

ADH9329

JUNIOR LEAGUE OF CEDAR RAPIDS

ORAL HISTORY PROJECT

INTERVIEW WITH: TED WELCH

CONDUCTED BY: LAURA DERR

PLACE: CEDAR RAPIDS, IOWA

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INTERVIEW TOPICS
CEDAR RAPIDS: THE EARLY DECADES OF THE TWENTIETH CENTURY

I. PERSONAL LEAD-IN QUESTIONS

- 1 --When were you born? Where?
- 1 --How long have you lived in Cedar Rapids?
- 2 --What are your parents' names?
- 1,6 --Where did you go to school?
- 2 --Are you married or single?
- 2 --Did you raise a family? How big?
- 2 --What has been your occupation (career) during your adult years?

II. COMMUNITY TOPICS

A. Technology in the Community

- 1. Transportation
 - Railway travel (Union Station, trips to Iowa City on Crandic)
 - 6 --Trolleys (the Interurban)
 - 5 --Horses and First Automobiles
 - Mud roads and the seedling mile
 - Hunter Airport and the first planes
 - 15-16 --Cedar River (ferries, floods, dams)
- 2. Communications
 - 22 --Newspapers
 - Radios
 - 22 --Advertising
 - Telephones

B. People in the Community

- 1. Amusements/Recreation
 - Motion Pictures
 - 11 --Cedar Rapids Parks
 - Dances
 - Carnival Week
 - Chautauqua
 - Community Theater
 - Little Gallery
 - Symphony Orchestra
 - Circus
 - Greene's Opera House
 - Amusement Parks (Alamo)
 - Camps
 - Community Centers (YWCA, YMCA)
- 2. Famous Characters
 - Cherry Sisters
 - Grant Wood
 - Carl Van Vechten (The Tattooed Countess)
 - Marvin Cone
 - 17-18 --Louis Sullivan
 - 18-19 --Allen Philbrick
 - 28,46-47 --Art Collins

3. Lifestyle

- 12 --Life before air conditioning
- 11 --Winter Activities
 - Holidays (Memorial Day, July 4, Thanksgiving, Christmas)
 - Clothing
 - Toys
 - Saloons/Taverns
- 5,48-49 --Farm Life

4. Family Life

- 5,25 --Household Help
- 5 --Women's Roles
- 10,11,13 --Childrens' Activities/Behavior
 - Sunday activities (Church life, Sunday Blue Laws)

5. Ethnic/Minority Life

- Immigrants (Czech, Greek, German, etc.)
- Indians
- Segregation of Blacks
- Jobs Available

C. Organizations and Institutions in the Community

1. Education

- 1,6 --Cedar Rapids Schools
 - Coe College
 - Mount Mercy College
 - Cornell College

2. Government

- City Services
- Streets/Roads
- Relationship with Marion (Courthouse Dispute)

3. Medical

- 15,38-45 --Hospitals
 - Patient-Doctor Relationship
 - Broken Bones
 - Polio, TB, Debilitating Diseases
 - House Calls
 - Home Delivery of Babies
- 42-44 --Area ambulance

4. Business and Economy

- 28 --Local Factories (Douglas Starch Works, Quaker Oats, etc.)
- Local Brewing Companies
- 14 --Retail Businesses /Department Stores
- Professions
- 3,17,21-23,27-32 --Banking and Finance
- Restaurants (Greek Restaurants in 30's)
- 8,9,14,17 --Businesses that no longer exist (old groceries, drygoods, icehouses)
- Farmers Market
- Mills on Cedar River
- Buildings Erected
- Manual Labor/Types of Jobs
- Companies (Labor Unions, Strikes, Pay)
- 26-27 --Horse Buyers Club
- 5. Attitudes/Values
- 6 --Children/Discipline
- Sex/Petting
- Charity
- Divorce
- Work
- Working women, Voting Rights for Women
- Patriotism (World War I)

34-38 --Community Welfare Foundation

D. Historic Events in and Outside the Community

- 1. Catastrophic Events
- Clifton Hotel Fire (1903)
- Douglas Starch Works Explosion(1919)
- Bank Closings (1933)
- Lyman-Stark Building Collapse(1913)
- Public Library Murder(1921)
- 15-16 --Flood (1929)
- 2. National Historic Events
- Womens' Suffrage
- World War I
- Roaring 20's
- Prohibition
- 25-26 --Great Depression
- 22-24 --Bank holiday (1933)

Theodore John (Ted) Welch was born on August 15, 1920 in Cedar Rapids. He is one of two children born to Edith Schroeder and Frank C. Welch. His parents moved to Cedar Rapids in 1920. His first wife died and in 1967 he married Maxine Gallaher. He has three children, Michael, Theodore John Jr. (Ted) and Peter. Mr. Welch attended Cleveland, St. Patrick's and Roosevelt schools. He also attended the University of Iowa and Harvard Business School (MBA degree). He served in the Navy. He has been a commercial banker all his life, currently associated with People's Bank in Cedar Rapids. His memories include the bank holiday of 1933, changes in banking services, association with Mercy Hospital, the area ambulance service and the Community Welfare Foundation.

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LD: This is Laura Derr on May 25, 1985. I'm in the office of Ted Welch at People's Bank, downtown on the corner of Third Avenue and First Street in Cedar Rapids, Iowa on the southwest side of the river. Mr. Welch, will you state your name and what year you were born in Cedar Rapids.

Welch: My name is Ted Welch and I was born August 15, 1920.

LD: Where were you born in Cedar Rapids?

Welch: I was born at Mercy Hospital.

LD: Have you lived in Cedar Rapids all of your life, or what periods were you out of the city?

Welch: I really lived here all of my life. I was born, as I said, at Mercy Hospital. At the time, my folks were living at 1619 First Avenue West. Later on, they moved to 2300 First Avenue West, a house on a hill out there and ten acres of ground. I was four years old at the time, so that's about all that I really remember of where I was born.

LD: There was a period of time when you were out of the community for education and service in the military, right?

Welch: I went down to the University of Iowa in the fall of 1938, and finished there at mid-year, '41, '42. I enlisted in the Navy in December of '41 and spent approximately four years in the Navy. After completing the Navy time, I went to Harvard Business School

and got an M.B.A. degree. Then I worked for Citizen's and Southern National Bank of Georgia for about a year and a half. I returned to Cedar Rapids from Georgia in June, 1949. I've been here ever since.

LD: You are married?

Welch: Yes.

LD: What is your wife's name and children's names?

Welch: My wife's name is Maxine. My children's names are Michael, Teed (or Theodore John, Jr.) and Peter. My first wife died and I was remarried in 1967.

LD: What is your adult occupation and what has it been over the years here in Cedar Rapids?

Welch: I've been a commercial banker all of my life.

LD: I wanted to start by asking you about your memories, first of all the full names of your mom and your dad and where did they come from? Did they grow up in Cedar Rapids or did they come from some other part of the country?

Welch: My mother was born in Richmond, Illinois, which is a small community on the northern border of Illinois, just ten miles south of Lake Geneva, Wisconsin. Her maiden was Edith Schroeder. My father was born in Savannah, Illinois. His father, my grandfather's name was John. My grandfather was a railroad man and lived in different communities during his railroad career. They came to Cedar Rapids

sometime, I would guess, right about 1900.

LD: So they were married when they came to Cedar Rapids?

Welch: Oh, yes.

LD: Your father had an interesting background as a part of the People's Bank from what I read in the People's Bank history... from starting out as a messenger here in 1905 to being a cashier in 1913, to becoming the president of the bank in 1932. I hope those dates--I think they're pretty close to being correct. What was his background that got him into the banking business in the first place?

Welch: When he graduated from Washington High School, he went to work for the Wilson Packinghouse Company that summer, running the elevator. Then John Burianek, who was the chief operating officer of the bank hired him as a messenger boy in the middle of the summer.

LD: That was before the present People's Bank had been built?

Welch: That's correct. Yes, 1905.

LD: Where was that other bank?

Welch: It was right on the corner of Third Avenue and First Street Southwest.

LD: So you built on the same...

Welch: The Sullivan Building was built on the site of our original office.

LD: And then when you expanded later on, you took in the old Smulekoff's building.

Welch: That's right. In 1905 or 1906, the bank moved a half a block west, still on the south side of Third Avenue, just west of the alley. They operated there until they built the new Sullivan Building in 1910 and '11.

LD: Did your father have a college education?

Welch: No.

LD: So he literally learned the banking business from the ground up?

Welch: From the ground up, yes.

LD: He obviously must have had some characteristics that made him impress the people, the powers that be here. What can you remember about your father as, I suppose, a bank man that made him so successful?

Welch: Probably the thing that I remember the most is his interest in the people that they were working with, both within the bank and also the customers...then his integrity as far as feeling that as a banker you're lending money, but you're lending a depositor's money that they leave in safe-keeping at the bank. You have to respect the quality of the borrower and the fact that he has the ability to pay it back, but still at the same time, do a service to him by providing credit facilities.

LD: In other words, he just gave people a sense of trust. People believed in him and he obviously knew his finances, too, along the way. What was your mother's role in your growing-up years? I'm sure that she was the head of the house. Did she have a lot of volunteer activities in the community?

Welch: She had a certain amount of them. She was an excellent homemaker, even from my prejudiced point of view, but when they moved from the first house that they had lived in, which was relatively small regular-type house, they moved out to this acreage, which is the only home that I remember. I was four years old when they moved there and with ten acres surrounding it, we had a man that lived in a garage apartment and between he and his family and my mother, we had dairy cows. My mother raised chickens and we delivered milk and sold eggs on the way to work some times.

LD: So you actually had kind of a farming situation out there?

Welch: The area around us was mostly farming. Ed Williams, for which Williams Boulevard is named, had a dairy farm right across the street from us that comprised some, or, close to 250, 275 acres.

LD: So, you were surrounded by farm land?

Welch: Pretty much.

LD: How did your dad get in and out to work in those days?

Welch: He had a Model T Ford pick-up. Then he graduated to a Model A pick-up.

LD: What were the roads like?

Welch: They were gravel, until you got into...First Avenue West used to be Third Avenue West. It was changed later on from Third Avenue to First Avenue. The hard surface stopped at Third Avenue and Eighteenth Street.

LD: So, you had about five blocks worth of gravel driving?

Welch: Yes.

LD: Did the streetcar come out there, finally?

Welch: The streetcar came to the top of the hill at what was Third Avenue, now First Avenue and Fifteenth Street, and stopped there.

LD: Where did you go to school during those years?

Welch: I went to Cleveland School, the first kindergarten through third grade. Then I went to St. Patrick's, fourth grade through seventh grade, and I went over to Roosevelt from eighth grade on through twelfth.

LD: Was Cleveland in the same place where it is now?

Welch: No, Cleveland was located at the top of the hill at Fifteenth Street, where there's a church building now.

LD: So, you had a combination of both public and parochial education then when you were growing up?

Welch: That's right.

LD: Did you notice any great differences between the discipline at those two schools or the routines of the days at those two schools--or three schools actually that you mentioned?

Welch: I think the discipline back then probably was a little more strict than it is today. From a comparative standpoint, I think the discipline at St. Patrick's Parochial School was a little stricter than the public schools.

LD: Did they practice physical punishment for misbehavior?

Welch: Nobody ever misbehaved!

LD: Nobody ever misbehaved? You know, you're not the only person that told me that, that there was enough awareness of what could happen to you, that there really wasn't much misbehavior. Who was the head of St. Pat's when you were there? Would that have been Father Peters?

Welch: Father Peters was--he was the definite, well actually Father Lennahan was the senior pastor at the church, but Father Peters was his assistant and Father Peters was the real head of the school. He had the school responsibility.

LD: Do you have any particular anecdotes or memories about Father Peters?

Welch: No, except he still comes in to see me a couple of times a month.

LD: We just interviewed him the other day.

Welch: He's an amazing man.

LD: Yes, he really was kind of fun to work with. I'm going to shift back to the neighborhood or the area where you were, which wasn't actually a neighborhood so to speak. It wasn't surrounded by houses on all sides, I'm sure. When you were growing up out there, who did live around you besides, you mentioned the Williams dairy farm. Who else was around you in those times?

Welch: I guess, in addition to the dairy farm, a family that I remember probably the best is the family that lived just to the north of us that had quite a few acres of farmland which they devoted mainly to truck gardening. It was the Bizek family. Michael Bizek was the father and he had a couple of sons and, I think, one or two

daughters. They used to raise, primarily, produce that they sold in the farm market in Cedar Rapids.

LD: I see. Now that...

Welch: That was on Johnson Avenue.

LD: That was on Johnson Avenue, so that was all country and farming area in there? Did you--were there many ethnic groups around you--or Czech background folks out there?

Welch: Not particularly, no.

LD: They were further down, around the river. In those days, were they on the Southeast side or the Southwest side, primarily?

Welch: I don't really recall that they were more one place than the other.

LD: At St. Pat's, most of your classmates probably were Irish more than Czech, weren't they.

Welch: We had a mixture of both.

LD: Of both. Where did your mother shop in those days? Did she come all the way downtown to do her shopping? Do you have any memories of particular places that she preferred?

Welch: The two that I remember--yes, she did come downtown. She shopped at Duster's Market on Third Avenue, just across from the other side of the street from the Gazette. She used to shop some at the Fifth Avenue Market over at Fifth Avenue and Sixth Street Southeast. There was a meat market right across the street from the bank and one over on First Street East, across from the old

post office, now the Federal Building. I don't remember the name of that.

LD: In those days, you didn't do all of your shopping in one grocery store, did you?

Welch: I'm afraid not. No.

LD: You'd go one place for meat, one place for something else.

Welch: Of course, we had our own milk and our own eggs.

LD: So that cut your needs to a great extent. Duster's. Can you tell me how to spell that for our transcribers.

Welch: D-u-s-t-e-r's.

LD: D-u-s-t-e-r-'s. What were your favorite stores downtown when you were a boy growing up?

Welch: I don't know that I had any particular favorites.

LD: No ice cream place or candy store that you frequented?

Welch: I guess that, by the time I got into high school or college, the Dysart Ice Cream on First Avenue East was in business. That was always a favorite stopping point. We used to go in across the street from the bank at the old Fisher Drug Store that had a fountain at that time. You used to get an ice cream soda in there.

LD: Across from People's?

Welch: Yes. It's where Claxton's Pharmacy is now.

LD: I've heard that that's also a favorite place for local politicians to go. Is it?

Welch: As I recall, the man who for many years was public works commissioner, like the road man, a fellow by the name of Louie Zika, used to stop in there every day, going and coming from the City Hall and decide affairs.

LD: Share the news of the day and talk about what they were up to, huh? I'm going to go back to your family for just a moment. When you were growing up, what were you expected to do as a member of the family? What were your responsibilities as a child growing up in the household?

Welch: Well, I used to have to help with some of the yard work because we did have quite a little yard to mow and snow to shovel when we had snow. I just had one younger sister, nine years younger, so for awhile I used to have to help in kitchen duties. I guess that...

LD: Until she got older?

Welch: Until she got older.

LD: Until she got to the age of being able. Who was the disciplinarian in your family? Your mother or your father?

Welch: My mother.

LD: Your mother? That's interesting. Was your father a more relaxed parent then? Do you have any memories or stories about the two of them that you could share with us?

Welch: Not really. They always got along very well.

LD: But she upheld the standards of the household?

Welch: Pretty much.

LD: Are both of your parents Catholic?

Welch: Yes.

LD: Where did you go for fun in those days? When you were an elementary school kid and you had a day, a Saturday or some time off, what did you do for fun?

Welch: Well, there was a fellow by the name of Chuck Moes (M-o-e-s it's spelled) and he and I were very close in grade school and high school. I got a small horse as a gift in 1929 from my folks that had a wagon and a saddle and everything. There was a group of us, including Chuck, and being on the edge of town there were several other young people, both boys and girls, that had a horse or something. We'd, two or three nights a week after school, why we'd saddle up and ride out the dirt roads and so forth. We'd alternate, one time I'd ride the saddle and he'd ride the blanket in back. Then we'd reverse it.

LD: Did you go to the parks much during that period?

Welch: Not too much. As I recall, the closest park to us was Ellis Park and that was quite a ways away.

LD: That was a pretty good jaunt.

Welch: I didn't go up there until we got into junior high school and high school and then mainly I went up in the wintertime when we used to go up skating on the river at the Manhattan skating rink on Robbins Lake.

LD: I've heard other people speak of that. It must have been quite a gathering...

Welch: It's what they call the Lou Dennis skating rink now.

LD: The Lou Dennis skating rink? I've never been there. I didn't realize that there was a skating rink there.

Welch: Ice skating.

LD: Is it still there?

Welch: It's still there. It's where--at the north end of the park, just north of where the boat harbor is.

LD: See what you miss when you don't strike out. What are your memories, growing up before the days of air conditioning? Are there any particular things that you used to do as a youngster to beat the heat in the summertime? Can you remember particular things in your household that were done in the summer to deal with the weather?

Welch: Not really. The location of our house there--we always had a pretty fair breeze on the hill. I suppose, I can remember, I started working at the bank in junior high school, sometimes after school during the week and then on Saturday, and I remember down at the bank they always had round, circular fans that set on the floor and then some that were high fans that...

LD: Ceiling fans? Were there ceiling fans?

Welch: More one on the stand that blew the air horizontally.

LD: Did you have sleeping porches at home?

Welch: Yes.

LD: You would go out and try to catch the breezes.

Welch: Yes.

LD: Let's shift to those memories of being a junior high student and working for the bank. What did you do in those days for the bank when you came in?

Welch: Generally on the weekend, I started out--my Dad did--as a messenger boy. After school, during the week, we had a very small trust department at that time and the trust books were posted by hand, pen-and-ink ledgers, and I used to help the trust officer post the trust books.

LD: Oh, you had to have your handwriting in good shape by that point then, didn't you?

Welch: It wasn't pure Palmer method, but I think they could read it fairly well.

LD: The Palmer method. Right. I heard that the Palmers actually banked at People's Bank. Someone was telling me that. You don't have a memory of that?

Welch: I don't recall.

LD: That would have been much before your time, I'm sure. In those days, what did the area around the bank look like. What are your memories? Was it similar to what it is now? What was the side of the river like? I know the parks along there are more recent. What were the differences that you remember?

Welch: There were more small stores. There was a grocery store up at the corner of Second Street and Third Avenue, called The Watson. My mother used to shop there some. And, of course, the Smulekoff Furniture Building was here for many years, right where we occupy space now.

LD: Right.

Welch: And then the bakery, Schamberger Bakery, was across the street, and there was a barber shop and there was a theater directly across the street from the bank. I can't remember the name of it.

LD: So, there was kind of a more downtown area around the bank in those days with the shopping that was near.

Welch: Then, in the late thirties and thereabouts, the police station was on the east side of First Street, between Second and Third Avenue.

LD: What was the river like during those days? Did you swim in the river? Do you have memories of...?

Welch: No. I didn't swim in the river. My parents were pretty strict on where I could swim. I was fortunate. My dad was an early member at the Cedar Rapids Country Club and I started caddying for him when I was about nine years old. So, often times when we were through playing golf, why I could go for a quick swim.

LD: That's right. That pool was built in the twenties, wasn't it?

Welch: Yes. It was built in the very early twenties, I think. Yes.

LD: So, you always had a pool to swim in? That is nice. Did you use the river at all for recreational activities when you were growing

Welch: Really, only in the winter when I was ice skating.

LD: You skated on it in those days. What was the difference in the slough in those days? Was it the same as it is now?

Welch: Pretty much. The slough was dangerous though because they had some Light Company warm-water discharge that would keep it from freezing real solid.

LD: So, you always remember that the slough was kind of an off-limits place. It was not a place that you would frequent. There are some people who are much older than you who remember it as kind of a lovely, natural place. What do you remember of the flood in 1929?

Welch: Well, I remember my sister was born on March 16, 1929, and she also was born at Mercy Hospital. I can remember at that time, they allowed visitors at the hospital.

LD: You were allowed to go?

Welch: Yeah. So my grandfather and I hitched up our horse and our wagon and we drove over. We drove by the bank during one of the days of the flood on about March 18 or 19. There must have been a couple feet of water on Third Avenue between the river and Second Street.

LD: And up over the bridge?

Welch: Yes, up to the bridge.

LD: How did you get across?

Welch: Well, they permitted traffic.

LD: You just went right through it.

Welch: Yes.

LD: It must not have been a really strong current.

Welch: No.

LD: Did that affect the bank?

Welch: We had to sandbag. I didn't participate in it, obviously, but I can remember them talking about it. At that point, the old Sullivan Building only had one entrance, or access, which was at the Third Avenue entrance. They put sandbags around there, two or three feet high, and we never got any water in the building at all. We were very lucky.

LD: Were there more floods than that one? I know a lot of people remember that one, but...

Welch: That I think was the worst one and some of the water that flooded this area was the result of a backup of storm sewers up through the Time-check area that came down sort of the area of Hubbard Ice and that area. I don't remember the exact years. We had some floods in 1961, I believe.

LD: What was done to keep the river from flooding after that? I know People's was involved in some sort of funding.

Welch: I think we were. One of the things that helped the most was the construction between the '29 flood and then later high waters that we had at the levees, particularly on the west side of the river, above the dam and even some below the dam. I think they did some

improving of both the east and the west bank of the river to permit more rapid flow of the water between the river banks.

LD: As far as you know, did the bank officials ever consider moving the bank?

Welch: Not because of flood water. No.

LD: Perhaps because of the economics of the city?

Welch: I wasn't here at the time because I was in the Navy, but along about 1941 or '42, there somewhere, what is now the MorAmerica Building, it used to be the American Trust Bank Building, became available, so we--my Dad hired a market survey firm at that time out of Chicago, which they didn't have too many market survey firms at that time--to conduct a survey of our people to see if they were interested in having us move. By 1940 or '41, we had already acquired considerable parking area property around the bank, and so we had parking available right next to the banking building. I don't recall the exact figure, but the high percentage of people said, "Stay where you are." Now we're glad that we did, because we've been able to expand from a physical standpoint to permit additional construction, the building of our motor bank and much more parking--much more workable and economic expansion than had we been downtown.

LD: I'm imagining, too, that People's had an identity partly because of the historical architecture of the bank.

Welch: I think probably we do.

LD: Which leads me to Louis Sullivan and I know he was way before your time. Did your father ever talk about working with Louis Sullivan

as an architect? Does he remember? Why, I guess he...

Welch: He was here and he was a young, I guess you'd have to call him a young officer, a young supervisor, working directly for John Burianek, who was the head operating officer of the bank. Mr. Burianek and a man by the name of Fred Shaver, who was on our board of directors, they were the essential parts of the building committee. They went through quite a little negotiations to get Sullivan lined up as an architect for the building. Mr. Sullivan, as I read and as my dad used to tell me, had somewhat of a drinking problem, and he was not always the most reliable guy showing up on time and some of the people he worked with had trouble working with him. He used to come--he was in the Chicago area, which was his home--and he used to come from Chicago out here on the train, of course, at that time. Sometimes he'd make the train that he was supposed to, but other times he wouldn't make it. As I recall my father telling me, the man who painted the four murals that we have in the lobby of the old bank, is an artist by the name of Allen Philbrick. Dad tells me that Mr. Burianek said they had quite a time getting Mr. Philbrick to come out to this town in the so-called "Corn State" or country town to paint the murals until he found that Mr. Sullivan was the architect, and then he was very happy to come out.

LD: He realized that his work would be seen then.

Welch: We still, of course, have the murals. We've had them renovated twice. They're still, I think, quite high quality.

LD: They're wonderful. They really are.

Welch: Allen Philbrick was a cousin, as I understood it, to Judge Philbrick, who for many years was one of the prominent district judges here in Cedar Rapids. He died a good many years ago.

LD: So, there was a family connection here, too. Why did the bank want to hire someone like Louis Sullivan to build their bank?

Welch: I don't know that I can really answer it except that they wanted a bank that was rather distinctive. Sullivan had designed certain other banks, primarily in the Minnesota, Iowa--some, I believe, in the Wisconsin area and had somewhat of a reputation for forward thinking in his design. It did work out very well for us.

LD: Now people go on tours through the midwest to see those small banks that he did. I know his philosophy was that the form of the building should follow the function of the building. Over the years, and I'm sure that your needs have changed and you've had to expand, did the bank officers and the people who used the bank feel that the way that the bank was designed actually did follow--the form did follow the function? Was it a really useable...?

Welch: It really was and the teller area that he designed, we're still using as a teller area. We've had to expand it somewhat, as you might expect. The officer area where the loan officers and the operating officers have their desks and worked again as it expanded, but it was in the so-called out in the open and the vault areas, which we had two. One was mainly the cash vault and the other was the safe deposit vault area, still are used for those same functions.

LD: It couldn't be the same vault?

Welch: Same vault.

LD: Same vault?

Welch: Same vault door--two doors.

LD: My son is extremely impressed with that vault. He thinks it's just wonderful.

Welch: It's a Diebolt door. That round door that you're referring to, my dad told me that when they moved it in here, they, of course, had actually horses. There was no FMC cranes or Caterpillar.

LD: I'll bet that was a trick!

Welch: It was quite a project. They had to move it with block and tackle. It weighs 25 ton. The design of the building and the door, there's four columns in the interior lobby. Those columns carry on through to the upper story of the building, the exterior portion. When they put the door in and hung the door and had the marble that covered these columns, vertical columns, the door had a very tight clearance where the vault door swung open. When they opened and swung the door open, it cleared by just the three-eighths of an inch that it was designed for.

LD: And that was because--do you attribute that to the architect or to the...?

Welch: Primarily the architect and his design. Sullivan's blueprints are very--they're almost like etchings. Several years ago the Art Institute in Chicago asked if they could borrow a set of the original

plans to have them duplicated for their records because of the historic quality of his design work.

LD: You mentioned that the directors and the officers desks were out in the open and still are. What's the philosophy behind that? How do you carry on business with everybody around you?

Welch: We've always felt that we wanted to be out in the open where the public--(1) knows we're there and feels they have an immediate access to us. If they have things to visit about that are so-called confidential in nature and you may want to have a smaller group of people that would not be appropriate to sit around one officer's desk, we always have available a conference room close by. The other aspect of it is that we feel there is a very plus quality in being able to be there and see what is going on in your own bank lobby. When customers come in or go by, merely the ability to wave to them or say "Hi" and go on is a very good factor in keeping communication open between the banker and the customer.

LD: I agree. I grew up in Kentucky and all the small town banks that I remember, all you saw were the tellers, you know, when you went in. Somewhere, back in the back, were the officers of the bank. It's really quite nice to be able to walk through a bank and wave at people and know that they're open and accessible.

Welch: Well, we've tried to preserve that philosophy and plan. You can't obviously have everybody on the first floor, but our Trust Department is located up on the third floor and we've tried to preserve that concept in that we have designed an open area in the center of the floor where the secretaries and operating people are and then the officers have their offices around the perimeter of the floor.

There's always glass partitions so they can see in--the customer can see in and they can see out.

LD: We've kind of gotten up to one of the most critical periods of the bank's history. You--in the thirties, you would have been just a young boy.

Welch: Thirteen.

LD: In 1933, that's right, when the bank holiday occurred. What memories do you have of the bank during that time? Were you actually here as a messenger boy then?

Welch: No. I didn't start until '34 or '35, but my dad had my mother pick me up from school in March of 1933, one noon-time period during the so-called run on the banks in Cedar Rapids and bring me down here and come in the bank so I could see all these people waiting in line to get their money. My dad said he wanted me to really see it with my own eyes, so to speak. It was really rather frightening and it certainly left an impression on me. Fortunately, the management of the bank, my dad and the other officers: John Burianek, as well as all the people on the board, had a very conservative philosophy of running the bank. We had the money to pay the people that came in to get it. The advertisement that my dad and S. E. Coquillette, who was president of Merchants National Bank--the two of them got together and took out an ad in the paper. Verne Marshall was editor of the Gazette at the time. Between the three of them, they said, we took out the ad that said both banks had the money and just be orderly when you come in and be polite and we'll give you your money.

As a result, the two banks that did not have to close or did not have to be reorganized were People's Bank and Merchant's Bank. We take a little pride in the fact that when President Roosevelt closed all of the banks on the bank holiday period, which everyone had to close until they got permission to reopen. We got our permission to open about, whatever the day of the month was in March. I think my dad told me along about midnight and it caused quite a bit of consternation over at the Merchant's Bank because they hadn't had theirs yet, but they got it before eight o'clock in the morning. So, we both opened that morning.

LD: What did you have to do to get the permission to reopen? Did you have to open your books to auditors?

Welch: I can't tell you who did the so-called examination, but somebody in the supervisory area at that time. We weren't a member of the Federal Reserve, but we, of course, were subject to the state banking department, so I would guess it would be the state banking department because the Federal Deposit Insurance Corporation wasn't formed until that year or the next year.

LD: And you were the first to be notified. That's great.

Welch: By a few hours.

LD: Going back to that day when your mother brought you down, can you describe what that scene was like? Were people panicking? Were they jostling each other and...?

Welch: I don't know if I can remember that much detail. There was just a lot of people and they were, I guess, confused maybe was more...

because as my dad told me later on, he said, "Some of the people, after they got their money, they didn't know what to do with it." They maybe would--and one of our directors, Bill Crawford, he was here at the time. He was the man that ran King Crown Plaster and then later became King Concrete. He was down here and he said, "They'd maybe get their money and they'd go out and walk around the block and come back in and deposit it again."

LD: He has told us that story on tape. He also attributed, I believe, to your father--no, to John Burianek, standing by the door, greeting people, shaking their hands and encouraging them, if they ever needed a good bank, to bring their money back.

Welch: It seemed to work.

LD: It must have, obviously. During that period, I believe, according to your records, you actually formed a branch bank in Iowa City, as well. The bank officers tried to help the...

Welch: Yes. At that time, I just don't know how many banks there were in Iowa City, but they all closed. During that time, the Iowa banking laws permitted one bank to operate an office in another town that had no other banking facilities if a certain number of people requested it. They could, in theory, they had to keep all of the books at the home office. They had to give all of the credit extensions of loans at the home office and it was merely a sort of depository office where you could cash checks and make deposits and withdraw money.

LD: Did that continue all through the thirties or did...?

Welch: No. I think we just had it down there between six and twelve

months. It wasn't even a full year, and then they reorganized two different banks down there. I don't know which one got organized first, but...

LD: What was the affect of the Depression years on the conditions here at the bank? Do you remember whether salaries had to be cut or employees laid off? Again, I know that this would all be second-hand for you as a young boy.

Welch: I don't remember exactly the details. My dad and some of the other directors told me that they had to be very careful with expenditures and what they did in the way of incurring expenses and had to be very careful with the quality of the loans they made and the earnings for a couple of years were pretty slim.

LD: The books show that...that there always were earnings.

Welch: There always were a few dollars. Yes.

LD: What was the affect on your family? Do you remember that it had a definite affect on your family life? Did you have to lay off anyone who was helping you at home? Did you stop doing anything that you were doing or to cut expenses?

Welch: I wasn't aware of it at the time. I guess, in retrospect, I think I can recall that there were some things that were curtailed for me, either vacationing or entertainment standpoint. That's about all, I think. We didn't have anybody to lay off at home. My mother had one of the Bizek girls that used to come and help her, I think, one or two afternoons after school and then on Saturday morning, but

that was just part-time help.

LD: So, it wasn't as if she had a full house of help that she had to cut back on or anything?

Welch: We raised a lot of our own food back then. We had a big garden.

LD: It probably was more on the way you did things. You did more of your own, I would imagine, than buying it from somewhere else. What do you think, and again this is, you were very young during those days--what helped Cedar Rapids get through that period? Were there any community organizations that were working for the welfare of those who were extremely poor or do you remember that it was a more spontaneous kind of neighborly thing?

Welch: As I recall it, it was more just one on one, either family to family, church to family, or business to business. The business community as a whole, I think, was quite cooperative and progressive in trying to work out problems for people who had them, particularly severe problems.

LD: Henrietta Arnold remembers a group called the "Horse Buyer's Club" that used to meet over at...

Welch: Roosevelt Hotel.

LD: I think she said it was in the Killian's lunchroom.

Welch: No. It was in the Roosevelt. My father was a member of it.

LD: I was going to ask you, did your father meet with that group? Do you remember what they did together?

Welch: Oh, they were primarily--and it was her father, Sud Dows and Mr. S. E. Coquillette, and Owen Elliott, and Mike Kennedy who was the manager of the Roosevelt and some other attorneys and businessmen--primarily they just discussed business conditions.

LD: Tried to come up with some ideas of what would work for the community?

Welch: I guess it was more social and keeping up to date with what was going on rather than an organization that was--I don't like to use this word, but it wasn't a "do-gooder organization."

LD: Nor was it--it didn't have a set of rules, Roberts' Rules of Order or anything like that?

Welch: No, no, not a bit.

LD: Do you know what "Horse Buyer's"...where they ever got that name?

Welch: I don't know where they got the name.

END OF SIDE ONE - BEGINNING OF SIDE TWO

LD: This is side two of an interview with Mr. Ted Welch at People's Bank on May 25, 1985. What have been the major periods of expansion for People's Bank then? Obviously, the Depression years were a time of just holding tight, but beyond then?

Welch: Beyond then, I think we had a period in the early fifties that we had quite a dramatic growth period. Then I think probably from the early seventies on to the present period would be

another period of rather rapid expansion.

LD: To what do you attribute that--the fifties expansion to? Was it primarily the growth of the Collins' industry during that time?

Welch: Collins had a lot to do with it. I think just the general tone of business in the fifties and somewhat, oh, other companies--Iowa Man and so forth, and the automobile. We used to finance an awful lot of automobiles.

LD: Were you involved with financing the beginnings of Collins' Radio?

Welch: Yes. My dad and Paul Huston, who was a trust officer here at the bank, started out and we financed Arthur Collins from almost from day one. He still does business with us, although he's in Dallas, Texas.

LD: Now, that would have taken a lot of vision.

Welch: I think it did. There were some times when there was, over the history of Collins, when there was some worries, too, but they always made out.

LD: Wasn't it--it must have been really difficult to believe in this young man who had this radio that suddenly the Navy and I don't know who else wanted. Mr. Crawford remembers someone actually coming here from the Navy to talk to the business community about the need for a manufacturing facility. Do you remember that?

Welch: Only hearing about it later.

LD: You wouldn't have been there.

Welch: No. I was probably down at the University of Iowa then.

LD: When your father was here, did People's Bank primarily serve the south side of town or has it always served all of...?

Welch: We've always covered the whole area. We probably have a higher percentage of penetration into the west side of the market, west of the river than we do east of the river, but back when--1935 when I started riding a bike as a messenger boy in the summer-time, why we'd go out and pick up deposits out in First Avenue and Park Court area and into the Kenwood area and back.

LD: Now, when you say pick up deposits, you mean that you used to go out and get deposits from grocery stores?

Welch: Grocery stores and meat markets and...

LD: On your bicycle?

Welch: On the bicycle. Sure.

LD: You never had any concerns about security?

Welch: None.

LD: You wouldn't do that today, I don't think.

Welch: Probably not. We do it today, but we do it in an automobile.

LD: How have the needs of the people that you serve changed in the last, oh, say from the fifties on? Is the public demanding different things from bankers nowadays?

Welch: I think they are. It used to be a little more simple in that the bank was the place where you either put your money in a savings account or a checking account or went to get a loan. The loan was either for an automobile or personal loan or a home loan. Today you have not only those services, but you have expanded facilities in the money management, your so-called money market accounts. With the deregulation in the payment of interest on more different types of accounts, it used to be that probably 80 percent or more of your deposits were so-called checking account balances, which did not draw interest and 20 percent were savings. Now it's more than reversed. In the financial planning, the trust area, those things used to be much simpler and fewer people needed trust services, whereas today, with retirement and individual retirement accounts and as things become more technical in a legal standpoint, the tax laws have become more complicated and it just--you have a few more services that are needed by the public. We feel that that's one reason that we have built the trust department up to the extent that we have in that we felt that if we were going to offer trust services, we'd better make sure that they were 100 percent up to date and fully competent to do what was needed to be done.

LD: It's much more complicated?

Welch: It sure is.

LD: How has the bank's role changed in providing--well, the whole business of people operating on credit, charge cards, and things of that sort these days as compared to back in the thirties--

the role of cash versus the role of credit. You've seen a lot of changes in that, haven't you?

Welch: Quite a little bit. I think mainly it's been in this so-called charge card function. Checking accounts were always used and 30-60-90 day charge cards or charge accounts were in the vogue. Today, it's just expanded somewhat.

LD: Most people I know don't carry cash anymore.

Welch: Well, there's still a lot of people carry cash and I think they always will. I don't think--they used to talk years ago about in the sixties or seventies we were going to have the "checkless society." Everything was going to be done on a charge card and it would all be done through a system of automatic debits and credits, but people still want to be able to have some cash in their pocket and be able to write a check when and as they want.

LD: I think...

Welch: And I'm in favor of it.

LD: Oh, I'll bet it would make your life a lot simpler if you--you mean that you're in favor of the people coming in and going out rather than just the electronic exchange of money. I think it would certainly change your whole philosophy, which is that you interact with the people who come and go.

Welch: I still like to see the people.

LD: What has changed about the way people think? Now when your dad was here in the twenties and thirties, what was a typical exchange

of money between a depositor? Did they come into the bank and did they bring their weekly paychecks or were they primarily monthly paychecks and cash them here versus what they do now?

Welch: Pretty much the same, I think. The hours of access to the banking services have changed. It used to be that the public lobby would open at nine and close at two. That doesn't mean that everybody went home at two o'clock because they still had to do the bookkeeping. Now you open earlier, 8:30, 8:00; close at 4:30 or 5:00. The bookkeeping is done on an automated basis at night and you have more hours of access that the public can have to banking services. Then there is a certain amount of automatic deposit of payroll checks now that we didn't have available back then.

LD: Did you work with a lot of the people from the Time Check neighborhood?

Welch: Sure.

LD: Do you remember what Time Check means?

Welch: Not exactly. It had to do with...

LD: I've gotten about four different theories on this.

Welch: I'll go along with any one of the four.

LD: Well, some people thought that it actually meant that the checks they received from the railroad were post-dated, or the slip that they received said that they couldn't draw the money until later.

I just wondered if you could remember whether or not that was true?

Welch: I don't remember that.

LD: I think we've already covered this. We've talked about community leaders when you were growing up in Cedar Rapids. It seems to me at least that business leaders have played such an important role over the years. What is the relationship between city government and business in Cedar Rapids? Is it your perception that the government--it seems to be much quieter background kind of thing in this community and that perhaps many decisions are made by the downtown business leaders. Is that your perception over the years, that there has been an interaction there between those...?

Welch: I think there's always been a real good working relationship between both the city and county government and business people in Cedar Rapids. I've heard, I think, the comment that you are possibly referring to about--there used to be some, you know, the big "movers and shakers" that would get things done. I think a lot of that is a nostalgic type of commentary that they will, probably twenty years from now, they'll be talking about the seventies and the eighties, when they had the same type of thing.

LD: Well, there are stories of Howard Hall and a group of people that he used to meet with regularly, too. Now, were you involved in any of the small meetings that took place between Howard Hall and his friends?

Welch: Not directly. My dad was. Howard Hall used to work for our bank.

LD: I didn't know that.

Welch: Before he married Margaret Douglas, we merged with the Cedar Rapids State Bank in 1927. Howard Hall worked as a young man, I think in his--21, 22, somewhere along when he was of that age--for a short time, a matter of a year or some, primarily at that time for Paul Huston and Bill Rinderknecht, who were our first trust officer and farm loan man. He used to always kid me about it. He said, "I'm an old-time employee of yours."

LD: Did you do much work with Iowa Man then?

Welch: No. They were predominately associated as he developed the Iowa Manufacturing Company and Iowa Steel and Iron, he became a director at Merchants National Bank. We had a little personal business from Howard and his family, but it was primarily with MNB.

LD: I'm going to shift here to the Community Welfare Foundation. I know that you've been involved on any number of boards, but the two areas that I would like to focus on because of your close, long-lasting involvement are your Mercy involvement and the Community Welfare Foundation. I read the literature about it and know that it was formed back in '48, '49 and your involvement has been from 1967 up to the present.

Welch: A little bit before, in, I think, the early sixties rather than '67.

LD: You were back in the community at the time that it was formed, were you not?

Welch: I came back in '49, just about the time that it was formed, but I was not involved in it.

LD: Do you know why it was perceived as something that needed to be done?

Welch: Ty Ingersoll was primarily the individual that--he didn't conceive the idea. It was one that had been in existence in other areas. I think he patterned it after the one that was in effect in Cleveland and it was a vehicle through which people could make a contribution, either a gift during their lifetime or a bequest under their will to a common fund, which would in later years be administered by a non-paid board of trustees, who would then give away the money on an annual basis to the people who they thought were in need of it and deserving at the time. The theme of the thing, as you read in some of their literature, Andrew Carnegie had a philosophy that you, I can't quote what it said, but it had to do with that you shouldn't set up something that would be so-called "cast in concrete" that you couldn't change and have flexible later on and that was the idea.

LD: Now, do you know whether or not this was perhaps motivated by some trusts that had been set up that would not...?

Welch: There were two or three small trusts that they managed to direct into the first nucleus of this foundation and had been set up to be so flexible enough so that they could be put into a foundation like this that could have a much more flexible method of operation.

LD: Initially, it was a very small...

Welch: It was very small, yes.

LD: We were talking the other day about some of the major contributions that we've had. Would you describe again the influx, I would presume it was the estate of Minnie Rubeck?

Welch: Yes. At the time it was formed, Ty Ingersoll, as I said, was the prime mover. He had a client who was a lady, single lady, who worked as a cleaning lady for the Light Company. She had a sister who also had never married, as well as a brother who was a bachelor. The two of them predeceased Minnie, and left all of their assets to Minnie. Minnie had come from a family, a Czech family in Cedar Rapids who had left some property, homestead and I think a couple of rental properties. They were very thrifty in their ways, so she had accumulated quite a sizeable estate and her lawyer was a man by the name of Russ Hess, who was at that time in charge of the Trust Department at Merchants Bank. Russ is now retired, but is still an active attorney in Cedar Rapids and currently a member of the Welfare--Community Welfare Board Foundation. Ty Ingersoll sold Minnie on the idea that after making a list of bequests under her will to her friends that she worked with and that she socialized with during her lifetime and she gave \$500 to this one and a thousand dollars to that one. As a result of their family history, none of them--three children, none of them having ever married. Any relatives they had were very distant relatives. She decided at both Russ and Ty's suggestion that she would leave it to the Community Welfare Foundation. I think at the time that she died we had probably, oh, not more than \$40,000 total in our fund. When she died and they closed the estate and they paid over to us the residuary

amount in the trust, it meant in addition to somewhere a little over \$325,000, so we grew about--almost ten times overnight.

LD: That's amazing. That is amazing. When was that? Was that when you...?

Welch: I was already on the board of trustees. I think I went on the board of trustees sometime in the middle fifties, because I can remember Van Schaeffer at the Guaranty Bank was president of the seven-men board. Sometime, we would have gotten this bequest from Minnie Rubeck sometime in the early sixties.

LD: So you've had that expanded base to work from ever since. Have you had certain areas that you prefer to fund in the community or are you just open to any needs that come up?

Welch: We're pretty much open to any needs that come up. One of the things that I think they have probably emphasized more than any other on a continuing basis is providing help to the Boy Scouts, Girl Scouts, YMCA and for camping funds for children to have summer camps that could not otherwise afford them. Then, the second area would be for major fund projects that cannot be foreseen. That's why I said that they like to have the versatility of this fund because you can't project today what may be needed in the community 20 years from now. Two things come to mind. When they remodeled the Paramount Theatre Building and reconditioned everything in there and they needed some funds for the \$20,000 grand piano so the Symphony would have a very good piano to use in their concerts. At that time, I think we that year gave away about \$20 or \$21,000 in total for the year and \$6,000 of it went for the grand piano. Well, ten years earlier than that, you wouldn't have been able to

forecast that you'd need funds for a grand piano. Just this year, up until this year \$6,000 was the most that we'd ever given in one year to one group, but this year, we gave \$7,000 to the new Cedar Rapids Art Museum addition.

LD: So you have discretion...

Welch: We have discretion, yes.

LD: ...to use the funds for a large donation versus a number of small donations, however you feel the needs arise.

Welch: We don't like to and haven't followed a policy of committing ourselves for a so-called three-year pledge obligation. We look at it each year.

LD: Right. And you only meet once a year?

Welch: Once a year, in May.

LD: Shifting to your involvement over the years with Mercy Hospital, I believe that you've been on their board for over what, the last 15 years or so.

Welch: At least--a little over 15 years.

LD: And, of course, you were born there and so you've definitely had interest in that medical facility over the years.

Welch: I had my tonsils out there.

LD: You had your tonsils out there? That would have been in the thirties, I'll bet, or twenties.

Welch: Twenties, yes.

LD: Well now, that would be an interesting story to tell. Do you remember anything about that experience?

Welch: Which?

LD: How long--the tonsils.

Welch: Oh, back then the tonsils--Dr. Neuzil, who was an eye-ear-nose-and throat doctor, he was also somewhat our family doctor, at that time most kids had their tonsils out when they were seven or eight years old, something like that.

LD: It was the thing to do?

Welch: Oh, yes. I guess it worked out fine for me because I had much fewer colds, sore throats and so forth after it was done. You went in--I think they do it today as either an outpatient service, but at that time I think you were in the hospital three days.

LD: Was there a children's ward during that time that you were...?

Welch: I don't remember. I don't think so.

LD: How old were you?

Welch: Seven or eight, I think.

LD: Well, we did an interview with Sister Mary Lawrence Hallagan and she talked with great detail about the wards and especially during the Depression years and the difficulties of getting equipment, getting supplies and just the operating, and she talked about how the whole nursing profession, the medical profession had changed.

What do you see as the major differences in what the hospitals are doing nowadays and when you were growing up here in Cedar Rapids?

Welch: Well, I think a good deal of it is just what you referred to as the outpatient area having been expanded to the degree that it was and also that more of these services are being limited in the time that is spent in the hospital. It's a much shorter period of time. I used to kid a little bit...the two outside boards that I've been on have been Mercy Hospital and Mt. Mercy College. My mother, well she had some German background. My grandfather came from Germany. Very strongly on the side of my father was the Irish influence. The first two boards that I went on, Sister Mary Lawrence Hallagan at the hospital and Mt. Mercy College was Sister Mary Agnes Hennessey. And I said to go to work for a couple of Irish nuns. (laughter)

LD: That's pretty tough duty I would imagine.

Welch: I mentioned, this is back in history at Mercy Hospital. My grandfather died there in 1936 and he was in the hospital from December 6 until January 6, a full month. He died January 6. His hospital room charge for that entire month totalled \$75. During that month he had medicine that amounted to \$16.80, an X-ray for \$10 and his laboratory fees were \$3. His total bill for the month was \$104.80.

LD: And that had to be perpetual care. He had to have been in...

Welch: His last four days, he required a registered nurse, and his bill for the registered nurse was \$4 a day, which has changed a good deal from what it was then to what it is today.

LD: Mr. Welch is showing me two documents from Mercy Hospital. They're bills that come from--the date here is 1/11/1936 and January 17, 1938 and that would have been for...

Welch: This date is wrong. It's 1936.

LD: Oh, sure. Here it is right here. 1936, for the period that his grandfather was in the hospital for one month. That's remarkable. Things have certainly changed a great deal.

Welch: A good deal.

LD: What do you attribute the tremendous rise in medical care to over the last few years? I'm sure that it's something that you've had to agonize over as a board member.

Welch: Well, I think two things. One, the first, it has become the technological change in what is available to be provided from a medical standpoint is so greatly expanded from what it used to be. There's just more of it there that is available to be provided. Another thing, particularly in these last few years, the fact that the doctors themselves have a fear that if they don't use everything that is possible in the way of tests and so forth, that they may be subject to malpractice suits that they did not. I think that sometimes we get, maybe more than we really need for fear that we will have missed something.

LD: The expectations of the public have certainly changed as to what...

Welch: That, and the fact that--back then, you used to have to provide it yourself, a good deal, and today it's part of your fringe benefits

from an employment standpoint, either a union contract or just your direct fringe benefits from business. It so-called--and as long as a third party, either the company or the insurance company pay it, why everybody wants the best.

LD: You bet. No questions asked. You described getting involved in or forming the Air Ambulance Advisory Board.

Welch: No. Just the total area...Area Ambulance. Shortly after I got appointed to the board of Mercy Hospital, they activated a group in Cedar Rapids called the Cedar Rapids Hospital Council. It had equal representation from four areas: one was the St. Luke's Hospital, two was Mercy Hospital, three was the Linn County Medical Society and four was the public at large. So, there were 16 full-time representatives. They expanded the public sector later on from four to six representatives, and then additionally they had the chief administrator of the two hospitals and an attorney from both hospitals. In the initial assignment, one of the jobs that I got was assigned to the ambulance committee, which for the first six months or year didn't amount to very much. Right at that point, we had a private ambulance service that was subsidized by the city. The man who ran the private ambulance service was a man by the name of Bun Howell. Mr. Howell was not satisfied with the amount of the subsidy, so he gave the city 24-hour notice that they were going to quit. The city council at the time, Don Canney was mayor-- I think relatively new at that time. He'd only been in a few years. He and the other council members decided that they weren't going to be pushed, so they said, "O.K. We'll take it over and we'll ask the hospital council to work up some kind of ambulance service."

So, for a few days and a few weeks and then it worked into a couple three months before we got the organization started, we combined and used the facilities of the Fire Department and the Police Department. We then formed the ambulance group and we decided that because of room and available space we'd headquarter the ambulance service at Mercy Hospital. We set up the Air Ambulance Advisory Board, which consisted of five representatives from the hospital council and five from the city. The five from the city were the five members of the city council, so we had a ten-member operating board. We applied for and got partial funding for three ambulances from, I think, the National Highway Safety Transportation Act and we bought three ambulances and we were in business. From then on, our goal was to provide the best ambulance service that we could get and do it on a break-even basis for the first couple of years. We set the books of the company--it wasn't a separate company, it was a division of Mercy Hospital and then we coordinated the book-keeping with the city treasurer records. We didn't charge actual depreciation because the city agreed that if we had a deficit, that they would pick up the deficit until we got it on a break-even basis. So, we didn't feel that it was appropriate to charge depreciation and then have the city have to turn around and pick up that much extra deficit until we got to the break-even, but after two years, I think, we got on a break-even basis. Then we later on repaid the city for anything that they had to put in to cover and offset any operating deficit. We only had two or three years out of the total sum. It's been in existence now some 16 years and we bought all of the equipment now. They expanded it to the Air Ambulance again through the city council got surplus, government surplus

helicopters. The helicopters were based, again from a size and availability of facilities, we based those over at St. Luke's Hospital. Their Foundation has helped fund the cost of the operation for the pilots and the gas and so forth and the maintenance on them. They have also purchased a helicopter now, but I think the public in the Cedar Rapids metropolitan area has been the big benefactor or beneficiary of the service, because I know that I'm prejudiced, but I think we have if not the best ambulance service in the state of Iowa, we have as good as anything available and we have it on a break-even basis. It's not costing the public tax money or anything else. The quality of the service is excellent.

LD: You've just given a wonderful example of the--how three community groups work together to provide the best possible service. That seems to be real typical of Cedar Rapids.

Welch: The thing that really helped make it work was to have both hospitals pitch in, the doctors' association pitch in and the city.

LD: Do you think in general, what has been the effect of having two hospitals in Cedar Rapids? Has that provided a more competitive fee structure for patients, or do you..? Is that always a positive or is it a negative?

Welch: Here again I have rather strong feelings. I think it's a very positive situation. We've had troubles trying to delineate what's done at which hospital, but I think the public's been the beneficiary of it. The medical society, Linn County Medical Society, have almost, if anyone is a member of the staff at one hospital, they are a member of the staff at the other hospital, so it gives

them a flexibility. It gives the public a flexibility that they can choose where they wish to go. I think there's an additional factor of safety involved in that if you had a disaster--we hope you'll never have one--but if you had a disaster, I don't know what it would be, whether it would be an explosion or some kind of unforeseen accident that would cause, I don't know...

LD: Tremendous needs.

Welch: Yes. Where one hospital wouldn't be able to function, the other one would be there to cover. Just at a meeting within the last 30 days, I saw the figures prepared by the University of Iowa. On a per-day health cost charge basis, the two lowest hospitals in the state of Iowa are Mercy Hospital and St. Luke's. They're almost identical. They're within a few dollars of one another. The average of the two hospitals in Cedar Rapids on a per-day patient charge, if you take the two Cedar Rapids hospitals at the bottom and the two at the top, the two at the top are almost twice what Cedar Rapids is.

LD: I'm glad that you got that story on tape, because I think that that is really an important aspect of what makes this community a really good place to live. I'm going to whip through some famous characters in Cedar Rapids and ask you if you have any first-person anecdotal memories of these folks. Obviously, Grant Wood is one we ask everyone about.

Welch: I don't, except that the man who was his mentor, I guess you'd call him, Dave Turner at the Turner Mortuary where Grant Wood lived at #5 Turner Alley for so long, was a golfing buddy of my

father and I always used to see Dave, usually on a Saturday afternoon or Sunday morning when I was caddying in the same foursome. I've heard Mr. Turner tell my father about him, but I had no direct contact with Grant Wood.

LD: Do you remember any good stories?

Welch: No, not really.

LD: What about Dr. Erskine?

Welch: Yes. I had met him, but I was not a personal friend.

LD: You knew Art Collins?

Welch: Very well, Very well.

LD: And probably still do. Can you describe him as a personality?

Welch: He's very interesting, I guess, is all I can say. I went on a boat trip one time with him. He and Jim Flynn, one of his officers out of Dallas, and we stayed in Freeport, Texas, and we went out on this boat that he had down there. One day he decided that we were going to go from Freeport to Galveston, and this was after I had gotten out of the Navy and had come back to Cedar Rapids to work, so they nicknamed me "The Captain" because I had been a destroyer captain in World War II. So they gave me a chart and they said, "Do you know how to get over to Galveston, don't you?" I said, "Well, yah, I've got the chart here and you told me how we want to go." I was up running the boat for a couple of three hours and I didn't hear anything from either Art or Jim Flynn

and so I set it on automatic pilot for a little bit. I went down below. This was small--about a 45, 48-foot boat, twin-engine boat. I went down below and here they had taken all the radio gear apart and had it strewn all over the bunk and they were fixing something down there. I said, "Anything wrong?" They said, "No, just go on back up."

LD: "We're rebuilding the radios!"

Welch: "We're redesigning something."

LD: So, he never stopped doing what he enjoyed doing.

Welch: No. He's still doing it today. I'm sure.

LD: That's right, because he has a kind of a research facility now. Doesn't he? I know that he did go through a period of struggle in getting established here and that People's was very involved in helping him. What made you believe in him beyond the fact that he was a...?

Welch: He was just so completely wrapped up in his business and the product that he designed and the technology that he apparently was capable of coming up with was so widely accepted by--whether it was the Navy or the Air Force or what division--or the commercial aviation. They said that the quality of what they got and what it would do for general aviation or naval and, of course, later on in the manned and orbital space projects was so good.

LD: Anything else that you'd like to share about Art Collins?

Welch: I think I've done enough.

LD: William Shirer?

Welch: I didn't know him at all.

LD: He would have been before your--well, because he graduated from Coe in the twenties, late twenties. And I know that you're way too young for Carl Van Vechten.

Welch: That's true.

LD: Although you probably interacted with Van Vechten Schaeffer.

Welch: I knew Van Vechten Schaeffer very well.

LD: And you're way too young for the Cherry Sisters.

Welch: That's right. (laughter)

LD: I think that I have covered all of the questions that I wanted to ask. Are there areas that were on the sheet or anything about the community that you would like to share that I have missed?

Welch: I don't really think so. I do have the feeling that Cedar Rapids is still a vital, growing community. I know that the state of Iowa and particularly the farm economy and those industries related to the farm economy are having difficult times at the present, but I think it will slowly work out of it. We're never going to get back to the so-called old times. I heard a man, John Crystal, who's a nephew of Roswell Garst, of the seed corn fame and background. He talked to a group of bankers just within the last few weeks and he said, "This concept of the so-called family farm being a small farm." He said, "It's not a social concept. You're just not going

to have small farms because the economics of it just aren't the same as it was 30 years ago." An example he used, he said, "In 1932, when President Roosevelt came to office, it took 26 minutes of labor to produce a bushel of corn. Today it takes 4 minutes." So, he said, "You're going to have larger farms. You're going to have different type of machinery. The thing that gets a lot of play in the movies and the newspapers and the radio and TV about the family farm and the politics of it, I guess, it makes good politics, but it isn't necessarily the economic answer."

LD: What do you think the success of this community is based on, then? It's certainly not just the agricultural...?

Welch: No. I think the diversification that we have in the city and the make-up and quality of the people and the interests that the people take from all levels of activity, age and whatever their area of endeavor may be, whether it's agricultural or business or professional. They're all willing to put in and give some time and effort to cooperate and improve the community.

LD: The Czech community has certainly has been...

Welch: Very excellent.

LD: ...from your experience as a hard-working...

Welch: Very definitely.

LD: You mentioned thriftiness earlier. I'm sure you've seen that as a bank officer in relation to the Czech depositors over the years.

LD: O.K. Well, I thank you very much for participating in our project.

Welch: Thank you.

LD: We will be giving you a copy of this so that you can enjoy it.

END OF SIDE TWO - END OF INTERVIEW

