (1885-1974), before coming to Hereford and accepting the position of bookkeeper at the First National Bank of Hereford in 1907. In June of 1909, Mr. Posey was elected as assistant cashier and promoted to cashier in February 1913. At the annual meeting of stockholders in March of 1917, E. B. Posey was chosen as active vice-president and his brother-in-law, A.S. Fuqua was elected as the new cashier. Absalom Stovall Fuqua, who was also the nephew of the past president J. L. Fuqua, resigned in 1918 after only one year with the bank. E. B. Posey relinquished his position as vice-president and once again, assumed the duties of cashiership until his resignation from the bank in April of 1936. From 1939 through 1947, he served as manager of the Hereford Chamber of Commerce, promoting diversification in Deaf Smith County during the 1940's, and was instrumental in bringing major vegetable producers to the area.



The note pictured was stamped signed by George Leith Muse (1873-1954), who was the last president of The First National Bank of Hereford during the National Bank Note Era. Mr. Muse also served as deputy sheriff and county commissioner. Per his obituary, which appeared in the February 25, 1954, The Hereford Brand paper, *"Starting out as a homesteader, Mr. Muse enlarged his interests until he*

became a rancher, was president of The First National Bank from 1917 until 1942; and was lead of the National Farm Loan Association in Hereford from 1938 until 1950, when he retired."

The bank continued to operate past 1935, showing steady growth up until 1959, when its assets were $10 million and its loans $5 million. In 1980, the bank was number five in the state in dollar volume of agricultural loans, at 35 million, with total assets of $81 million. In 1995 The First National Bank of Hereford consolidated under the charter of The First National Bank of Perryton, TX and under the title FirstBank Southwest, N. A. Today the bank operates under the name FirstBank Southwest.

After a railroad passed through the area in the late 1890's, a town called Blue Water was created. When postal authorities discovered there was already a town in Texas named Blue Water, settlers changed the name to Hereford in 1898. Because of the proximity to the railroad, residents of Deaf Smith County chose Hereford to replace La Plata as the county seat. Deaf Smith County was named after Eratus Smith, a noted Texas scout, guide, and indian fighter. On March 13, 1836, General Sam Houston dispatched Smith to San Antonio to determine the fate of the Alamo Garrison, where Mexican forces had killed all the Texas soldiers, including pioneer Davy Crockett. "*Deaf"* Smith earned his place among Texas heroes with his exploits in the final battles of the Texas Revolution. Simply known as "*The Texas Spy",* Smith had a childhood disease resulting in his loss of hearing.

From the town's beginning, the plentiful groundwater supply was a major attraction to newcomers to the area, and in 1910 the first successful irrigation well was sunk in the Ogallala Aquifer. In 1948 Hereford began having the reputation as the "*Town Without a Toothache",* when a local dentist attributed dental health in the area to natural fluoride in the water. The "*Town Without a Toothache*" was even an answer posed by Alex Trebek in a 1995 episode of Jeopardy. A surge in agricultural production came in the decade of the 1960's with the building of a sugar refinery and the introduction of cattle feeding and related industries. With this surge, the population of Hereford rose from 6,750 in 1960 to 15,850 in 1980, per the United States Census. Speaking of population, there are more than 1 million cattle fed within a 50-mile radius of Hereford.

Gratitude goes to all the past collectors who preserved this beautiful note from this small cow town in the big state of Texas. If a little, old lady ever asks you *"Where's the beef?",* tell her the *" Beef Capital of the World, Hereford, Texas!"*

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Small Currency	$6^{5/8}$ X $2^{7/8}$	$30.00	$56.00	$257.00	$470.00
Large Currency	$7^{7/8}$ X $3^{1/2}$	$36.00	$64.00	$303.00	$594.00
Auction	9 X $3^{3/4}$	$36.00	$64.00	$303.00	$594.00
Foreign Currency	8 X 5	$43.00	$78.00	$355.00	$627.00
Checks	$9^{5/8}$ X $4^{1/4}$	$44.00	$81.00	$375.00	$667.00
SHEET HOLDERS					
		10	50	100	250
Obsolete Sheet--end open	$8^{3/4}$ X $14^{1/2}$	$25.00	$110.00	$191.00	$447.00
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