

The Blue Ball National Bank: The Making of a Successful Country Bank

By Holly Kroekel Good

The area of Blue Ball was originally settled in the late 1600s by groups of Welsh people, who were looking to establish permanent residence in a location that would be suitable for long term habitation. Bands of Indians also inhabited this area, and referred to it as Blue Google; named after the many streams, creeks, and springs throughout the local countryside.

The town took its official name from the sign of the Blue Ball, an inn which was founded in 1766. The hotel was built at the intersection of two heavily-traveled colonial highways linking the Philadelphia area with Lancaster, York, and Harrisburg. Business became increasingly brisk, which helped to establish this small community.

The idea of a bank in Blue Ball was originally discussed on a beautiful day in June, 1906, by George K. Diller, A.M. Brown, and Daniel W. Geist. They were prominent businessmen in the community and all agreed that a bank in Blue Ball was entirely possible, since there was a vast area from which to draw. Denver, Honey Brook, Elverson, Gap, Ephrata, and New Holland were the closest communities with national banks at that time.

In conversation, George K. Diller had commented, "Mr. Brown said that it is not much trouble to start a bank, as he has already started two. I asked him what we would have to do. He said 'raise \$50,000 and apply for a charter, that is about all there is to it.'" They approached Martin H. Grube, an acquaintance and local businessman about the proposition. Together they drew up a list of several men in the community whom they knew would readily

purchase the necessary stock. These men included Peter W. Oberholtzer, Jacob Hartz, Amos M. Clime, and Isaac D. Eby, among others.¹

A meeting of these prospective stockholders was held on August 23, 1906. George A. Wallace was elected temporary president and Daniel W. Geist, temporary secretary. Committees were appointed to apply for the charter. It was decided that the capital stock would be \$50,000, and distributed as widely as possible; no one individual was granted more than 10 shares.

In September, 1906, George A. Wallace received a letter from the Comptroller notifying him that the Bank's application for the charter had been approved. The following were nominated as directors: George A. Wallace, Michael S. Rinck, Charles E. Seldomridge, Peter Oberholtzer, Isaac D. Eby, Martin Grube, Jacob Hartz, and A.M. Clime.² These men were to serve until January, 1907, at which time the stockholders would elect directors.

Blue Ball National Bank officially opened for business on Monday, November 5, 1906, with three employees: George A. Wallace, president, who had been a store owner; Henry S. Shirk, cashier, who was a school teacher; and Charles Coldren, assistant cashier, who had previously been a businessman. They temporarily operated out of the basement of the E.S. Geist property, which is next to the Blue Ball Hotel. The hours for the first business day were 8:30 a.m. to 3:30 p.m.

On Monday, April 15, 1907, the banking quarters were moved across the trolley tracks into a dwelling that was purchased from Anna Zimmerman for \$1,830. The Bank remained at this location for 59 years. This building currently stands in the square of Blue Ball.

Blue Ball National Bank was successful and prosperous from the start, according to William F. Weaver. Unfortunately, not all of the other local banks proved to be as stable.

The national bank examiner closed Terre Hill National Bank for the second time in four years, on February 10, 1930. It was closed with the understanding that Blue Ball National Bank would act as the liquidating agent. The stockholders agreed to lose their stock if Blue Ball paid the depositors 100% of their balances. Although Blue Ball did agree to this, they lost approximately \$250,000 in this takeover. "This merger actually saved the Terre Hill banking community," Raymond Baxter recalled. "It was a great benefit for them." Baxter had been employed as a bookkeeper, assistant cashier and vice president of lending since his start at Blue Ball National Bank in 1945.

Terre Hill National's downfall occurred during the time when many banks were having problems, William F. Weaver explained, because there was no Federal Deposit Insurance. Remarkably, "Everything from Terre Hill National Bank was hauled on an open truck to Blue Ball National Bank in Blue Ball," Weaver recalled. "This included all of the cash and safe deposit boxes as well."

Shortly thereafter, the 1932 depression set in. Blue Ball National Bank was one of the few financial institutions in the area to survive this traumatic



The Blue Ball National Bank building, April 1907.

period in our nation's history. They successfully reopened their doors, just five days after they were ordered to close by presidential orders from Franklin D. Roosevelt. This was largely due to their policy of conservative banking, according to Weaver.

During World War II, in the mid-1940s, profits were low, and times were rough at the Bank. "Lending was down, because products were either rationed or simply weren't available," Baxter noted.

Despite these difficult times during the War, they started remodeling the Bank's building in 1947. The location of the front entrance was moved, and an outside porch was added. The directors' meeting room was moved to the basement, and a drive-up facility was added; as well as a parking lot and horse-tying sheds for customer convenience. Bookkeeping operations were conducted on the first floor.

The decision to build the Bank's first office in Terre Hill proved to be an excellent one. The office's immediate success exceeded their expectations. Constructed on a vacant lot, it opened for business on June 28, 1954. The lobby area in this building was very small, but suitable at the time. There were four teller windows and a walk-in vault, which included safe deposit boxes. This office was also equipped with two telephones: one was used as an outside line; the other, a crank phone, connected directly to the main office. This building is now being used as the town's post office.

Branch manager, Harold Smith, and teller, Linda Shirk, both Terre Hill residents, were the only employees at this office for many years. The two shared many responsibilities, including serving lobby and drive-up customers

and opening new accounts. Harold also approved notes (loans) and counted the money in the vault each evening. For safety reasons, neither employee was permitted to leave the building during working hours. Every day they ate their lunch in the back room.

At the end of each business day, all of the teller work was driven to the main office in Blue Ball to be processed. Harold also transported all of the money shipments from the main office to the branch himself, whenever cash was needed. The Terre Hill office provided service for customers from Martindale, Bowmansville, and Terre Hill.

Raymond Baxter and Glenn H. Weaver developed Blue Ball National Bank's first installment loans in 1960. Coupon books were issued to each customer which structured their monthly payments. This new method gave the Bank more control over delinquent payments, while reducing the number of 60- and 90-day renewal notes, which required much time and paperwork.

Due to growth and prosperity, the main office was forced to relocate to larger quarters. In 1966, a new contemporary-style building was constructed just 1/4 mile up the street, on West Main Street, where it is currently situated. Designed by E.J. Stephens, Architects, Allentown, the one-story and full basement structure provided 13,400 square feet of space.

It was constructed with 12 teller stations, three coupon booths, two check desks, a large officers' platform, four private offices, and a board room. Overall costs were set at more than \$260,000.

Blue Ball National Bank was not only expanding its working facilities, but its services as well. In 1967, the Bank originated its own Trust Department, which offered personalized investment management and estate planning services. This department experienced a higher rate of growth and earnings than was immediately anticipated.

New and more sophisticated electronic bookkeeping machines were installed at the main office in 1969. It supported their aim to keep their ever growing volume under their own control. Also during this year, details were officially announced of a new building for the Terre Hill office, which would accommodate the Bank's developing customer base in that area. The land adjacent to the original Terre Hill office had been purchased by the Bank to serve as the property for the new building. Completed in 1971, the branch was equipped with a modern drive-up system and a large teller area. The first day of business in this facility was July 1.

Just two years later, approval was received to build the Bank's second branch office at the intersection of Routes 23 & 10, just west of Morgantown. The colonial-style building was completed in the summer of 1974. At that time, the very newest drive-up service was installed. Open House ceremonies were held on July 13, which over 1600 people attended. The Morgantown office opened for business on July 15.

For the first time, in 1977, an officer of Blue Ball National Bank attained a service record of 50 years with the Bank. William F. Weaver, reached this goal on January 10, 1977. A testimonial dinner was held for him at the Blue Ball Fire Hall. Several hundred were in attendance to honor him for this remarkable accomplishment. Over the years, his positions at the Bank included bookkeeper, teller, cashier, and executive vice president.

In September of that same year, a new trust accounting system was installed. The system was purchased to produce more accurate accounting information, which enabled the Bank to provide detailed reports for trust beneficiaries.

Just eleven years after the construction of the main office, Blue Ball National Bank was again forced to expand its banking quarters. Ground was broken in August of 1978 for a 13,440 square foot addition to the main office, which more than doubled the original size of the building. Renovations were planned to provide additional safe deposit boxes in a new security vault, a new computer room, a time and temperature sign, updated drive-up facilities, and space to centralize the operational functions of the Bank. This construction was completed in 1979.

Hereafter, the Bank experienced even greater growth. In a span of less than ten years, three new offices were developed. In June 1981, the Board of Directors made application to the Comptroller of the Currency to establish an office west of New Holland in the vicinity of the intersection of Shirk Road and Route 23. The opening of this office was planned to provide convenient banking for current customers as well as to develop more growth in that area. The New Holland office opened for business on September 27, 1982.

In March of 1986, Blue Ball National Bank established PennRock Financial Services Corporation, a wholly-owned bank holding company. The holding company was formed to provide more opportunities for the Bank to engage in banking-related businesses. It also allowed the Bank to structure bylaws for the holding company. Most importantly, this permitted the Bank to withstand pressures of possible takeover efforts by outside interests.

History played a major role in the selection of a name for the holding company. The "Penn Rock" was located in Gap and served as the site of meetings held between William Penn and local Indian chiefs. These gatherings developed the necessary treaties between the two groups which provided a peaceful environment within which settlements could be established and flourish.

The fifth office of Blue Ball National Bank was built in Gap, with hopes of serving customers in the Christiana, Atglen, Parkesburg, Kinzers, and Paradise areas. The former Fisher's Steakhouse, on Route 41, was purchased and remodeled for this office, which opened for business on September 8, 1987.

Continuing with their effort to expand, the sixth office of Blue Ball National Bank was established just eight months later, in a growing area one mile south

of Adamstown. A temporary facility was opened on May 2, 1988, on the corner of Routes 272 & 897. Similiar in design to the New Holland office, the permanent building of the Adamstown office opened on May 1, 1989.

Looking back over the many years of service and growth since 1906 at Blue Ball National Bank, it's obvious that the Bank weathered both successful and difficult times in order to become the prosperous financial institution it represents today.³ Dedicated, intelligent, and responsible employees were the key factors to its stability. Blue Ball National Bank continues to provide personal, friendly service to more than 8,000 persons from throughout the eastern third of Lancaster County, and portions of Berks and Chester counties. The seventh office was opened in Leola in 1990.

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Endnotes

1. Peter W. Oberholtzer operated a grist mill at Spring Grove; Jacob Hartz was a farmer near Morgantown; Amos M. Clime was a retired proprietor of a cigar factory at Terre Hill; and Isaac D. Eby was a farmer in Salisbury Township.

2. Daniel W. Geist was a school teacher at Blue Ball and later became assistant superintendent of county schools; Martin H. Grube was a tobacco dealer in Blue Ball; Charles E. Seldomridge was a grist miller at Hinkeltown; and Michael S. Rinck lived at Churchtown.

3. The Bank's rapid growth in recent years is illustrated by the Total Asset figures obtained from various Statements of Conditions and Annual Reports.

Year	Total Assets
1931	\$ 1,552,000
1945	3,268,000
1950	4,863,000
1963	11,700,000
1968	24,100,000
1975	56,664,000
1979	88,571,000
1986	181,614,000
1989	271,536,000

Holly Kroekel Good is employed by the New Holland office of the Blue Ball National Bank as head teller.