



Three Quarters of a Century

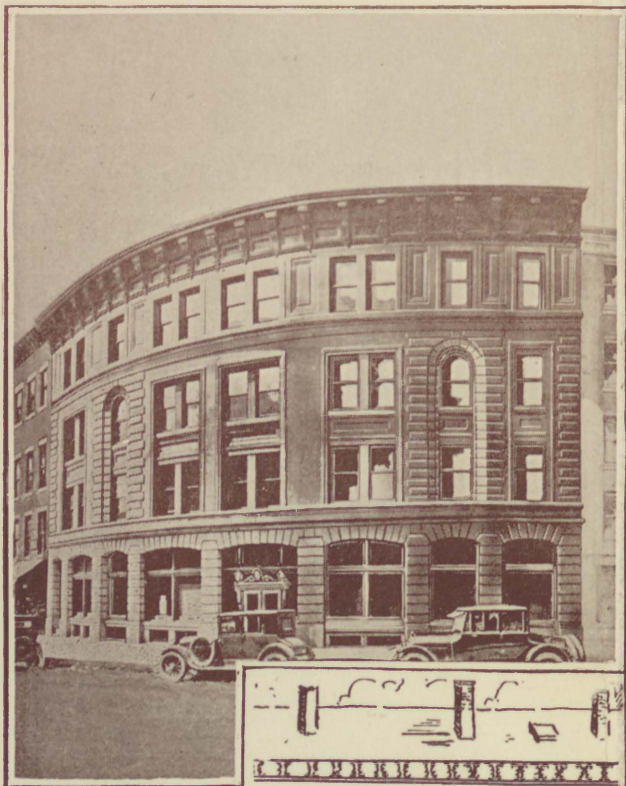


Three Quarters of a Century



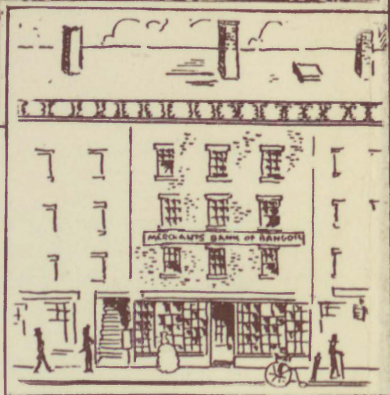
1850 - 1925

*Commemorating the Seventy-Fifth Anniversary of the founding of the
MERCHANTS NATIONAL BANK
of Bangor with an account of Bangor's
early history.*



The new home of the
Merchants National Bank

The first home of the
Merchants National Bank
in 1850



Foreword

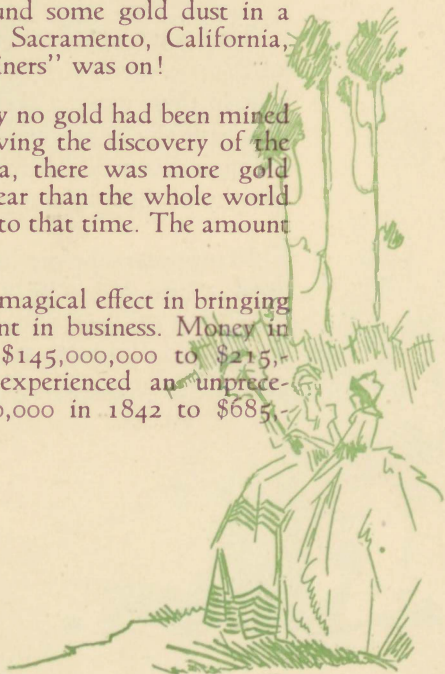
EVENTFUL times were the early fifties; from the revolution in the mode of women's dress, marked by the introduction of the hoop-skirt, to the reorganization of the national monetary system, brought about by the discovery of gold in California—change was rife.

The country was slowly recovering from the catastrophic panic of 1837—the Government had millions of acres of land thrust back on its hands by bankrupt speculators, and things were in a bad way.

Then James Marshall found some gold dust in a mill-race near what is now Sacramento, California, and the rush of the “forty-niners” was on!

Up to that time practically no gold had been mined in the United States. Following the discovery of the precious metal in California, there was more gold mined in that state in one year than the whole world had produced annually prior to that time. The amount is estimated at \$55,000,000.

This influx of gold had a magical effect in bringing about a general improvement in business. Money in circulation increased from \$145,000,000 to \$215,000,000, and bank loans experienced an unprecedented rise—from \$265,000,000 in 1842 to \$685,000,000 in 1857.



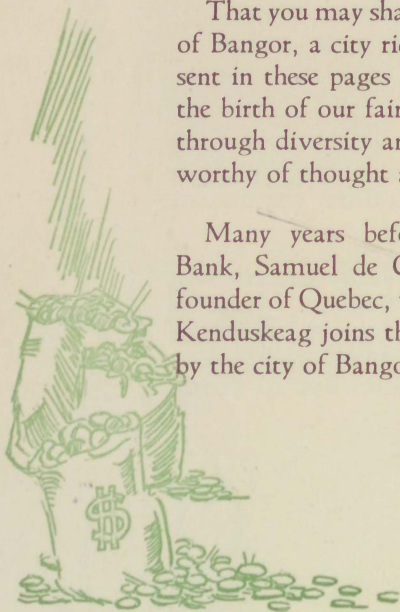
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It was at this period in the development of the nation's monetary system that the Merchants National Bank (then the Merchants Bank of Bangor) was formed.

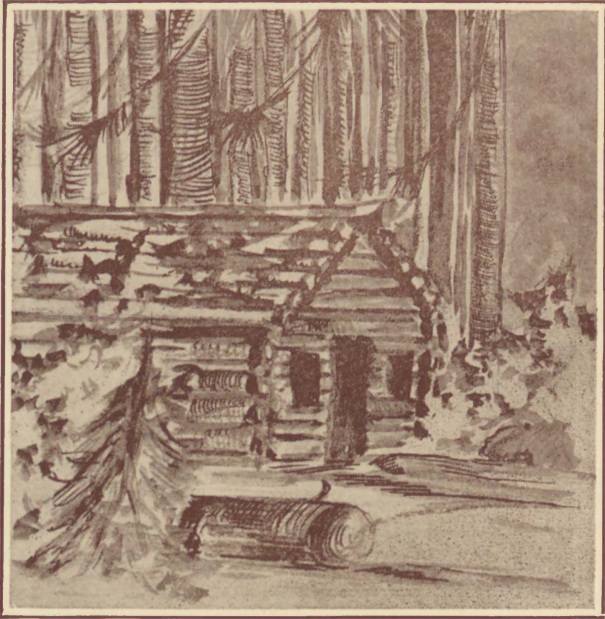
Since that time, for three quarters of a century, the Merchants National Bank has been closely identified with the growth of Bangor, and in this year of grace, 1925, it is the bank's pride and pleasure to commemorate the 75th anniversary of its founding by attaining to a new home with increased facilities for continuing its service to the city, with which it has so happily prospered.

That you may share our pleasure in the achievements of Bangor, a city rich in historical sentiment, we present in these pages a sketch of those days which saw the birth of our fair city and its struggle for existence through diversity and trial. May you find the booklet worthy of thought and preservation.

Many years before the birth of the Merchants Bank, Samuel de Champlain, explorer, pioneer and founder of Quebec, visited the vantage point where the Kenduskeag joins the Penobscot River, now occupied by the city of Bangor. The date is given as 1605.

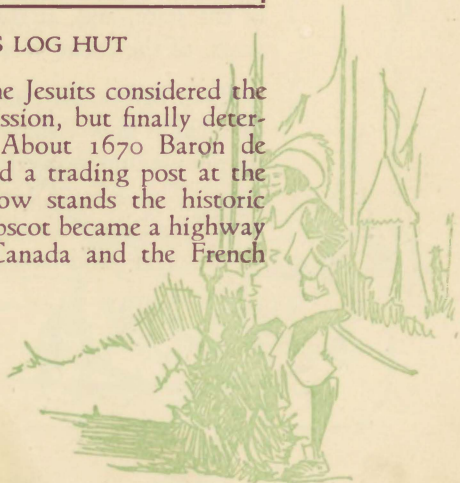


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JACOB BUSWELL'S LOG HUT

A few years later (1613) the Jesuits considered the spot for the founding of a mission, but finally determined upon Mount Desert. About 1670 Baron de Castine, of Canada, established a trading post at the mouth of the river where now stands the historic town of Castine, and the Penobscot became a highway of communication between Canada and the French trading posts in this region.



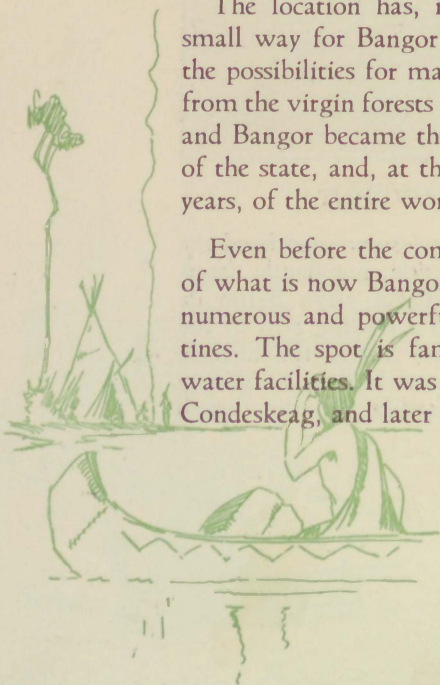
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But the territory did not become inviting to settlers until the power of the French in America had been crushed in 1759. The first settler to be recorded in the history of Bangor was one Jacob Buswell, who in 1769 built a rude log hut on the spot near where St. John's Catholic Church now stands, and established in it his wife and nine children.

Ever since de Champlain was impressed with the natural advantages of the headlands at the confluence of the Penobscot and the Kenduskeag, the site of Bangor has had its appeal to business interests, to home lovers, and to tourists.

The location has, in fact, been responsible in no small way for Bangor's growth. Early in her history the possibilities for marketing lumber down the river from the virgin forests above were taken advantage of, and Bangor became the center of the lumber industry of the state, and, at the height of Maine's lumbering years, of the entire world.

Even before the coming of Jacob Buswell, the site of what is now Bangor was the camping ground of a numerous and powerful tribe of Indians, the Tarratines. The spot is famous in history because of its water facilities. It was first known as Kadesquit, then Condeskeag, and later Kenduskeag.



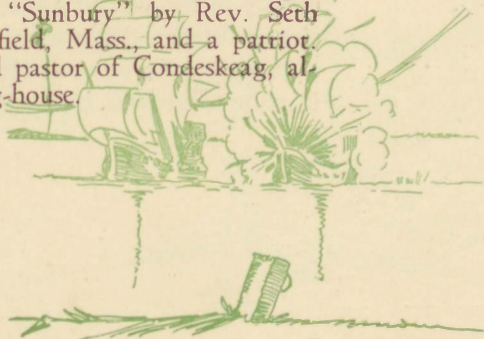
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In 1776, at the time of the Revolutionary War, Kenduskeag Plantation numbered 75 souls. They were under the control of the British although heart and soul in the cause of Independence. They organized a military force of twenty white men and ten Indians, building for themselves rough barracks near what is now Mount Hope Cemetery.

This force helped to drive Sir John Collier from Machias, and it was through its efforts that the powerful Penobscot Indians were held loyal to the American cause throughout the war.

The cannon that now stands alongside the Champlain Memorial in Kenduskeag Parkway was one of the number sunk at the mouth of the Kenduskeag when the ships of Commodore Richard Saltonstall fled up the Penobscot at the approach of the British fleet and were blown up to save them from falling into the hands of the enemy. The ships were destroyed in August, 1779, and the cannon raised from its watery grave nearly a century later—in 1876.

Peace revived settlement in Kenduskeag, or Condeskeag, although progress was slow. In 1791 the population was 150 and the natives had been taught to call their settlement "Sunbury" by Rev. Seth Noble, a native of Westfield, Mass., and a patriot. He was the first installed pastor of Condeskeag, although he had no meeting-house.

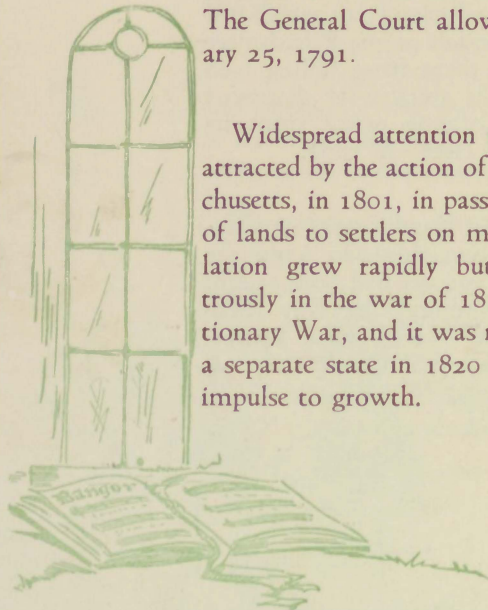


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As the settlement grew in numbers, it also grew in importance in the minds of the inhabitants, who finally commissioned Rev. Noble to ask the General Court of Massachusetts for an act of town incorporation.

The town was to be incorporated as Sunbury, but Rev. Noble seems to have been possessed of a changing mind, for when he came home the people found that henceforth they were to head their letters "Bangor" instead of Sunbury—Bangor being one of the reverend gentleman's favorite hymns. There was no particular objection to the name, which still stands beloved as one of the best towns on the Penobscot. The General Court allowed the incorporation February 25, 1791.

Widespread attention to the Penobscot region was attracted by the action of the General Court of Massachusetts, in 1801, in passing a resolution giving deeds of lands to settlers on most liberal terms. The population grew rapidly but the region suffered disastrously in the war of 1812, as it had in the Revolutionary War, and it was not until after Maine became a separate state in 1820 that Bangor received a new impulse to growth.



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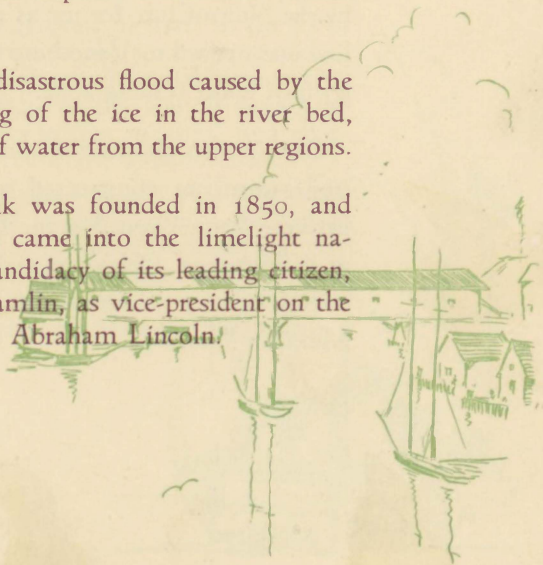
But from 1820 on, nothing could stop Bangor's progress. Agriculture prospered, lumbering began to assume sizable proportions, shipbuilding flourished. From 1830 to 1834 the population increased from 2800 to 8000.

The first bridge over the Penobscot, connecting Bangor and Brewer, was built in 1832, and the first military road constructed in 1828-1830 from Bangor to Houlton—a very important factor in opening up for development the fertile lands through which it passed.

In 1834 Bangor was incorporated as a city with Hon. Allen Gilman as the first mayor. It was furnished plenty of excitement by the Aroostook War—the bloodless battle over disputed boundaries—which was settled in 1842.

In 1846 came the disastrous flood caused by the unusually solid packing of the ice in the river bed, and the heavy onrush of water from the upper regions.

The Merchants Bank was founded in 1850, and ten years later Bangor came into the limelight nationally through the candidacy of its leading citizen, the Hon. Hannibal Hamlin, as vice-president on the Republican ticket with Abraham Lincoln.



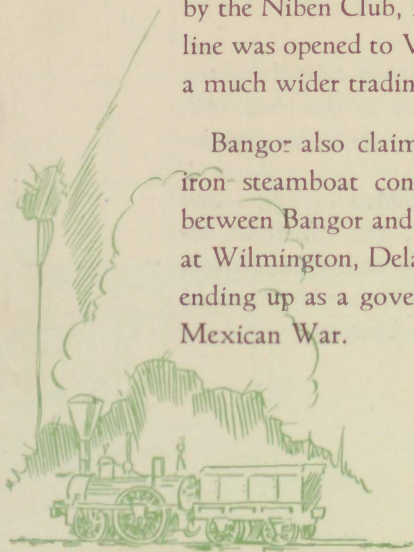
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No ambition has been too great, no enterprise too large, for Bangor citizens to undertake. Back in the thirties, they built and operated the first steam railroad in Maine, and one of the first in the country.

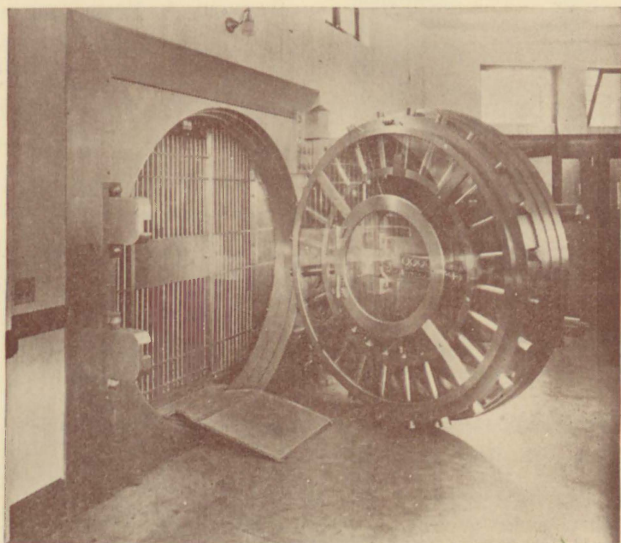
This was originally known as the Bangor & Piscataquis Canal & Railroad Company, but later as the Bangor, Old Town and Milford Railroad Company, and still later as the Veazie Railroad, after General Samuel Veazie who secured control of the road.

The road did a flourishing business for years, but was finally purchased by the European and North American Railway line, which removed the rolling stock and rails, leaving the road bed to be acquired by the Niben Club, for use as a bicycle path. The new line was opened to Vanceboro in 1871, giving Bangor a much wider trading zone.

Bangor also claims the honor of naming the first iron steamboat constructed in America, which ran between Bangor and Boston. The "Bangor" was built at Wilmington, Delaware, and had an eventful career, ending up as a government fighting vessel during the Mexican War.



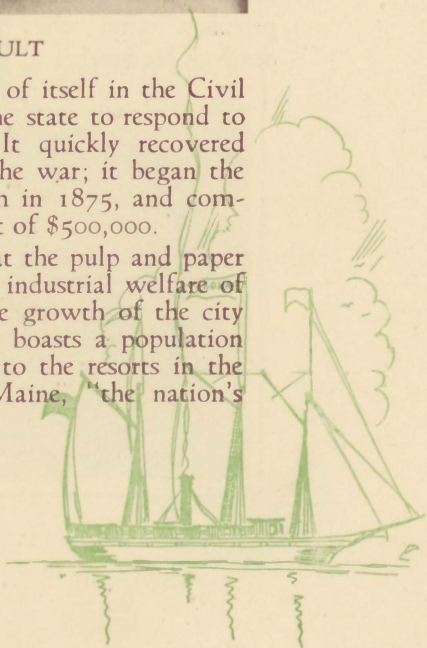
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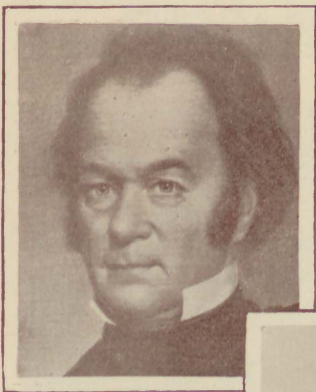


THE NEW VAULT

Bangor gave a good account of itself in the Civil War, being the first town in the state to respond to Lincoln's call for volunteers. It quickly recovered from the depressing effects of the war; it began the erection of a waterworks system in 1875, and completed it two years later at a cost of \$500,000.

It was during the eighties that the pulp and paper business became a factor in the industrial welfare of Bangor, and since that time the growth of the city has been steady. Today Bangor boasts a population of 28,576, and is the gateway to the resorts in the woods and on the coast of Maine, "the nation's playground."





William A. Blake

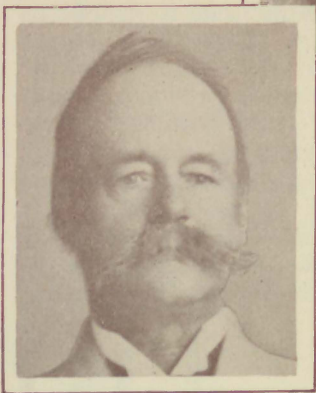
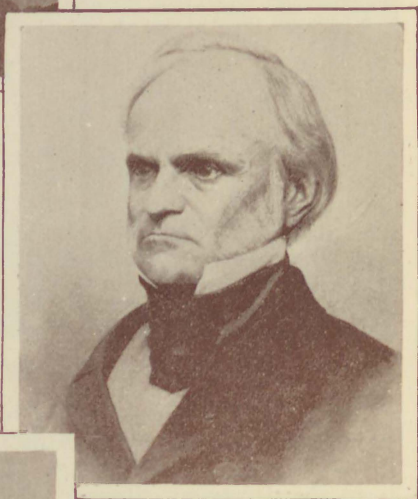
1850-1865

William A. Blake one of the founders and a director of the MERCHANTS NATIONAL BANK was chosen the first president on July 18, 1850.

Samuel H. Blake

1865-1887

Samuel H. Blake, brother of William A. Blake served as director and was named president after the death of his brother.



Hon. Edward H. Blake

1887-1922

Hon. Edward H. Blake, son of Samuel Blake who had previously served as director and vice-president was chosen president, serving until his death when Hon. Arthur Chapin succeeded him.

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JUSTLY proud is the Merchants National Bank of its association of three-quarters of a century with the growth of Bangor. Born during the stirring days before the Civil War, it has since clung closely to the traditions and to the prevailing activities of the community.

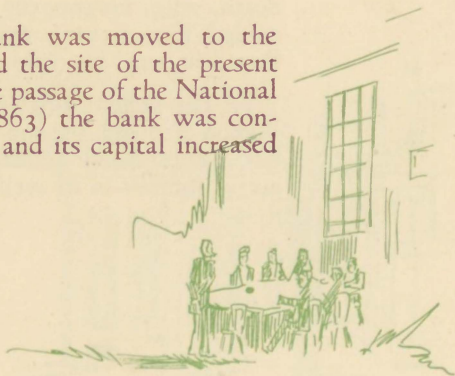
On July 18, 1850, a group of Bangor's representative business men met in the office of one of their number, William A. Blake, and incorporated as the Merchants Bank of Bangor.

Mr. Blake was named as the first president, and instructed to procure suitable quarters.

These were soon obtained and the bank was opened for business on the second floor over what is now the Buckley Drug Company's store.

Moody T. Stickney was cashier, and William A. Blake, Elijah Wood, Francis Hill, F. A. Bateman, Thomas S. Pullen, Wiggins Hill, and Cyrus Goss constituted the first board of directors. There were 37 stockholders among whom were many of the leading business men of Bangor.

A few years later the bank was moved to the building which then occupied the site of the present structure, and shortly after the passage of the National Banking Act by Congress (1863) the bank was converted into a National Bank and its capital increased from \$50,000 to \$100,000.



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At this time (May 22, 1865) Samuel H. Blake was chosen president, and the following constituted the board of directors: Samuel H. Blake, Wiggins Hill, Charles Stetson, James H. Bowler, and Nathan C. Ayer.

The older customers of the bank will recall with pleasant memories the late Albert P. Baker who served as cashier of this bank for twenty-five years until his death in 1907.

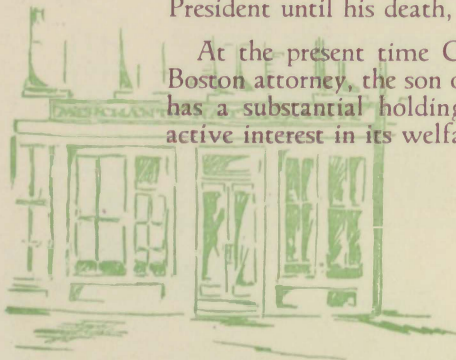
In 1887 Hon. Edward H. Blake, who had previously served as director and vice-president, was chosen president and served until his death, July 18, 1922, when the Hon. Arthur Chapin succeeded him.

An interesting and noteworthy circumstance is the fact that for an unbroken period of 72 years but three men, all of one family, were at the head of the Merchants Bank, which has always been recognized as one of the soundest and best managed in the state.

For many years this bank was known as the Blake and Stetson Bank, the controlling interest being in those families.

Charles Stetson was a director from 1865 until his death, when his son, the late Charles P. Stetson, succeeded him serving as director and later as Vice-President until his death, 1899.

At the present time Charles Stetson, a prominent Boston attorney, the son of the late Charles P. Stetson, has a substantial holding in the bank and takes an active interest in its welfare.



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INTERIOR OF THE NEW BANK

Among those who served on the board of directors and were prominent in the management and history of the bank were the late

NATHAN C. AYER

JAMES H. BOWLER

FRANKLIN A. WILSON

JAMES B. MULLEN

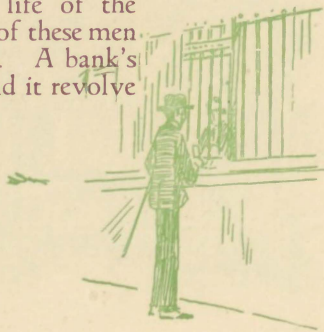
JONATHAN G. CLARK

JOHN W. HINCH

AUGUSTUS H. BABCOCK

NATHANIEL M. JONES

All were prominent in the business life of the community and the state. The influence of these men and their associates has been strongly felt. A bank's position in a community is pivotal—around it revolve most of the commercial activities.



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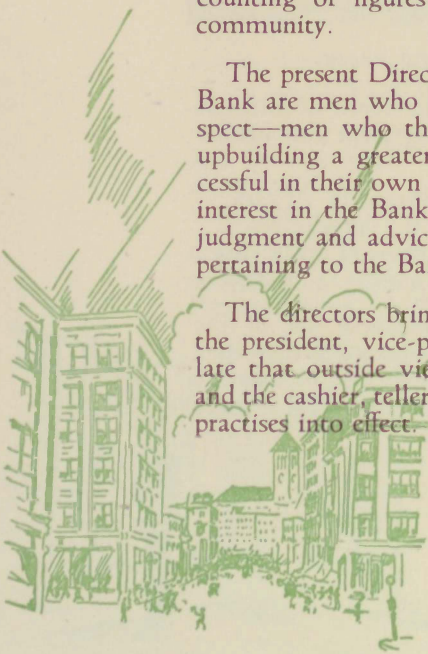
It gathers the rills and rivulets and streams of capital into reservoirs from which they can be intelligently directed and utilized to serve the requirements of industry and commerce.

Though, in common with other lines of business, it is primarily engaged in making a profit, a bank, by its very nature is one of public, as well as private, trust. While its first duty is to its depositors and stockholders, its larger service lies in its obligation to the community.

A bank cannot serve effectively unless it is of the community. If its directors devoted their full time to the routine running of the bank, they would naturally tend to become more concerned with the counting of figures than with the business of the community.

The present Directorate of the Merchants National Bank are men who hold the community's utmost respect—men who themselves are actively engaged in upbuilding a greater Bangor. These men are all successful in their own undertakings and have a personal interest in the Bank's affairs which they direct; their judgment and advice are always available in matters pertaining to the Bank and its customers.

The directors bring to the bank the outside world; the president, vice-president, and other officers translate that outside view into sound banking practices; and the cashier, tellers, and other employees carry those practises into effect.



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Obviously, then, the directors of a bank should be men of responsible business experience. Our directors are. You will note that each holds a position of trust in his own business and that their respective activities are in diversified fields.

BOARD OF DIRECTORS

The present board of directors is composed of: Frederic W. Adams, *Vice-President*; Vice-President Orono Pulp & Paper Company.

Charles R. Bond; President and Treasurer Eastern Grain Company, Wholesale Grain and Feed.

Franklin E. Bragg; President Orono Pulp & Paper Company; President N. H. Bragg & Sons, Heavy Hardware.

Arthur Chapin, *President*; President Penobscot Savings Bank; President Bangor Loan and Building Association; President Arthur Chapin Company, Wholesale Grocers.

Eugene Danforth; Spoolwood and Pulpwood.

Wilfred A. Finnegan; Treasurer Wing & Engel Box Company, Box Shooks; Agent William Engel & Company and member of firm I. M. Pierce & Company, Wholesale Lumber.

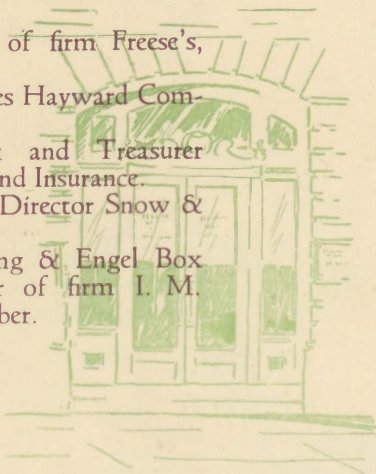
F. Drummond Freese; Member of firm Freese's, Department Store.

Walter L. Head; President Charles Hayward Company, Wholesale Grocers.

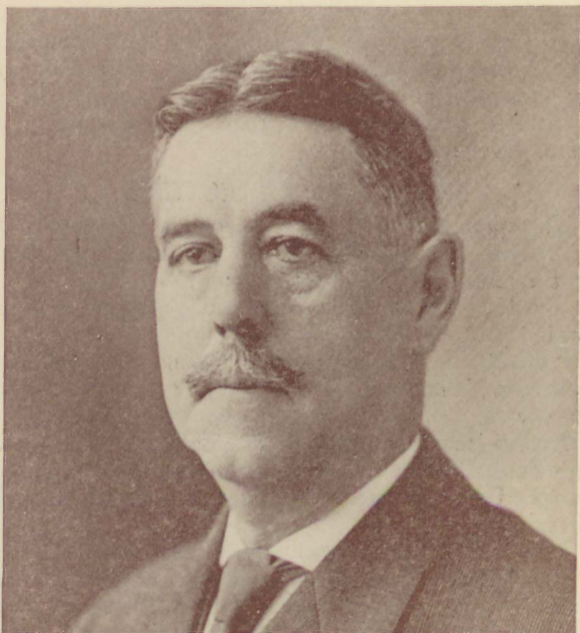
Abram L. Kirstein; President and Treasurer Louis Kirstein & Sons, Real Estate and Insurance.

William C. Pickard; Managing Director Snow & Nealley Company, Mill Supplies.

Isaiah M. Pierce; President Wing & Engel Box Company, Box Shooks; Member of firm I. M. Pierce & Company, Wholesale Lumber.

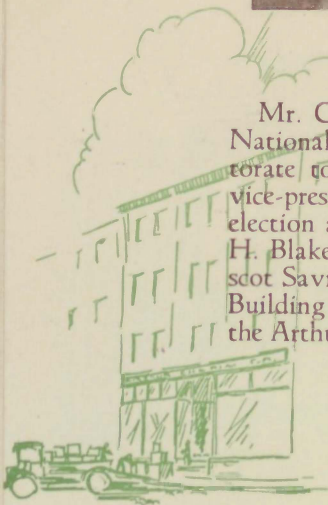


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ARTHUR CHAPIN
President

Mr. Chapin became identified with the Merchants National Bank in 1902, being elected to the directorate to succeed Nathan C. Ayer. He was elected vice-president in 1906, holding that position until his election as president upon the death of Hon. Edward H. Blake. Mr. Chapin is also president of the Penobscot Savings Bank, president of the Bangor Loan and Building Association, and president and treasurer of the Arthur Chapin Co., wholesale grocers.

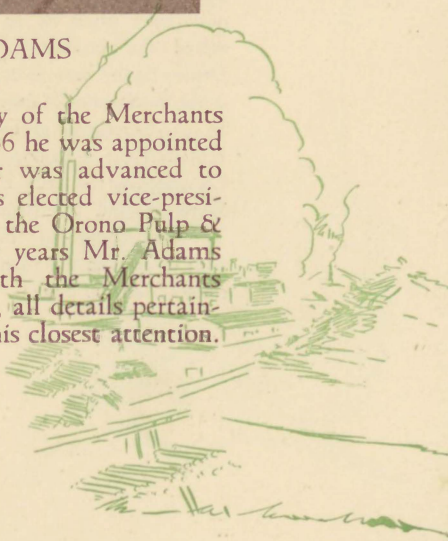


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FREDERIC W. ADAMS
Vice-President

Mr. Adams entered the employ of the Merchants Bank as office boy in 1887. In 1906 he was appointed assistant cashier and a year later was advanced to cashier. In 1922 Mr. Adams was elected vice-president. He is also vice-president of the Orono Pulp & Paper Company. For nearly forty years Mr. Adams has been actively identified with the Merchants National Bank, and as in the past, all details pertaining to its management will have his closest attention.

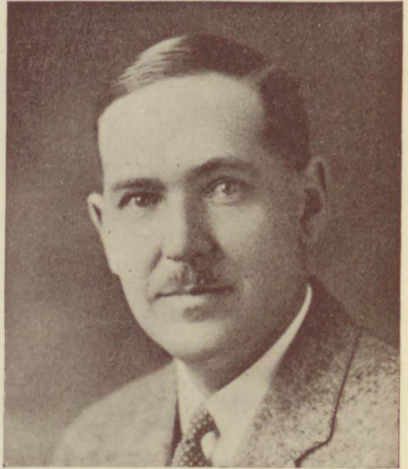




HORACE S. STEWART
Cashier

Mr. Stewart was elected Cashier of the Merchants National Bank in July, 1922. In 1907 he entered the employ of the J. F. Parkhurst & Son Co. as bookkeeper, resigning his position there in 1911 to associate himself with the W. W. Palmer Insurance Agency. In 1915 he accepted the position of Secretary of the Merchants (Marine) Insurance Co. and in January, 1921 was elected Assistant Cashier of the Merchants Bank.

Mr. McFarland was elected Assistant Cashier of the Merchants National Bank in Nov., 1924. He entered the employ of the Eastern Trust & Banking Co. in 1907, serving until 1917 when he accepted the position of Deputy Bank Commissioner for the State of Maine. In 1919 he returned to the Eastern Trust & Banking Co. accepting the office of Secretary and Assistant Treasurer, resigning in 1924 to go with the Merchants National Bank.



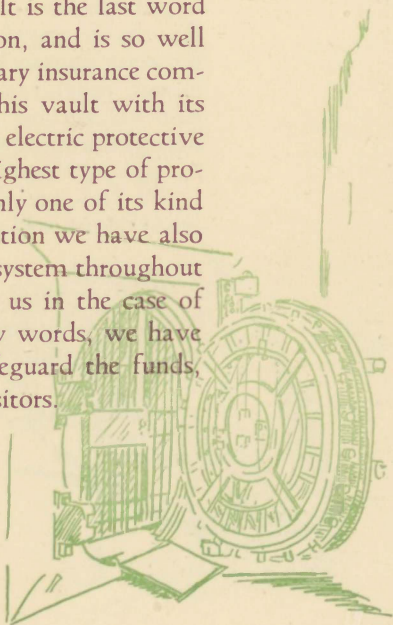
ELMER E. MCFARLAND
Assistant Cashier

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It is fitting that this bank should observe the seventy-fifth anniversary of its organization in the beautiful modern building recently completed at 19-25 Broad Street.

Specialists in bank planning and construction, after nearly a year of strenuous effort, have given us new and exceptionally fine banking quarters with unusual facilities for serving the people of Bangor and vicinity. No expense has been spared in its construction, and we know that after you have inspected these banking rooms, you will share our pleasure and pride in what has been accomplished.

One of the most notable installations is the burglar- and fire-proof vault. This vault is the last word as regards modern vault construction, and is so well guarded and protected that the burglary insurance companies give us their best rating. This vault with its 20 ton door has an added feature, an electric protective system which is recognized as the highest type of protection in the Country, and is the only one of its kind in this vicinity. As a further precaution we have also installed a day-light hold-up alarm system throughout our banking rooms, which protects us in the case of attack by daylight robbers. In a few words, we have adopted every known means to safeguard the funds, savings and securities of our depositors.



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Being a National Institution we are directly supervised by the Treasury Department of the United States, and frequently (at least twice a year) examined by its authorized examiners. As a member of the Federal Reserve System we are able to give our clients the benefit of its credit facilities and its rediscount and collection privileges

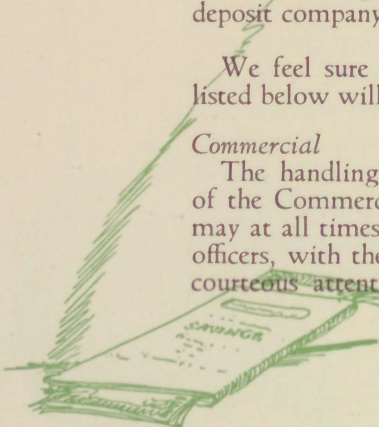
At the present time we enjoy the patronage of many women customers. In our new rooms we are prepared to serve more efficiently than ever. We are very glad to advise with our women customers on investments, and trust they will avail themselves of the varied services we can render in our several departments

The Merchants National Bank in its new and enlarged quarters, offers to its customers every facility for the prompt, precise and efficient handling of financial transactions of every character. It comprises in one organization, the functions of a commercial bank, a savings bank, a trust company and a safe deposit company.

We feel sure that some or all of the departments listed below will meet your banking needs.

Commercial

The handling of checking accounts is but a part of the Commercial Department's service. Customers may at all times feel free to present their needs to the officers, with the full assurance that they will receive courteous attention, and that applications for loans



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which are based on sound conservative principles, will always receive generous consideration.

The successful conduct of the business of its customers is of vital interest to this institution. The Officers and Directors are at all times ready to offer their full co-operation with this end in view. Especial consideration is tendered to the worthy young man in need of financial help.

Collection

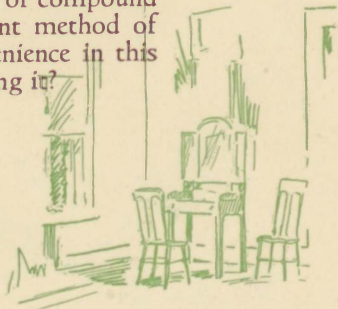
Through connections with other banks, we are able to promptly and efficiently handle the collection of drafts, coupons and other items of customers. We give equally careful attention to the collection of items from out-of-town banks.

Trust

We have recently received authority, from the Treasury Department of the United States, to act in all fiduciary capacities. We can serve as your Executor, Trustee or Agent. Acting as your Agent this Bank holds securities for safe keeping, cutting and collection coupons, with credit to client's account or remittance to owner as preferred.

Savings

Our savings department receives deposits without limit in amount on which a liberal rate of compound interest is paid. Our simple and efficient method of "Banking by Mail," is an added convenience in this department. May we advise you regarding it?



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Safe Deposit

Our Safe Deposit Vault receives the highest rating from burglary and fire insurance companies and is guarded by the most modern protective devices obtainable. Individual boxes are rented for the safe-keeping of your jewelry, securities and other valuable papers. Our vault has a capacity in excess of 2,000 boxes. Rental is reasonable—a few dollars a year for a box of ample size.

Foreign Credit and Exchange

By arrangement with responsible financial institutions, we issue Traveler's Letters of Credit against which drafts can be negotiated without difficulty in all important centers of the world. We also issue Travelers Checks and buy and sell foreign exchange.

Investments

We are always able and glad to obtain for our customers high grade investment securities. For your convenience statistical data on securities is made available for reference and if desired our opinion of any security is gladly given. This service is at your command without charge.

A cordial invitation is extended to the people of Bangor and vicinity to make this their banking home. We invite a personal interview or correspondence with a view of establishing relations with this institution, that you may benefit from the facilities which we offer. We feel sure that such relations once established will prove mutually profitable and of permanent duration.

