

Baker Family, First National Bank Have Close Ties

By HOWARD H. BAKER, JR. FNB Guest Columnist

The first recollection I have of the First National Bank of Oneida, or any bank for that matter, was back in 1936 when my father was elected to their board of directors. He served as a director from 1936 to 1964 and most of that time was Chairman of the Board. He was inordinately proud of that, dedicated to the job and a diligent director. Banks, and particularly First National Bank, were essential parts of the community. They provided muscle for economic development, provided a reservoir for personal saving, and provided leadership in community matters.

My father was a conscientious and dedicated public citizen. He served in the Tennessee State Legislature from 1929-38 and was a member of the Scott County Board of Education from 1931-32 at which time Huntsville High School was built. As a matter of fact, he was instrumental in this effort by introducing the legislation for issuing the bonds that allowed for construction of the new high school building.

My father was one-ninth owner and manager of Payne-Baker Land Company that owned 38,000 acres in the Brimstone area of the county. Coal mining and timber extraction provided much needed employment. He had almost a paternal interest in the tenants. It was standard legal procedure to find people living on the property who did not own it. Rather than throwing them off, my father wrote very simple leases for the home place, with a clause they could cancel at any time. There were over a hundred of those leases. It helped consolidate the title to the property, and that was an innovative approach invented by my father.

Dad served as Attorney General for the 19th Judicial District from 1934-48 and about this time I received my law degree and joined the law firm. He was an excellent lawyer and in later years I had the opportunity to read some of his briefs to appellate courts and was duly impressed with the quality of the briefs. He was a lawyer's lawyer. I didn't get to work with him at the firm very long because he went on to serve in the U.S. House of Representatives from 1951 until his death in 1964.

In 1959, I was a young lawyer in Huntsville and Howard Preston who was CEO of the Hamilton Bank in Knoxville called and said he'd like to talk to me. Of course, being a young, ambitious lawyer, I hoofed it over there I guess the next day because I expected to be hired to do something. I had heard rumors that the Hamilton wanted to sell the First National Bank, or liquidate it, and I assumed that was what he had on his mind. But when I went in his office he said, "Howard, I want you to buy the bank." I said, "Mr. Preston, I don't have any money." He said, "What do you mean, we're in the money business." I said, "You don't understand, I don't have any money." Then he took me to lunch and at lunch he even ordered my lunch. After I left I



Figure 1 - Howard H. Baker, Jr. - U.S. Ambassador to Japan

realized I thought I had gone to nail down a good account, but that didn't work out very well, and instead I did something I never dreamed of - bought a bank.

I had no more than left the building when I found the nearest telephone and I called Bill Swain and Milford Thompson. I said, "Boys we've got something here we've got to do," and we agreed on how we would manage this thing. I said, "Bill, you are going to need to run the bank," and he said, "I'm running a lumber business." I said, "Running a bank is bound to be a part-time job." He reminds me of this comment from time-to-time. Bill turned out to be a remarkable and talented banker, and he still is a remarkable and talented banker.

Milford Thompson was an extraordinarily good partner. It was just the three of us, plus a few stockholders who didn't sell their shares to Hamilton Bank. The three of us owned approximately 70% of the shares of the bank. I still own my shares of stock in the bank. Some in the community thought that our acquisition of the bank was at best an unwise move for the bank and the community, but I think they were soon disabused of that because First National Bank continued a lifetime condition of solid, honest banking.

I was instrumental in First National Bank of Oneida purchasing the old historic bank building in Huntsville that had been occupied by the First National Bank of Huntsville prior to its demise during the Great Depression. Having an office of First National Bank of Oneida in this building that's on the Register of Historic Buildings have proven to be quite a plus. I enjoy taking visitors on a tour of the "little stone bank" because of the unique way that modern banking technology runs the business of a bank that's decorated in authentic, original turn-of-the-century teller "cages" and furniture.

I served on the board of directors of the bank from 1956 to 1970, at which time I was Chairman of the Board. My impression of First National Bank has been uniformly favorable and significant virtually all my life. My political career has been wide ranging and required that I live away from Scott County a lot of the time, but I have always kept Huntsville as my primary home and First National Bank as my home bank.

In my opinion, First National Bank of Oneida has played a pivotal role in virtually all the developments that have shaped and influenced our county's growth over the past 100 years. I extend congratulations to Bill Swain, the board of directors and the staff on a significant milestone... 100 years serving our community.

Howard H. Baker, Jr. of Huntsville served in the United States Senate from 1967 to 1985. He was both Minority Leader and Majority Leader of the Senate, and was Chief of Staff to President Ronald Reagan, and is currently United States Ambassador to Japan.