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FINANCIAL CHRONICLE

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"JOTTINGS"

Look for jurisdictional reasons (i.e. struggles between rival labor groups) in nearly every important strike nowadays—even those apparently over wages and working conditions. Main trouble is the top-to-bottom rift between the AFL and the CIO, complicated by the contest between the Communists and the anti-Communists in the CIO. The latter makes for an almost incredibly complicated pattern of conflicts. For instance, one story of the recent "wildcat" strike of the anthracite men against the United Mine Workers itself was this. Tobin's AFL teamsters are being raided by the CIO, with whom Dave Beck is sympathetic. The Communists told Tobin they could control the situation. He doubted it. Simply to prove the point, they pulled the anthracite strike; remember that a large part of CIO's money comes from the United Mine Workers. In many other cases where, for instance, wages alone appear to be the issue, the real issue is the effort of a CIO or an AFL union in a two-union industry to win over the men by getting more from the employers than the rival union. Other strikes are pulled to obtain exclusive collective bargaining privileges and so shut the other union out before it can get strong enough; vide the AFL streetcar-men's strike in Detroit. Both unions are now struggling in the automobile, aviation and shipbuilding industries, and the contest itself engenders strikes which are competitive or jurisdictional rather than really for better wages or working conditions.

Fall River's $13,000,000 fire in which nearly 16,000 tons of rubber were lost was unnecessary and the result of such carelessness (like the recent Brooklyn dock fire) that the question of whether sabotage contributed is unimportant. Two Army inspectors warned the Army's Plant Protection Division, which asked for a report from the National Fire Protection and got an alarming one just a few days before the fire. The Under-Secretary of War's office had been previously warned in June. However, the rubber actually belonged to the RFC's Rubber Reserve Company, and so apparently does the re-

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OUR REPORTER'S REPORT

An investment banker remarked several months ago that he wasn't worried about the future of the country and business, including his own, as long as the American people could thrash out their affairs at open forums.

He was thinking, he said, of gatherings along the lines of the old New England town meetings, at which the townfolk gathered together and discussed such situations as rose with a view to their solution.

The same banker now looks upon the current discussion, some of it rather heated, anent "competitive bidding," private placement, and proposed investment by insurance companies in common stocks, as tantamount to the old town meetings.

Out of this free and open discussion, he believes, will come ultimately the solutions to many of the situations which now have the investment underwriting industry badgered pretty much to its wit's end.

Bankers doubtless were cheered by the forthright remarks of New York State Superintendent of Banks William R. White, with regard to direct institutional purchase of new securities, made before the Savings Bank Association of the State of New York at its convention this week.

He expressed belief that where securities are marketed so as to favor a handful of large institutions, such issues should be banned from the list of securities legal for investment by banks in New York State. To add such issues, he said, would be of no advantage to banks. Since many other States frequently follow New York's lead, such action could be widespread in its effects.

By the same measure the com-

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Our Reporter On "Governments"

Everything depends on the hour-to-hour, the day-to-day news. . . . As this column is being written, the news from the war-fronts is as bad as it has been at any time in recent years. . . . The whole world is sitting on a keg of dynamite. . . . The position of the United States is becoming more untenable with each development abroad. . . . And—not to make this transition too abrupt—all these things make for great unsettlement in the Government bond market. . . . All of them make forecasting intermediate trends extremely difficult. . . .

To get to the important point first, the most intelligent portfolio policy to follow now is that of high conservatism. . . . You've just had an unprecedentedly sweet Government offering of long-term 2½% bonds. . . . It is taken for granted that you bought some of these securities at par, that you own some at this low price. . . .

This seems a poor time to go out on a limb, therefore. . . . The better idea would be to draw back from the market for a temporary period, anyway, and just to "wait and watch." . . .

There'll be time enough to go in and buy on any dip accompanying disheartening news. . . . And if the drop doesn't come, you'll be able to buy bonds at

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Safeway Stores Pfd Stock At $109 A Share

Public offering of 27,000 shares of 5% (cumulative) preferred stock, $100 par value per share, of Safeway Stores, Inc., was made Oct. 22 by Merrill Lynch, Pierce, Fenner & Beane. The stock is priced to the public at $109 per share. Net proceeds of $2,833,-317.60 to be received by the company from the sale of this 5% preferred stock will be used to replace funds expended by the company for the purpose of purchasing the assets and business of National Grocery Company on Oct. 6, 1941, for the sum of $2,-750,000.

The preferred stock is subject to redemption in whole or in part on any dividend payment date upon 60 days' written notice, at $110 plus all unpaid cumulative dividends. The stock is also entitled to the benefit of a sinking fund which requires the company on July 1 in each year to make available out of surplus a sum sufficient to redeem on the first day of October 2% of the largest amount of this stock at any time outstanding prior to such July 1.

Consolidated profit and loss statement of Safeway Stores, Inc., and subsidiaries, for the year ended Dec. 31, 1940, shows net income, after all charges including provision for Federal and Canadian income taxes of $4,786,-652. For the six months ended June 30, 1941, net income aggregated $2,742,019.

E. L. Kuhns To Manage R. H. Johnson Branch

PITTSBURGH, PA.—E. Lindley Kuhns has been appointed manager of the local office of R. H. Johnson & Company, New York investment firm, which recently established a branch here in the Union Trust Building. Mr. Kuhns, for over twenty years in the investment business in Pittsburgh, was recently with Phillips, Schmertz & Co. and prior thereto with Moore, Leonard & Lynch.

Albert Hammill Is Forming Own Firm

(Special to The Financial Chronicle)

SAN FRANCISCO, CALIF.—Albert L. Hammill, in partnership with Hans P. Ahrnke, is forming the firm of Hammill & Company, with offices in the Russ Building, to engage in a securities business. Mr. Hammill was previously vice-president of Edgerton, Bourne & Company, with which he had been associated for many years.

Twin City Club Names Officers For '41-'42

MINNEAPOLIS, MINN.—Joyce Finrud, First National Bank of Minneapolis, was elected President of the Twin City Bond Traders Club at their recent annual dinner and business meeting. George Jackish, Harris, Upham & Co., was elected vice-president; Carroll H. Babcock, Jr., Piper, Jaffray & Hopwood, was chosen treasurer, and E. Byron Kairies, Merrill Lynch, Pierce, Fenner & Beane, was named secretary of the organization.

B. C. Pinkerton With Reinholdt & Gardner

Reinholdt & Gardner, members of the New York Stock Exchange and other leading exchanges, announce that Bledsoe C. Pinkerton is now associated with them as manager of their New York office, 14 Wall Street. Mr. Pinkerton was formerly manager of the corporate trading department of the New York office of Alex. Brown & Sons, and prior thereto he was manager of the trading department for Dominick & Dominick.

To Be Hoge & Co. Nichols To Be Partner

Hoge & Co., members of the New York Stock Exchange, with offices at 120 Broadway, will be formed on November 1st, following the dissolution on October 31st of Hoge, Underhill & Co. Partners of the new organization will be Martin B. Saportas, Exchange member, Joseph R. Nichols, general partners, and Charles C. Hoge and James A. Moffett, 2nd, special partners. Messrs. Saportas, Moffett and Hoge were formerly partners in Hoge, Underhill & Co., with which firm Mr. Nichols was associated as cashier.

Offers Interesting Booklet

Registrar and Transfer Co., 2 Rector Street, New York City, and 15 Exchange Place, Jersey City, N. J., has prepared a descriptive booklet on the advantages of their dual arrangement as transfer agents in both New York City and Jersey City, which arrangement is acceptable to the New York Stock Exchange and other Exchanges. Copies of the booklet will be sent by Registrar and Transfer Co. on request.

Shearson Branch To Be Enlarged By Merger

CHICAGO, ILL.—Announcement has been made that Shearson, Hammill & Co. and the Chicago office of Winthrop, Mitchell & Co. will be consolidated in the near future, and that as soon as the present partnership agreements of Winthrop, Mitchell & Co. are adjusted, Leeds Mitchell will become a general partner of Shearson, Hammill & Co.

Upon completion of the consolidation, the Chicago office of Winthrop, Mitchell & Co., in the Board of Trade Building, will be retained as a branch of Shearson, Hammill & Co. until new and adequate quarters can be arranged at one location.

Both firms are leading members of the New York Stock Exchange and all other important stock and commodity exchanges. They have been identified for many years with the brokerage and investment business in the two principal financial markets in the country, New York and Chicago, Shearson, Hammill & Co. having been established in 1902 and Winthrop, Mitchell & Co. in 1929. Neither firm is engaged in the underwriting of new securities.

After consolidation, the Chicago partners of Shearson, Hammill & Co. will be: Wentworth P. Mackenzie, Arthur G. Cable, Farwell Winston, Lawrence Howe, and Leeds Mitchell. Their principal Chicago office is located at 208 South La Salle Street, and in addition to the branch to be established temporarily in the Board of Trade Building, the firm maintains an office in the Wrigley Building which was opened in May, 1939.

Louis Neilson Now Halladay Co. Partner

Louis Neilson, member of the New York Stock Exchange, has been admitted to partnership in Halladay & Co., 14 Wall Street, New York City. Mr. Neilson was formerly an individual floor broker and in the past was a partner in Appenzellar, Allen & Hill.

Edward Carleton has withdrawn from membership in Halladay & Co.

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Reentered as second-class matter September 12 1941, at the post office at New York, N. Y., under the Act of March 3, 1879.
Subscriptions in United States and Possessions $26.00 per year, $15.00 for 6 months; in Dominion of Canada, $27.50 per year, $15.75 for 6 months. South and Central America, Spain, Mexico and Cuba, $29.50 per year, $16.75 for 6 months; Great Britain, Continental Europe (except Spain), Asia, Australia and Africa, $31.00 per year, $17.50 for 6 months. NOTE: On account of the fluctuations in the rates of exchange, remittances for foreign subscriptions and advertisements must be made in New York funds.

Dunne To Appear At Washington Hearings

Frank Dunne, President of the New York Security Dealers Association, will appear before the House Committee on Interstate and Foreign Commerce on October 28th in connection with the proposed Amendments to the Securities Act of 1933 and the Securities Exchange Act of 1934. Mr. Dunne will strongly oppose any amendments to the Acts that might lead to legislation to expand "Unlisted Trade Privileges" by the Exchanges, in securities that are now traded in the over-the-counter markets.

Should the proposed Amendments be enacted into law, the New York Security Dealers Association asserts, it might mean the extinction of over-the-counter trading and is a warning to all dealers that they must present a unified front in opposing any changes to the Act that might be detrimental to the over-the-counter business, and not appropriate in the public interest.

Los Angeles Traders Elect New Officers

LOS ANGELES, CALIF.—The Bond Traders Association of Los Angeles elected Joseph L. Ryons, vice-president of the Pacific Company of California, president of their group at the regular meeting held October 15th. He succeeds Miles A. Sharkey, O'Melveny, Wagenseller & Durst.

Oliver B. Scott, Wyeth, Hass & Co., was elected vice-president, and Thomas Euper, J. A. Hogle & Co., was named treasurer. Joseph G. LaPuma, Mitchum, Tully & Co., was re-elected secretary.

Ralph DeFoe, Fairman & Co., John A. Alexander, Cook, Miller & Co., and Sam Green, Pledger & Co., were elected to the Board of Governors.

Miles Sharkey was chosen a National Committeeman, and Elemer E. Meyers, Mitchum, Tully & Co., was named alternate.

Tomorrow's Markets Walter Whyte Says—

Market apparently has not yet built up reserve strength enough for more than a fitful rally; hence time has not arrived to start a buying campaign; more details below.

By WALTER WHYTE

What with one thing and another, the market hasn't done anything since the last column was written to make anybody break out into a rash of cheers. The only thing it has managed to do is go down far enough so that a few stocks in our list have broken through their so called resistance levels. These were as follows:

* * *

Anaconda bought at 27; stop at 25. During the week it sold down and registered a low of 24¾. This means a loss of 2¼ points gross. The next stock was Savage Arms. This one was originally bought (before the split-up) at 17. When the new stock was issued—4:1—it carried the cost down to 4. On last week's break the stock sold off to 15⅞. Our stop, or level beyond which it should not have been carried, was 17½. Assuming it was sold as advised the gross result was approximately 13 points profit. The last stock in the list which penetrated it's stop was Swift & Co. This one was recommended at 24½ but with an interim dividend the cost was brought down to 24. It's critical point was 23½. During the week it managed to get down to 22½ so to all intents and purposes we can now consider it as out of the list. The gross result in this one was a loss of about ¾ of a point.

* * *

This leaves you with three stocks: Bendix, bought at 37, stop at 34, current price about 37; New York Shipbuilding,

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Dealers Must Record Time Of Transactions

The Securities and Exchange Commission made public on Oct. 13 a letter sent by the Director of the Trading and Exchange Division to certain securities dealers who have failed to keep records of the times of their security transactions as required by Rules X-17A-3 and Q-17A-4 under the Securities Exchange Act of 1934. Investigations made by the Commission have indicated that a number of firms have failed to keep such records, says the SEC announcement, which also says:

The two rules, generally speaking, govern the making and preservation of books and other business records by members of exchanges and other brokers and dealers. Failure to make and preserve a record of the times at which transactions are executed normally constitutes a violation of Paragraph (a) (7) of Rule X-17A-3.

The letter read in part:

I wish to emphasize that Paragraph (a) (7) of Rule X-17A-3 specifically requires that 'a memoranda of each purchase and sale of securities' for the account of your firm be kept which must show 'the price, and, to the extent feasible, the time of execution' of each transaction. The phrase 'to the extent feasible' was intended to be applicable only in exceptional circumstances where it might be actually impossible to determine the exact time of execution. In this connection, I wish to point out that our experience has demonstrated that it is in fact feasible to keep the times of so-called 'trading transactions.' I might also add that a transaction is 'executed' within the meaning of the rule when the contract to sell or purchase, as the case may be, is entered into by the trader or other person authorized to effect transactions for the account of the firm.

I therefore suggest that your firm take prompt steps to insure the recording of the times of all transactions executed by your trading department as well as of all other transactions. Even in unusual situations where it may be physically impossible to determine the precise time when the transaction was executed, the rule requires that at least the approximate time be noted.

Kraehling Named Gov. N.Y. Security Dealers

At a meeting of the Board of Governors of the New York Security Dealers Association held on Oct. 16, 1941, Frederick C. Kraehling was elected a Governor of the Association to serve until January, 1943. Mr. Kraehling is Secretary and a Director of Frederic H. Hatch & Co., Inc., one of the oldest houses in the over-the-counter business in New York.

At the same meeting Corwin L. Liston, Huff, Geyer & Hecht, Inc., 67 Wall Street, New York, and William I. Fishman, William I. Fishman & Co., 40 Wall Street, New York, were elected to membership in the Association.

DIVIDEND NOTICES

INTERNATIONAL HARVESTER COMPANY

Quarterly dividend No. 93 of one dollar and seventy-five cents ($1.75) per share on the preferred stock, payable December 1, 1941, has been declared to stockholders of record at the close of business November 5, 1941.

SANFORD B. WHITE, Secretary.

LOEW'S INCORPORATED

"THEATRES EVERYWHERE"

October 17, 1941

THE Board of Directors on October 15th, 1941 declared a quarterly dividend of $1.62½ per share on the outstanding $6.50 Cumulative Preferred Stock of this Company, payable on the 15th day of November, 1941 to stockholders of record at the close of business on the 28th day of October, 1941. Checks will be mailed.

DAVID BERNSTEIN
Vice President & Treasurer

NATIONAL DISTILLERS PRODUCTS CORPORATION

The Board of Directors has declared a regular quarterly dividend of 50¢ per share on the outstanding Common Stock, payable on November 1, 1941, to stockholders of record on October 15, 1941. The transfer books will not close.

THOS. A. CLARK
September 25, 1941 TREASURER

VANADIUM CORPORATION OF AMERICA

420 Lexington Avenue, New York, N. Y.
October 16, 1941.

At a meeting of the Board of Directors held today a dividend for the third quarter of this year, of twenty-five cents per share was declared payable November 3, 1941, to stockholders of record at 3:00 o'clock P. M., October 27, 1941. Checks will be mailed.

P. J. GIBBONS, Secretary.

School Savings

The amount of money on deposit in school savings accounts rose to $34,417,238 as of June 30, 1941, according to the 22nd annual report on school savings compiled by the Savings Division of the American Bankers Association. Money deposited by school children in their school savings accounts during the 12 months ended on that date amounted to $12,772,474. Withdrawals during the year, however, reduced the net balance remaining on deposit for the year to $3,571,504. This net amount, added to the cumulative aggregate savings remaining on deposit from previous years, brought to $34,417,238 the total deposits in the school savings banks. The Association's announcement issued Oct. 14 further stated:

More than 2,239,000 pupils in 8,193 schools took part in the school savings program. The schools are located in 37 states. In 20 of the 37 states, deposits increased. A decline was shown in the school savings deposits in the remaining 17 states.

Notable gains in school savings bank balances were made in California, Maryland, Ohio, Georgia, Rhode Island, Texas, Washington, Minnesota, Alabama, Connecticut, and West Virginia.

Albert H. Crosby, Treasurer of the Farmers and Mechanics Savings Bank, Minneapolis, Minn., is Chairman of the Association's Committee on School Savings.

American Output and Labor Costs Rising

The hourly output of a typical manufacturing worker in the United States has increased in almost every year since 1929, and the record for the first six months of 1941 shows the trend to be continuing, according to the current monthly labor survey of the Division of Industrial Economics of The Conference Board, issued Sept. 19.

Considering the hourly output per worker in 1929 to have been 100, the worker's productivity reached 116.5 in 1934, 134.0 in 1939, 140.0 in 1940, and 142.1 in the first half of 1941. This index failed to advance only in 1932 and 1938. The Board's announcement further said:

The average over-all output of a typical manufacturing worker was greater in 1940 than in 1929 or than in any intervening year, and with production demand increasing, output per worker in the first seven months of 1941 exceeded the 1940 yearly average. Expressed in index numbers (1929=100), the 1940 yearly average was 110.3, and the 1941 seven-month average, 118.5. For 1941, worker output was highest in June, at 122.2. With employment and wages going up faster than production, it dropped to 118.9 in July.

Fluctuations in the cost to the employer of an hour of work have been more uneven in the years since 1929 than those in worker hourly output, but the cost was lower than in 1929 only in 1931, 1932 and 1933, and by 1937 had risen to 113.4. The 1940 average was 119.6, and the average for the first half of 1941 was 127.8. The index for June, at 133.6, indicates a continuing rise in labor cost per man hour.

Although the labor cost per unit of output has kept fairly well below that for 1929, it stood at 90.4 in 1937, and at 85.4 in 1940. The average for the first seven months of 1941 was 90.6, slightly above the 1937 average. In July, unit labor costs were at 94.4, only 5.6% below the average for 1929.

Now Harold McClure Co.

WARREN, PA.—L. C. Jamieson & Co., Warren Bank & Trust Building, announce that due to the fact that Mr. Lewis C. Jamieson is engaged primarily in the practice of law and wishes his name to be solely identified with that activity, and in recognition of the services of Mr. Harold R. McClure, the name of their partnership has been changed to Harold McClure & Co. Members of the firm remain the same.

"Two Decades of Inflation"

Henry C. Priester, president of Priester & Company, Davenport Bank Building, Davenport, Iowa, has written a pamphlet entitled "Our Two Decades of Inflation," which was read before the Contemporary Club of Davenport. Copies of this pamphlet, which should be of great interest in present conditions, may be had by writing to Priester & Company.

PERSONNEL ITEMS

If you contemplate making additions to your personnel, please send in particulars to the Editor of the Financial Chronicle for publication in this column.

(Special to The Financial Chronicle)
ATCHISON, KANS. — **Marcus W. Henry** has become associated with **Earl E. Shell Co., Inc.,** Professional Building. Mr. Henry was previously connected with Straus Securities Co. and Wise & Smoot, Inc.

(Special to The Financial Chronicle)
BOSTON, MASS.—**Leo J. Gagne** has been added to the staff of **Charles A. Day & Company,** Sears Building.

(Special to The Financial Chronicle)
BOSTON, MASS.—**Robert W. Moore, Jr.,** is now connected with **Equitable Management Corporation of Massachusetts,** 82 Devonshire Street.

(Special to The Financial Chronicle)
BOSTON, MASS.—**Robert A. Cushman** has become associated with **Georgeson & Company,** 24 Federal Street. Mr. Cushman was formerly with W. F. Rutter, Inc., Russell Dean & Co., and Brown Brothers Harriman & Co.

(Special to The Financial Chronicle)
BOSTON, MASS.—**H. Prescott Brigham** has joined the staff of **Sears Corporation,** 68 Devonshire Street.

(Special to The Financial Chronicle)
BRIDGEPORT, CONN.—**Ira M. Grishaver,** formerly local manager for E. R. Davenport & Co., is now connected with **John M. Meyers,** whose main office is located at 165 Broadway, New York City.

(Special to The Financial Chronicle)
CHICAGO, ILL.—**Earl C. Petersen,** formerly with Alfred O'Gara & Co., Thomson & McKinnon, and Fuller, Rodney & Redmond, has ecome associated with **Rawson Lizars & Co.,** 135 South La Salle Street.

(Special to The Financial Chronicle)
CHICAGO, ILL.—**Dixon Jordan** is now affiliated with **Thomson & McKinnon,** Board of Trade Building. Mr. Jordan was previously with Lamson Bros & Co.

(Special to The Financial Chronicle)
CHICAGO, ILL.—**Francis Cayzer Hall** and **Charles B. Hinternhoff** have become associated with **Harris, Upham & Co.,** 135 South La Salle Street. Mr. Hall was previously with Lee Higginson Corporation; Mr. Hinternhoff was formerly with Jackson & Curtis and prior thereto with Fitch Investors Service.

(Special to The Financial Chronicle)
FOND du LAC, WIS.—**Leo J. Bucker** is now connected with **Carl M. Hennig,** whose main office is in the First National Bank Building, Oshkosh, Wis. Mr. Bucker was previously with C. M. Murray Co. and prior thereto with the Commercial Company of Fond du Lac.

(Special to The Financial Chronicle)
HARTFORD, CONN. — **Alan Francis Pike** has joined the staff of **Putnam & Co.,** 6 Central Row. Mr. Pike was previously connected with Standard & Poor's Corporation and Poor's Publishing Corporation.

(Special to The Financial Chronicle)
HARTFORD, CONN. — **Arthur Frederick Newton,** for the past ten years with Paine, Webber & Co., has become associated with **Tifft Brothers,** 125 Pearl Street.

(Special to The Financial Chronicle)
JACKSONVILLE, FLA. — **J. Page Atkins** has been added to the staff of **Guaranty Underwriters, Inc.,** 310 West Adams Street.

(Special to The Financial Chronicle)
LOS ANGELES, CALIF.—**Walter R. Usher** is now with **Samuel B. Franklin & Co.,** 215 West Seventh Street.

(Special to The Financial Chronicle)
LOS ANGELES, CALIF.—**Ruth McHugh** has joined the staff of **Pacific Company of California,** 623 South Hope Street.

(Special to The Financial Chronicle)
MIAMI, FLA.—**George Beckham Tinder** has become associated with **Guaranty Underwriters, Inc.,** 138 Shoreland Arcade. In the past Mr. Tinder was Miami Beach Manager for H. Hentz & Co.

(Special to The Financial Chronicle)
MINNEAPOLIS, MINN.—**Paul E. Casserly,** for a number of years with Paine, Webber & Co., is now affiliated with **Merrill Lynch, Pierce, Fenner & Beane,** 704 Marquette Avenue.

NEW YORK CITY — **Walter Hochstadter** has become associated with **L. F. Rothschild & Co.,** 120 Broadway. Mr. Hochstadter was recently connected with Harris, Upham & Co., and prior thereto was a partner in W. J. Wollman & Co. and Auerbach, Pollak & Richardson.

(Special to The Financial Chronicle)
PORTLAND, MAINE—**Walter E. Ayers, Jr.,** has become connected with **R. H. Johnson & Co.,** 31 State Street, Boston, Mass. Mr. Ayers was previously with Timberlake & Co., and prior thereto with Bowers & Co. and Jordan, Lavin & Co.

(Special to The Financial Chronicle)
SAN JOSE, CALIF.—**Frank P. Verdier** has been added to the staff of **Franklin Wulff & Co., Inc.,** Bank of America Building.

(Special to The Financial Chronicle)
SEATTLE, WASH. — **Florence Donlon** has joined the staff of **Lester L. Fenton,** Securities Building.

(Special to The Financial Chronicle)
ST. LOUIS, MO. — **Andreas Joseph Andersen** has been added to the staff of **Slayton & Co., Inc.,** Boatmen's Bank Building.

SEC Applications For Broker Dealer Registry

The following applications for registration as brokers and dealers have been made with the Securities and Exchange Commission on the dates indicated:

Sept. 17, 1941—Edward F. Swenson, Bassett Building, Palm Beach, Fla., a sole proprietorship.

Sept. 18, 1941—E. A. Straw, Inc., 875 Elm Street, Manchester, N. H., Virginia S. Straw, Earl C. Dudley, Jr., and John R. McLane, officers, continuing the business of E. A. Straw, deceased.

Sept. 20, 1941—Coons, Milton & Co., 232 Montgomery Street, San Francisco, Calif., Robert B. Coons withdrawn as a general partner, admitted as a limited partner, other members of the firm remaining the same.

Retailing Opportuninty

An attractive retailing opportunity is offered by Long Beach Gas 5s of 1956, according to a circular just issued by A. O. Van Suetendael, 15 North Broadway, Yonkers, N. Y., from whom copies may be obtained upon request.

N. Y. Stock Exchange Weekly Firm Changes

The New York Stock Exchange has announced the following weekly firm changes:

The estate of Howard Crosby Foster became a special partner in Foster & Adams, New York City.

Interest of Ben E. Sincere, deceased, in Sincere & Co., Chicago, Ill., ceased as of Oct. 5, 1941.

Edward B. Condon retired from partnership in Hilbert, Condon & Bassett, New York City as of Oct. 2nd; the firm has been dissolved, effective today.

Bank Stock Interesting

The current situation in stock of Public National Bank & Trust Company is most attractive at the present time, according to a brief comparative analysis just issued by Hoit, Rose & Troster, 74 Trinity Place, New York City. Present earnings are running well above 1940 levels and a substantial benefit should be derived from any improvement in money rates, the analysis states. Copies of the release may be obtained from Hoit, Rose & Troster on request.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Oct. 20 a summary for the week ended Oct. 11, 1941, of complete figures showing the volume of stock transactions for the odd-lot account of all odd-lot dealers and specialists who handle odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures, which are based upon reports filed with the Commission by the odd-lot dealers and specialists, are given below:

STOCK TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON THE NEW YORK STOCK EXCHANGE

Week Ended Oct. 4, 1941—	Total for Week
Odd-lot Sales by Dealers:	
(Customers' Purchases)	
Number of Orders	14,156
Number of Shares	359,348
Dollar Value	13,721,933
Odd-Lot Purchasers by Dealers—	
(Customers' Sales)	
Number of Orders:	
Customers' Short sales	248
Customers' other sales *a*	16,132
Customers' total sales	16,380
Number of Shares:	
Customers' short sales	6,457
Customers' other sales *a*	381,435
Customers' total sales	387,892
Dollar Value	12,458,675
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	210
Other sales *b*	112,210
Total sales	112,420
Round-Lot Purchasers by Dealers—	
Number of Shares	86,290

a Sales marked "short exempt" are reported with "other sales". *b* Sales to offset customers' odd-lot orders, and sales to liquidate a long position which is less than a round lot.

Chromium Looks Good

Chromium is today the world's master metal, and the effect of present demand on the stock of Basin Montana Tunnel Company, owners of substantial interest in a large producing Quebec chromium mine, offers interesting possibilities, according to a circular being distributed by Charles Hughes & Co., Inc., 32 Broadway, New York City. Copies may be had upon request from Charles Hughes & Co.—ask for Circular D.

Taylor, Bates Admit Two

James F. Donegan and David G. Reuter will be admitted to partnership in Taylor, Bates & Co., 48 Wall Street, New York City, members of the New York Stock and Curb Exchanges, as of November 1st.

RAILROAD SECURITIES

There have been reports recently that an attempt will be made to revive the Chandler Act which had a one-year tryout in 1939 and was the vehicle by which Lehigh Valley and Baltimore & Ohio escaped judicial reorganization in the lean years preceding the armament boom. The Act was designed to facilitate voluntary plans of readjustment of bond interest or principal maturities. It eliminated the problem of holdouts which have been the bete noire of all other voluntary proposals. Under the Chandler Act, a plan of readjustment, that had been approved by the I. C. C. and the court, was binding on all security holders if assented to by holders of at least three-quarters of the total claims affected, including at least 60% of the claims of each individual class affected.

Under this Act, Baltimore & Ohio was able to put a large part of junior interest on a contingent basis for eight years and to extend impending principal maturities. Lehigh Valley actually postponed a portion of junior interest due from 1938 to 1939 for a fixed period of five years and also extended near term maturities. The experience of these two roads under the Chandler Act was far happier than that of "Nickel Plate" in its periodic extensions of the 6% notes. There is always naturally a feeling of resentment on the part of those who have gone along with the management when they find non-assenters having their original contracts fulfilled.

There has been little quarrel with the aims of the Chandler Act insofar as it applies to principal maturity extensions. There is no reason why a road otherwise soundly capitalized and well able to support its debt should be forced into a full reorganization, with a consequent loss to all concerned, just because on a specific date the company does not have cash to meet a principal maturity in full or market conditions are temporarily such that public refunding operations are not feasible. If there is no chance that non-assenters are going to get their full face value in cash it is much easier to get holders to accept the terms. Likelihood of recurrence of the difficulty can then be minimized by a provision in the plan calling for the segregation of a substantial part of any future earnings for use in debt retirement.

With respect to the real efficacy of proposals for interest adjustment there is less general agreement. There is a feeling in many quarters that inability to meet interest charges should be accepted as prima facie evidence of a fundamentally top-heavy debt structure which can be corrected only through a thorough capital revision. Temporary suspension of payments or placing a portion of the charge on a contingent basis does not get to the root of the matter, merely postponing the evil day of accounting. Such argument does not contend that just because a road is unable to earn its interest charges one year or two years in a depression period it is too heavily bonded. It does contend, however, that a road not basically overburdened should have had sufficient excess earning power in the normal or good years to lay aside a surplus to carry it over the lean periods.

A property just able to scrape through by a small margin in the normal years is a constant threat which should be eliminated through court processes. The quick failure of the Chicago Great Western interest postponement plan of 1934, and subsequent real reorganization is cited as a case in point.

Revival of the Chandler Act at this time would apparently have limited application unless put on a permanent basis or unless we run into an unexpected business recession over the near term. It might help the Colorado & Southern in effecting its plan for placing part of its interest on a contingent basis. Required assents could thus be reduced from the 85% called for under the pending proposal. It might also bring some action (expected periodically for a long time) from "Katy" which has covered its charges in only one year of the past eight or "Lackawanna" which has operated profitably only once in the last nine years. The most obvious beneficiary, however, would be Delaware & Hudson in connection with its $49,000,000 maturity (virtually its entire debt) early in 1943. There is no possibility of meeting this maturity in cash, and for some time it has been reported that the management has been working on a plan for at least partial extension, without benefit of any Chandler Act.

Bernard, Winkler Admits

Menko Rose, Jr. will be admitted to partnership in Bernard, Winkler & Co., 11 Wall Street, New York City, members of the New York Stock Exchange, as of November 1st.

Rutherford With Hutton

(Special to The Financial Chronicle)

LANSING, MICH. — Scott V. Rutherford, formerly manager of the Bond Department of the Central Trust Company, has become associated with W. E. Hutton & Co., 121 West Michigan Avenue.

Defaulted RR Bond Index

The defaulted railroad bond index of Pflugfelder, Bampton & Rust, 61 Broadway, New York City, shows the following range for Jan. 1, 1939, to date: High—34 5/6, low—14¾, last 32¾.

Bank and Insurance Stocks

This Week—Bank Stocks

The prospect that excess reserves at New York may continue to decline substantially has stimulated discussion of the possibility of firmer short-term money rates.

Excess reserves of New York City member banks dropped to $1,695,000,000 Oct. 15, 1941, a decline of $1,725,000,000 (50%) compared to year ago and the lowest since December, 1938.

Factors in the offing should operate to cause further reductions: (1) The Nov. 1, 1941, increase in reserve requirements (which should take about $500,000,000); (2) Shift of funds to other centers and pull on bankers balances at New York; (3) Expansion in earning assets and deposits; (4) Seasonal increase in circulation. On the other hand, the factors chiefly responsible for the past growth in excess reserves—inflow of gold and foreign capital, and open market operations—are inoperative.

Considering these factors, it is possible that excess reserves at New York may dip below $1,000,000,000 by the year-end. While such a total is hardly conducive to a substantial rise in money rates, the trend is sufficiently sharp downward to suggest the possibility of fractionally better short-term rates.

This would not mean an important rise in the whole rate structure that would upset bond prices and invoke Treasury money market powers to keep rates low. However, a fractional rise in short-term rates may not be objectionable to Washington, but it would be important enough to the large New York City banks which keep heavy positions in short-term earnings assets.

The following table indicates the effect on earnings of an assumed ¼ of 1% rise in average rate of return on present volume of earning assets of leading New York City banks:

	Per Share Earning Assets	Available Funds	Indicated Profits 12 Mos. to 9/30/41	¼ of 1% Rise on Eg. Assets
Bankers Trust	$397	$573	$3.15	$0.99
Bank of New York	3,259	5,021	20.26	8.15
Bank of Manhattan	253	397	1.18	0.63
Brooklyn Trust	1,170	1,884	4.99	2.92
Central Hanover	837	1,315	6.28	2.09
Chase National	333	517	1.93	0.83
Chemical	329	516	2.28	0.82
Commercial National	1,522	2,466	12.60	3.80
Corn Exchange	353	587	1.79	0.88
Empire Trust	855	1,291	4.41	2.14
First National	7,074	9,973	103.50	17.69
Guaranty Trust	1,962	2,978	14.87	4.90
Irving Trust	108	178	0.71	0.27
Manufacturers Trust	426	647	(a)3.92	1.06
*National City	355	510	(b)1.74	0.89
New York Trust	656	1,139	5.17	1.64
Public National	352	493	3.36	0.88

*Including City Bank Farmers Trust Co. (a) Operating earnings. (b) Excluding recoveries.

Most if not all of the above assumed increase in gross earnings should be reflected in net income, because such rise in yield should not by itself involve increased expenses and would assist in readily absorbing rise in uncontrollable costs such as taxes. It will be noted that the ¼ of 1% rise in return would mean increases of 17% to 59% over current indicated net income, the variation depending on actual present net return on earning assets. This ranges from 0.43% to 1.46%.

Current net on earning assets depends to a great extent, in turn, on the invested position—the volume of earning assets to total available funds (capital funds plus deposits). For example, the bank earning 1.46% on earning assets keeps a 71% invested position. The "leverage" ratio—earning assets to capital funds—also affects the extent to which the ¼ of 1% assumed rise is magnified on capital funds. Maturity distribution also affects the earnings rate, the above bank keeping higher than average maturities on Government securities, its chief earning asset.

It is apparent, therefore, that even a fractional rise in average rate of return should have an important effect on bank earnings. Effect would vary widely as among individual banks, depending on differences in volume and maturities policies, and leverage. However, the data justify the conclusion that it would not require a major upheaval in money rates for bank earnings to show important improvement.

Exonerated

C. W. McNear and Robt. L. Creek, partners of C. W. McNear & Company, Investment Bankers of Chicago, were exonerated today from all of the alleged conspiracy charges in connection with the purchase in December, 1939, of the Chester Water Service Company by the Chester, Pennsylvania, Municipal Authority, when the entire matter was dismissed today by the District Attorney of Delaware County with the approval of the Court. Their firm purchased approximately $6,000,000 water revenue bonds issued to finance the acquisition of the water system by the Authority.

According to Thos. D. McBride, Philadelphia attorney, their actions throughout the transaction, all of which were done with advice of counsel, conclusively showed their entire good faith and that there was no intent at any time to do anything improper.

The eleven other men concerned, including former State Senator McClure, City and Water Company officials and a group of local lawyers and businessmen, heretofore in three different trials have been found not guilty of any wrongdoing in connection with this Water Company purchase. The Court today approved the entering of a nolle prosse against any and all remaining counts or charges.

JOTTINGS

(Continued from First Page)

sponsibility for the negligence. The RRC, it seems, simply didn't know the dangerous conditions.

While the OPM is preparing to send out thousands of inspectors to check up on private business' use of scarce metals, including copper, the REA is going merrily ahead with work on 500 miles of transmission lines and the required sub-stations to carry power from the Possum Kingdom Dam in South Texas which the Texas Electric Service Company nearly a year ago offered to handle over its existing lines.

A great many different things seem to have combined to explain the recent strength in Cuban shares. Cuba's gross income from sugar is likely to run $175,000,000 this year against $110,000,000 in 1940 and an average of $135,000,000 a year from 1935 to 1940. This is nothing compared with the 1920's, but on the other hand it is much more reliable, being more or less assured by the control system both in this country (Sugar Act) and in Cuba. So whenever the war is over there's likely to be neither a price blow-off nor subsequent depression. Moreover, there's little such worry over land-laws as the Puerto Rican companies experience; American sugar firms in Cuba are typically processors, not growers. And in the last decade they've reconstructed their plants and in some cases their capital structures. Lease-lend this Spring re-enabled Britain to buy Cuban (instead of Empire) sugar, and the American navy in the Atlantic, plus the reduced rate of sinkings, assures continuance of this buying (Britain this month raised its sugar ration 50%) while Far Eastern tension shuts Philippine and Javan sugar further out of the picture. Cuba can expand production more easily than domestic American beet-growers, and is now inside the American defense system.

Three wild Washington statements in a single week. Mr. Henderson told the Economics Club of Detroit that "for 3,000 corporations profits after taxes will be up 60% this year compared with 1940." SEC Commissioner Burke opined that investors' lack of interest in common stocks is because investment bankers prefer to "bet on sure things." And Commissioner of Labor Statistics Lubin told the House Banking Committee that (1) wage increases have not been the cause of the rise in prices, that (2) increases in prices have generally outrun rises in prices, that (3) strikes have not had a seriously retarding effect on defense production, and that (4) the strike situation is "definitely improving."

Washington people are so droll!

If you want a real hobby, try learning to identify the different military planes being built in this country. You will be surprised how many times what you can learn will prove of interest and even of value. After you have learned the major bombers most frequently in the news, like Boeing's B-17, Douglas' monster experimental B-19, North American's B-24 (all 4-engine jobs) and the B-26 (Martin's 2-engine sensation) you can tackle the pursuit and interceptor ships—Lockheed's odd-looking P-38 interceptor, Bell's sensational P-39 Airocobra, Curtiss' P-40 and its antecedents P-36 and later models, you can branch out into such less frequently seen models as the Brewster Buffalo, Republic's Thunderbolt (P-48), the Douglas A-20-A, seen over New York recently, Ryan's curious-looking YO-51 and other specialties. More fun! Remember when you were proud you could identify the different automobile makes? All the above and many more can be easily identified, if you know how.

It's hard to realize how fast the defense program is drawing Washington control round American industry—particularly hard if you're in Wall Street, because the Street, being already a group of captive crafts, is pretty much inside the storm-center and so comparatively calm. Under the Ship Warrant Act you can't move a ship from an American port without Washington O. K. Importers and exporters are under fast-tightening control. Says Barron's, "the whole metal-using industry is to be strained through OPM's priority division." The farm equipment people are to be used as guinea-pig for the new and tighter allocation system replacing priorities. Through RFC subsidiaries plus crack-down on excess private inventories, Washington is getting ownership of all major commodities. Banking loans are to be divided into categories and separately regulated. Civilian use of copper is on the way out. Even power-loving New Dealers seem alarmed at the administrative problems of the new controls; Henderson's chief argument against the Baruch price-control plan is the difficulty of administering it.

Russia is by no means through even if Moscow is taken. Since 1918 and particularly since 1928 the Russians have been feverishly moving their industry eastward. Much can be done in ten years, particularly under the first and third five-year programs, with their heartless diversion of every ounce of capacity from the creaking Russian industrial machine into armament.

For the quickest way to think of Russian geography, imagine it as the United States in reverse.

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The Securities Salesman's Corner

It is our desire to develop this column into a clearing house for ideas. If we could pass along some things that the other fellow is doing which is helping to meet present-day conditions it no doubt would be of some interest to all concerned. In this connection, we would sincerely appreciate your comments or criticisms and any suggestions you might wish to send along.

DISCARD DEADWOOD

One Good Prospect Is Worth Ten Time Wasters

When Larry McPhail came to Brooklyn a few years ago the Flatbush faithful didn't have much of a ball team. Within three years he produced a pennant winner. Or haven't you heard? This may not have much to do with selling seurities but the lesson lies IN HOW HE DID IT.

The first thing McPhail did was that he got rid of dead wood. He knew how to discard. He even fired the manager. Now he could have struggled along for many more years with the same poor gate and the same old cry of "let's wait till next year" if he had tried to build a pennant winner out of the material he had on hand. He didn't do this—he got new players. He bought them, he traded for them, he brought them up from the minor leagues, the American League, and some were even castoffs—put together they became the champs.

Salesmen who have been covering the same old rounds of the same old prospects with the same old "second division" results should replace such prospects and clients—with new talent. One of the easiest things for anyone to do is to get into a rut. Salesmen are no exception—yet too many calls on the same old track, without any appreciable increase in business, is a sure way to keep one's earnings on a "wait till next year basis."

In order to facilitate this weeding out process, providing this gentle urge may be the motivating force, here are a few suggested questions one might ask himself when going through a well worn, dog eared, prospect list.

1. After all the calls I've made does prospect still appear to be aloof, rather reserved, or grudgingly polite? You'll know, we all have these cases. If so, toss him out—life's too short, and there are too many more prospective clients that are easier to cultivate and eventually do business with. Use judgment here, though, sometimes these fellows are the best customers once you know them.

2. Is customer one of these very nice fellows who bought ten shares of listed stocks a year ago, who gives very little evidence of more business or radiation, yet is such a pleasant fellow that whenever salesman is in the neighborhood he has to stop in, if even for a social call. Too many of these cut down on the income, even if they are pleasant companions for killing time.

3. Is customer or prospect the kind who wants ten dollars worth of information, statistical service, reports, etc., but only can supply about one dollar of business in return. These are hard to let go, but if you want to increase your business—better do it!

4. Is prospect tied up with another house so tightly that only a miracle will pry him loose? Forget the glory of finally making a sale to him. You may make an occasional sale to this type, but the odds are against it—go after bigger game, this one is already bagged—but by another house.

5. Is this prospect inaccessible, the hard to see fellow necessitating call backs too numerous to make it worth while, or is he the kind who keeps you waiting for a long while before you can have a short interview—let him go. Don't bother with time wasters—there are too many other investors you can call on that won't kill half your day before you see them.

6. The fellow who once bought a security from you and because it is now down in price never fails to remind you of it and who shows by his attitude that he cannot be revived into a regular client. Let him go too—he's had enough and every time he sees you he's reminded of something unpleasant. Sad but true—he's harder to move now than someone who never saw you before.

Other cases such as this can be added to this list. After the weeding out process go after new accounts. Better two or three substantial accounts that are new and profitable during the next few months plus keeping what other profitable accounts still remain on any salesman's list—than all these other idle calls that lead nowhere.

Several years ago a certain salesman traveled about one hundred miles to call on a prospect who answered a newspaper advertisement run by his firm. The prospect happened to be a three and a half million dollar account. He developed it. He sold this client the right securities. Slowly he developed the account until today he is one of the executors, has complete direction of the entire fund—and as you may have already guessed—he's no longer a salesman; he's got the headaches of being in business for himself.

He wouldn't have made this call though if he had been wasting his time on a box full of worn out prospect cards that for too long had been leading him exactly—nowhere. Toss out the lemons—get some new names—see some new faces—but keep the good ones even if there are only a handful of them. Better six good customers than sixty time wasters.

Our Reporter On "Governments"

(Continued from First Page)

current levels for some time. . . . This market is not going to run away on the upside with so many uncertain factors bearing down upon it. . . .

Cash Financing

In the last week, Secretary Morgenthau has made several significant announcements—announcements of prime importance to every investor in Government bonds, to every present and future holder of United States obligations. . . .

Among the most significant was his statement to his press conference that "we will most likely have to go into the market at least every other month." . . .

That is a tremendous task for any Treasury Department—especially for a Treasury Department at a time of worldwide chaos. . . . What it means is that:

(1) All banks, insurance companies, individual investors will have opportunity after opportunity to buy intermediate - maturity and long-term Government bonds at 100—or at prices below the then market level. . . .

(2) Official support of the market is to be a vital part of the Treasury financing program, for without some "power" behind the market, a constant borrowing program would be an impossibility. . . .

(3) Any sharp break in Government bond prices—or any prolonged decline—is considered unlikely as long as a task of such magnitude faces the Treasury Secretary. . . .

(4) Similarly, any great change in interest rate levels is to be deemed out of the realm of probability. . . .

The chances are the next major Government borrowing will take place in December, when Morgenthau may refund the $426,000,000 1¾% tax-exempt notes, due March 15, 1942. . . .

It's possible that financing may get up to the $1,500,000,000 mark too. . . .

The End of the Guaranteeds

In his announcement concerning the "every other month" cash borrowing, Morgenthau proposed that the Treasury become the exclusive borrower in the Government market—and that it take over the financing operations of all the Federal lending agencies. . . .

That statement, an astonishing one to most observers, forecasts the end of Government-guaranteed obligations in the United States. . . . It foretells the end of such securities as RFC notes, Commodity Credit Corporation notes, U. S. Housing Authority obligations. . . .

It marks a reversal in a financial policy of the Treasury that has been dominant for years—a policy under which Morgenthau attempted to make the agencies self-sufficient as far as financing was concerned. . . . Now his program aims at just the opposite goal, for his new idea will mean that the agencies will lose their identities in the Government market. . . .

This is important news. . . . The "rights" on Government-guaranteed issues are apparently worth exactly nothing at this time and from now on. . . . The premiums on near-maturity agency obligations are not justifiable under any circumstances. . . . The issues may be held just as a substitute for cash—and for no other reason at all. . . .

It's a good plan, by the way. . . . Virtually all authorities on Government bonds agree to that. . . . There has been no sense to Government-guaranteed securities for a long time, for they have been simply substitutes for direct obligations of the Treasury. . . . There has been no distinction between the types of issues. . . . And they have confused the financing picture. . . .

No definite details on Morgenthau's plans are available at this writing, but it is likely that the Treasury will continue issuing $150,000,000 of bills every week instead of $100,000,000 — the amount it has been selling in re-

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Investment Trusts

Investment Company Reports

Broad Street Investing Corporation

Broad Street Investing Corporation reports net assets of $5,598,503 on Sept. 30, 1941 which compares with $5,482,793 on June 30, 1941. The asset value of the company's capital stock was $21.01 on Sept. 30. On June 30, the asset value was $20.11, while on Dec. 31, 1940 the asset value was $21.05.

A distribution of 25 cents a share, which was more than covered by net dividend earnings for the quarter, was paid on Oct. 1. The declarations from net income to date this year aggregate 75 cents a share which compares with 67 cents a share for the first nine months of 1940.

Cash dividends and taxable security dividends received during the quarter totaled $250,562. Expenses amounted to $38,009. Net income was $212,553.

Substantial decreases were made in several portfolio holdings during the quarter. Important among these were the sale of 700 shares of Deere & Co., 1,200 shares of General Motors Corp., 1,200 shares of Homestake Mining Co., 2,400 shares of International Nickel Co. of Canada, 800 shares of Louisville & Nashville RR. Co., 800 shares of Montgomery Ward & Co., Inc. The only addition to the portfolio was 1,500 shares of P. Lorillard Co.

* * *

Chemical Fund, Inc.

Net assets of Chemical Fund, Inc., taking securities at market value, increased from $8,051,113 to $8,397,055 during the quarter ended Sept. 30, and asset value and liquidating value per share from $9.00 to $9.44. This increase in asset and liquidating value, according to the quarterly report being sent to stockholders, represents a continuation of a similar improvement shown in the preceding quarter. As of Sept. 30 there were 888,894 shares outstanding.

"The dividends declared and earnings reported by portfolio companies for the first half of 1941 give renewed evidence of the ability of the chemical industry to adapt itself to present conditions," says the report. "In the face of defense priorities, labor conditions, price controls and high taxes, the chemical industry has continued its growth."

Income from cash dividends for the six months ended Sept. 30, the first half of the company's fiscal year, totaled $170,730 compared with $154,568 for the corresponding period last year. After all expenses but before loss of $12,705 on sales of portfolio securities, net profits for the six months amounted to $143,403 compared with $132,514 for the like period of 1940.

* * *

Eaton & Howard Balanced Fund

Eaton & Howard Balanced Fund net asset value per share on Sept. 30, 1941 was $17.56, compared with $17.44 on June 30, 1941, and $17.07 on Sept. 30, 1940. The following schedule, taken from the report, shows the total net worth of the Fund, number of shares outstanding, and the net worth per share on Sept. 30, 1941, compared with June 30, 1941 and Sept. 30, 1940.

	Sept. 30, 1940	June 30, 1941	Sept. 30, 1941
Total Net Worth	$3,010,207	$3,488,628	$3,651,652
No. of Shs. Outstg.	176,290	199,936	207,854
Net Worth per Sh.	$17.07	$17.44	$17.56

Due to the increase in the number of shares outstanding, it is expected that the Fund soon will register 500,000 additional shares with the Securities and Exchange Commission. In connection with this registration a new prospectus will be prepared early in November.

The September dividend of 20 cents per share was the 38th con-

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Municipal News & Notes

Defense dollars are revitalizing the agricultural South's slow movement toward industrialization. The billions that have been spent are having far-reaching effects now, but thoughtful leaders are looking to and planning for the future—planning in the hope that today's economic blessing may not become tomorrow's curse.

In Virginia, for example, where defense contracts approximate one billion dollars, a movement is under way to convert this vast new and unexpected industrial giant into peace-time usage. Louisiana, through its State Department of Public Works, is compiling a master plan for peace-time development after the emergency.

North Carolina towns and cities have been asked to state their economic needs and industrial capacities for use when defense spending ends, and in Arkansas, a State planning board is devising ways of utilizing for years to come the more than $200,000,000 worth of war-like plants already authorized.

Thus far the many millions have poured in so quickly and so unexpectedly that the situation in the South as a whole is confused. There is not a single Southern State, however, whose economic position has not been improved in some way by the defense effort, a survey by The Associated Press shows.

Many small communities, for generations attuned to the leisurely tempo of traditional agricultural activities, suddenly have found themselves the center of tremendous industrial activity, with an influx of thousands of skilled workers changing their entire outlook.

S. E. Bryant, Tennessee's commissioner of labor, says this of these swift changes:

"Thousands of new job opportunities are being made available to workers, defense training schools in every section are offering courses to train prospective workers for employment in these new industries. Business indexes of all types have shown consistent increase since the inception of defense expenditures."

Commissioner Bryant also said that a new, large class of workers, skilled in aircraft, powder, machine shop, shell loading production, is being created and thousands of them are men who previously were classed as farmers.

Cities Face Employe, Materials Problems

Cities face three chief problems as a result of the national defense program, a survey by the International City Managers' Association showed Monday. The problems involve obtaining priorities on materials needed for municipal services, holding employees offered higher salaries by defense industries, and meeting employee demands for increased wages to match the rising cost of living.

The survey included reports from 27 cities of varying size and character in 21 States. Affected most drastically were municipalities in defense areas, where increased demands for municipal services have resulted in rapid expansion of such services as recreation facilities, garbage collection, and police protection. A shortage of housing in a few cities points to increases in rents and, perhaps, to municipal control of rents, according to the survey.

Several officials said cities should be given financial aid by the Federal Government, and many expressed concern over what will happen after the defense emergency is past in regard to employment conditions, expanded facilities and municipal debt.

Municipalities Seen Exempt From New Sales Taxes

Local governmental subdivisions will be exempt from payments of the new or increased Federal sales taxes on many items used in municipal operation, according to a bulletin issued recently by the Municipal Finance Officers Association of the United States and Canada. It is necessary, however, for the taxing bodies to make application for the desired exemption, the association indicated.

Practically the only item in the new 1941 Revenue Act affecting local governments is the Federal admissions tax, the bulletin states, which the city must collect whenever admission is charged to any auditorium, school entertainment, recreational facility or other place operated by the municipality. A bill to exempt admissions to publicly owned recreation facilities from the tax is pending in Congress.

Among the items mentioned as exempt by the association are phone calls, automobiles, firearms, and "several dozen" others.

City and village finance officers were advised by the association to scrutinize all invoices closely during the next few months to make sure that they receive the full benefit of tax exemptions. As a general rule, the association says, the municipalities should not pay the taxes, but should file a certificate of exemption with the merchant or dealer from whom they make a purchase. They also should require that invoices show the gross price, the amount of the tax, and the net price to the municipality. The exemption certificate is routed back to the person or concern which paid the tax—usually the manufacturer—and with the certificate he is able to obtain a refund.

Country's Total Tax Collections Last Year Over 12 Billion

Combined tax collections for all governments in the United States last year exceeded $12,000,000,000, of which Federal imposts accounted for 38% of the levies by the 48 States, and three Territories 25%, and local political subdivisions, such as cities, counties and school districts, 37%.

These figures are from a study just made public by the Tax Institute of the University of Pennsylvania.

For 1911, the report says, total tax collections of those units amounted to only $2,600,000,000, or about one-sixth of last year's bill. Greater significance, however, is attached by the institute to the changing proportions of the various governments over the 30-year term than to the size of the increase.

This shifting of shares is shown in the following table by five-year periods:

Year	Total Tax Collections	Fed. Sh. %	States' Sh. %	Local Sh. %
1911	$2,696,996,000	24	11	65
1915	2,937,463,000	21	13	66
1920	8,786,573,000	65	7	28
1925	7,983,442,000	39	14	47
1930	10,232,238,000	36	17	47
1935	10,468,043,000	35	20	45
1940	12,872,690,000	38	25	37

"Increasing centralization can be seen in the 30-year trend," says Dr. Mabel L. Walker, director of the institute, in the report. "As judged by tax collections, the process of centralization would appear to have been proceeding apace during the three decades. The most headway in this direction has been made by State in relation to local revenues. This is not surprising in view of the increasing tendency to share State-collected taxes with local units, and to grant subventions from the State treasury for local functions."

N. Y. State Legal List Policy Stated

The New York State Banking Board will not add to the State's list of legal investments for savings banks and trust funds any new issues of securities marketed in a manner to favor a few large institutions, William R. White, State Superintendent of Banks, told the forty-eighth annual convention of the Savings Banks Association of the State of New York in White Sulphur Springs on Tuesday. The speaker made it clear that in the future only issues with reasonably wide distribution would be added to the legal list.

"The last issue made legal for savings banks' investment in this State by the Banking Board was American Telephone & Telegraph debentures due 1976," he said. "In this case the action of the board was futile because, as a result of the competitive bidding procedure pursuant to which these securities were marketed, the entire issue was bought by three life insurance companies. The board has decided that to add such issues to the list results in no advantage to savings bank depositors but, on the contrary, favors a marketing plan the advantage of which rests almost entirely with a few gigantic institutions."

N. Y. State Voters To Pass On Grade Crossing Diversion

Voters of New York State will be called on at the general election on Nov. 4 next to vote "yes" or "no" on the transfer of a portion of railroad grade crossing moneys to highway and parkway construction.

The sponsors of this amendment believe that the voters of the State would not approve an expansion of the present debt incurring power of the Legislature. They have therefore studied the present debt limit of $300,000,000 for the elimination of railroad grade crossings and have found that $60,000,000 can be deducted from the balance of authorized grade crossing funds without seriously interfering with this program.

By transferring $60,000,000 of grade crossing balances, $30,000,000 can be made available for urgently needed highway improvements, and $30,000,000 for parkway improvements supplementing the highway program, and providing equally needed new motor arteries.

The Legislature has passed, and the Governor has signed an act providing definitely for the use of the $60,000,000 proposed to be transferred to highway and parkway construction. This act becomes effective on Jan. 1, 1942, if voters approve the grade crossing amendment.

O'Leary Named To Comptroller's Post

The State committees of the Democratic and American Labor parties, meeting separately on Saturday, nominated Joseph V. O'Leary of Manhattan, State Commissioner of Standards and Purchase, and a member of the American Labor party, as their candidate for State Comptroller, to succeed the late Morris S. Tremaine. Governor Lehman had appointed Mr. O'Leary last Friday as Comptroller to fill the vacancy until Dec. 31, and the nominations followed.

Republicans Nominate Moore

Frank C. Moore of Erie County, head of the influential Association of Towns, was nominated on Monday by the Republican party to oppose Mr. O'Leary for the Comptroller's office. This action is of particular interest to the municipal fraternity since Mr. Moore is a member of the well-known New York law firm of Dillon, Vandewater & Moore.

The assemblage of the Republican State Committee revealed considerable sentiment among individual members for the nomination of Abbot Low Moffat, Chairman of the Assembly Ways and Means Committee, but Mr. Moffat had already withdrawn after the decision of the party leaders that the nomination should go up-State.

Instead, Mr. Moffat made the principal seconding speech for Mr. Moore, who is a personal friend, praising his integrity, courage and knowledge of State finance. He recalled Mr. Moore's services in connection with finance during the 1938 constitutional Convention.

N. Y. City Sales Tax Cuts Signed

Mayor LaGuardia on Monday signed New York City local laws reducing the sales and compensating use taxes from varying rates of 3% and 2% to a flat impost of 1%, effective next Monday. The City Finance Department is trying to decide whether to apply the same scale of taxes as existed in the original bill adopted in 1934 or whether to change it. Under the old law purchases up to 12c. carried no tax; those between 13c. and 63c. were taxed 1c. and those of larger amounts up to $1 were taxed 2c., with the 2% rate applying to purchases over $1.

Pittsburgh Obligations Described

S. K. Cunningham & Co., Inc., Commonwealth Building, Pittsburgh, Pa., have prepared a highly informative brochure on the bond and note issues of their native city. A complete tabulation has been drawn up, listing, as of Oct. 15, 1941, the title of issue, interest rate, date and amount of issue, legal opinions, &c., on all currently outstanding securities. Parties interested in obligations of Pittsburgh may obtain a copy of this valuable booklet upon application to the above firm.

Discussion Rages Over "Hetch-Hetchy" Bond Proposal

Sharply criticizing what he termed a "campaign" against approval at the Nov. 4 election by voters of San Francisco of the proposed $66,500,000 bond issue for purchase of the local electric distribution facilities, Harold L. Ickes, Secretary of the Interior, intimated in Washington that he might go to the coast city to participate in the movement for authorization of the financing.

Scheduled to address a convention of the American Petroleum Institute in San Francisco on Nov. 5, Mr. Ickes asserted that he is considering going there earlier to assist in the debate in favor of the bond approval.

On Aug. 18 the San Francisco Board of Supervisors voted to place on the ballot at the coming election the proposal for a bond issue for the purpose of acquisition by the city of the distribution system of Pacific Gas & Electric Co. under a plan recently approved by the Interior Department.

In addition to purchase of the utility facilities, the bond issue would cover construction of an additional hydro-electric plant at Red Mountain Bar, extension of the present power line from Newark into San Francisco, and purchase or construction of a steam standby plant.

Mr. Ickes asserted that he would not join in any further requests for a stay in proceedings to enjoin San Francisco from selling Hetch Hetchy power to Pacific Gas & Electric Co., which he accuses of backing the movement to defeat the bond issue.

Major Sales Scheduled

We list herewith the more important municipal offerings ($500,000 or over — short term issues excluded), which are to come up in the near future. The names of the successful bidder and the runner-up for the last previous issue sold are also appended.

Oct. 24th

$2,100,000 Natchez, Miss.
B. J. Van Ingen & Co., Inc. of New York, headed a banking syndicate which offered last October $2,058,000 bridge revenue bonds, dated Dec. 1, 1938.

Oct. 28th

$600,000 Portland, Ore.
On Sept. 2nd the city awarded bonds to Halsey, Stuart & Co., Inc. of Chicago, while the First National Bank of Portland was second.

$537,000 Sanford, N. C.
This city has not sold bonds recently, having its debt worked out under a refinancing plan. These bonds are being issued to take up 4½ and 5% bonds issued June 1, 1937.

Nov. 4th

$1,030,000 Terrebonne Par., La.
This parish has not made any recent sales of bonds.

Nov. 5th

$2,543,000 Martin Co. and St. Lucie Inlet Dist. and Port Auth., Fla.
This appears to be the initial piece of financing by this combined authority.

Nov. 12th

$500,000 Lafayette Par., La.
We do not find a record of any recent sales by this parish.

Oct. 29th

$10,230,000 Asbury Park, N. J.
These bonds are being issued as part of the refunding program for the above city. There have been no recent sales of bonds.

Investment Trusts

(Continued from page 711)

secutive quarterly dividend paid since the organization of the Fund. This dividend was at the same rate as those paid during the first two quarters of the year.

As compared with the Fund's portfolio on June 30, 1941, cash is slightly higher. Bonds now represent 26.5% of total net assets compared with 29.3% on June 30, 1941; preferred stocks, 27.6% compared with 24.2%; and common stocks, 36.6% compared with 38.4%.

* * *

Eaton & Howard Stock Fund

Eaton & Howard Stock Fund net asset value per share on Sept. 30, 1941, was $10.54, compared with $10.32 on June 30, 1941, and $10.62 on Sept. 30, 1940.

As of Sept. 30, 14.03% of net assets was held in cash, compared with 16.96% at the beginning of the quarter.

* * *

Fundamental Investors, Inc.

Net assets of Fundamental Investors, Inc., totaled $6,554,920 on Sept. 30, 1941, equivalent to $15.60 per share. This compares with a value of $15.06 per share at the close of the preceding quarter and $15.51 per share on Dec. 31, 1940.

In regard to managemnt policy Philip J. Roosevelt, President, stated in the letter to shareholders:

"Your management has thus far striven to maintain a concentration of investments in the securities of those companies which:

(a) have relatively high exemption basis for purposes of the excess profits tax;

(b) are currently applying all, or a substantial portion, of their facilities directly and indirectly in production of defense products, but which have a substantial peace-time business to which they return after the war.

Those few issues which do not fall within the above classifications are being retained because their current market prices appear adequately to discount the adverse conditions."

Cash dividends and taxable security dividends received during the quarter totaled $267,641. Net income, after payment of expenses of $41,918 including management fees, amounte dto $225,723.

* * *

Massachusetts Investors Trust

The net asset value of Massachusetts Investors Trust was $17.82 on Sept. 30, 1941, up 5.44% from the net asset value of $16.90 reported on June 30.

The Trust has made an October distribution of 21 cents over the 1940 distribution for the same quarter. In this connection the report states: "During the past thirteen years the situation with respect to the yield on bonds and common stocks has been reversed. On Jan. 1, 1929, for example, the yield on Moody's selected group of 120 AAA corporate bonds was close to 5% and the average yield on stocks was 2½ to 3%. As of Sept. 1, this year, the yield on the bonds was 2¾% and on stocks better than 5%.

* * *

The George Putnam Fund of Boston

Investors purchased more shares in The George Putnam Fund during the past three months than in any previous quarter since the Fund was organized, and purchases during the month of September exceeded those of any other month according to the report for the quarter ended Sept. 30, 1941.

Both the total resources of the Fund and the value of each share increased during the quarter, as shown in the following table:

	June 30, 1941	Sept. 30, 1941
Total Value of Fund	$4,264,000	$4,841,000
No. of Shs. Outstg.___	358,847	401,358
Value of Each Shr.__	$11.89	*$12.07

*After provision for October dividend of 15 cents per share.

Cash dividends and interest received during the quarter totaled $55,189.18. After expense of $9,503.62, net income remaining amounted to $45,685.56. Net gain from sales of investment amounted to $10,243.99.

* * *

Investment Company Briefs

George Mixter, Secretary-Treasurer and Director of U. S. Smelting, Refining & Mining Company, and Leeds Burchard, President of the Citizens Savings Bank, Fall River, Mass., have been appointed Trustees of Eaton & Howard Balanced Fund.

Mr. Mixter, former Vice President of Stone & Webster, Inc., was elected to his present position in U. S. Smelting, Refining & Mining Company in 1934. Mr. Burchard was previously associated with Estabrook & Company, Boston, and subsequntly with Eaton & Howard, Incorporated.

* * *

Since the founding of Aviation Group Shares on July 19, 1939 the various special classes of Shares of Institutional Securities, Ltd., have all outperformed the Dow Jones Composite Average according to a chart covering the period from July 19, 1939 to Sept. 31, 1941 which has just been published by Hare's, Ltd., the Fund's general distributor. Adjusted for all dividends paid, Aviation Group Shares shows a gain of 33.5%; Insurance Group Shares a gain of 11.9%; and Bank Group Shares a loss of 2.4%. The Dow Jones Composite Average, credited with dividends at the annual rate of 4%, shows a loss of 3.8%, and the Dow Jones Industrial Average shows a loss of 4%.

The directors of Institutional Securities, Ltd., have declared a semi-annual cash distribution of forty-two cents per share on Aviation Group Shares payable Nov. 15 to holders of record Oct. 31, 1941.

JOTTINGS

(Continued from page 710)

Russian industry is (was) largely in the West; the Volga corresponds to the Mississippi, the Ukraine to the South, the Crimea to Florida, and the Urals to the Rockies. Then imagine that the United States had been straining under an all-out defense program since 1928, a major purpose of which was to move its armament industry westward toward the Rockies and even west of that. Discount for Russian industrial incompetence, but add on for the thoroughness of Russian government control over its population, and you can see that much can have been done to create a backlog of armament capacity beyond German reach.

And add the fact that snow is already falling around Moscow.

Miscellaneous

Arm American ships—with what? . . . . Anent New Deal foresight, what has come of the "matured economy" theory? Or of the theory (see TNEC Monograph No. 37) that there is too much saving going on in this country? Or of the high-brow doubt aired frequently before the TNEC by its captive economists that technological advance is a national menace, tractoring out America's you-have-seen-their-faces? . . . . An immense amount of private hoarding is going on—of canned goods, sugar, etc., by housewives, of essential commodities by industry. It's a smart move by the defense authorities—a little too smart—to imply that perhops some of this hoarding is Axis-inspired, even if some of it is. . . . At long last we have a farm program that actually calls for increased, instead of decreased production in some lines . . . in fact, the "basic crops" of today, like wheat and cotton, seem to be losing that status. and the "non-basic crops" of today may be the basic crops of tomorrow, like milk, dairy products, pork and other high-vitamin crops . . . keep your eye on farm wages. They are stealing up on agriculture and may in a year or two force Washington to quit curbing even cotton and wheat. . . . The railroads have something to crow about. now that the October carloadings peak is past and no car-shortage. . . . Curious about that cycle-theory in residential building. It calls for an 18-year cycle. Last peak was in 1925. That would make the next one come in 1943. And with defense housing, as Charles Palmer said recently, no nearer its goal than a year ago, it may come in 1943 at that.

Our Reporter On "Governments"

(Continued from page 711)

cent weeks. . . . The extra funds raised through this maneuver could meet not only the U. S. Housing Authority maturity of $112,000.000 but also the $204,000,000 Commodity Credit Corporation maturity of November 15 and the $300.000.000 RFC maturity of November 1. . . .

The Treasury from now on will be the only borrower in the open market. . . .

It will raise the funds necessary to redeem agency issues as they come due. . . .

It will pay off those agency issues in cash, thereby nullifying the value of "rights" on these securities. . . .

More About "Rights"

As to the persistent rumors around Wall Street that all "right" values will be eliminated in the coming months—well, that's at best a 50-50 wager. . . . And if the odds are running in any direction, it's against the possibility of complete elimination of the "rights." . . .

Perhaps it's true that the "rights" are of no value to the Treasury, are, in fact, a nuisance. . . . Perhaps it is true that the "right" situation lets the market fix the terms on a new offering rather than the Treasury. . . . Perhaps there is some justification to the "feeler" that Morgenthau is resentful over the "right" situation that existed in the last borrowing. . . .

But this scarcely appears a good time to take a chance with eliminating some of the "sure gravy" in the Government market. . . . This doesn't appear a safe time to try to correct a situation that is not of real harm to the Government. . . .

It's probable that premiums of more than 3 points immediately after a formal offering will be conspicuous by their absence in the coming months. . . . But even if the "right" values are cut a point or so, they'll only be back to where they were in former years. . . . And if a move to eliminate the "rights" is to get underway, the chances are it will be extremely gradual, it will develop over a long time. . . .

(Continued on page 715)

Nation's Exports Greatly Increased In August Commerce Dept.'s Foreign Trade Report Shows

The Bureau of Statistics of the Department of Commerce at Washington on Oct. 11 issued its statement on the foreign trade of the United States for August, with comparisons by months back to 1936. The report follows:

August statistics of foreign trade, released today by the Department of Commerce, show a substantial rise in United States exports to a value of $455,000,000. They show expansion over July principally in shipments of defense supplies to British Empire destinations—notably of machinery, aircraft, and munitions.

After dropping off in June to $330,000,000 from the high April-May level of $386,000,000, export trade increased during both July and August to bring the July-August average value above $400,000,000. Although the earlier closing of monthly accounts caused a part of the drop shown by the June figures, the July-August level was nevertheless the highest point of the war period. The eight months'

(Continued on page 719)

July Statistics For Electric Lt. & Pr. Industry

The following statistics for the month of July, 1941, covering 100% of the electric light and power industry, were released on Oct. 15, by the Edison Electric Institute:

SOURCE AND DISPOSAL OF ENERGY—MONTH OF JULY

*Generation (net)—	1941	1940	% Change
By fuel burning plants	9,837,962,000	7,934,248,000	+24.0
By water power plants	4,387,758,000	4,159,826,000	+ 5.5
Total generation	14,225,720,000	12,094,074,000	+17.6
Add—Net imports over intern. boundaries	81,003,000	81,815,000	— 1.0
Less—Company use	169,753,000	124,085,000	+36.8
Less—Energy used by producer	299,978,000	435,566,000	—31.1
Net energy for distribution	13,836,992,000	11,616,238,000	+19.1
Losses and unaccounted for	2,207,838,000	2,005,400,000	+10.1
Sales to ultimate customers	11,629,154,000	9,610,838,000	+21.0

CLASSIFICATION OF SALES

Number of Customers—As of July 31st	1941	1940	% Change
Residential or domestic	25,516,036	24,521,419	+ 4.1
Rural (distinct rural rates)	958,307	672,298	
Commercial or industrial:			
Small light and power	4,280,421	4,237,205	+ 0.8
Large light and power	172,991	180,277	
Other customers	115,940	110,720	
Total ultimate customers	31,043,695	29,721,919	+ 4.4
Kilowatthour Sales—During Month of July			
Residential or domestic	1,926,962,000	1,769,059,000	+ 8.9
Rural (distinct rural rates)	283,435,000	261,624,000	+ 8.3
Commercial or industrial:			
Small light and power	2,044,938,000	1,819,230,000	+12.4
Large light and power	6,473,780,000	4,907,860,000	+31.9
Street and highway lighting	139,612,000	135,910,000	+ 2.7
Other public authorities	247,455,000	212,295,000	+16.6
Railways and railroads:			
Street and interurban railways	299,870,000	293,513,000	+ 2.2
Electrified steam railroads	172,039,000	150,373,000	+14.4
Interdepartmental	41,063,000	61,028,000	—32.7
Total to ultimate customers	11,629,154,000	9,610,838,000	+21.0
Revenue from ultimate customers	$217,685,200	$195,546,700	+11.3

Residential or Domestic Service (Revised Series)

Average customer data—	12 Months Ended July 31 — 1941	1940	% Change
Kilowatthours per customer	972	931	+4.4
Average annual bill	$36.74	$36.31	+1.2
Revenue per kilowatthour	3,78c	3,90c	—3.1

*By courtesy of the Federal Power Commission.

Attractive Speculation

Class A common stock of All American Aviation, Inc. offers an attractive speculation, with interesting possibilities for appreciation, according to a detailed memorandum issued by Kobbe, Gearhart & Co., 45 Nassau Street, New York City, and Jenks, Kirkland & Co., members of the New York Stock Exchange, 1421 Chestnut Street, Philadelphia, which are now offering the stock.

All American Aviation, Inc. has been formed to bring air mail and air express pick-up service to communities not served by the major air lines. The company's planes are equipped with a patented device to pick up specially designed mail pouches in flight while dropping a pouch in the same operation. The company's operations are under the complete jurisdiction of the Civil Aeronautics Board, which has granted a permanent certificate, and since August 1940 the company has operated five air-mail pick-up routes over Pennsylvania, Ohio, Kentucky, West Virginia, Delaware and New York.

The company carried virtually no express during the first experimental year, due to the uncertainty of its status as a common carrier, but has recently undertaken an active program to develop this traffic and expects its express business to increase substantially within the next eighteen months and eventually to become a major source of revenue; the company also plans to manufacture and sell its pick-up devices to other operators of similar routes.

Copies of the circular describing All American Aviation, Inc. may be had upon request from Kobbe, Gearhart & Co. or Jenks, Kirkland & Co. Other details on the stock were carried in the Financial Chronicle of October 18th, page 650.

Census Report of Cotton Consumed, on Hand, &c., in September

Under date of Oct. 14, 1941, the Census Bureau issued its report showing cotton consumed in the United States, cotton on hand, active cotton spindles, and imports and exports of cotton for the month of September, 1941, and 1940. Cotton consumed amounted to 875,682 bales of lint and 129,731 bales of linters, as compared with 638,235 bales of lint and 94,794 bales of linters in September, 1940.

September consumption of cotton includes 12,000 bales distributed by Surplus Marketing Administration through various cotton mattress programs. The following is the statement.

SEPTEMBER REPORT OF COTTON CONSUMED, ON HAND, IMPORTED AND EXPORTED AND ACTIVE COTTON SPINDLES

(Cotton in running bales, counting round as half bales, except foreign which is in 500-pound bales.)

	Year	Cotton consumed during September (bales)	Cotton consumed during 2 mos. ending Sept. 30 (bales)	Cotton on hand September 30 In consuming establishments (bales)	Cotton on hand September 30 In public storage and at compresses (bales)	Cotton spindles active during September (number)
United States	1941	*875,682	1,749,795	1,636,521	11,523,702	22,963,944
	1940	638,235	1,289,123	784,116	10,747,398	22,281,476
Cotton-growing States	1941	744,693	1,484,963	1,285,746	11,128,940	17,381,906
	1940	548,879	1,110,013	607,194	10,631,450	16,973,544
New England States	1941	101,194	201,635	292,224	366,017	4,954,328
	1940	72,502	145,410	145,448	109,780	4,719,420
All other States	1941	29,795	63,197	58,551	28,745	627,710
	1940	16,854	33,700	31,474	6,168	588,512
INCLUDED ABOVE						
Egyptian cotton	1941	5,880	11,527	38,115	5,022	------
	1940	4,259	8,287	27,619	5,512	------
Other foreign cotton	1941	8,962	17,817	49,146	65,848	------
	1940	5,477	10,710	28,913	24,918	------
Amer.-Egyptian cotton	1941	2,430	5,184	11,230	6,312	------
	1940	1,745	3,681	7,950	5,671	------
NOT INCLUDED ABOVE						
Linters	1941	129,731	261,045	444,527	78,995	------
	1940	94,794	181,613	379,162	66,514	------

IMPORTS OF FOREIGN COTTON (500-pound bales)

Country of production	September 1941	September 1940	2 months ending Sept. 30 1941	2 months ending Sept. 30 1940
Total	25,413	3,992	68,735	14,145
Egypt	7,038	2,282	11,838	4,172
Peru	990	126	1,194	166
China	----	----	----	----
Mexico	10,363	----	10,382	3
Br. India	7,022	1,580	45,319	9,798
All others	----	4	2	6

Linters imported during 1 month ending Aug. 31, 1941, amounting to 18,623 equivalent 500-pound bales.

EXPORTS OF DOMESTIC COTTON AND LINTERS (running bales)

	September 1941	September 1940	2 months ending Sept. 30 1941	2 months ending Sept. 30 1940
Total cotton	189,215	90,555	267,731	155,980
Total linters	not available	2,377	not available	6,915

In the interest of national and hemisphere defense, the Department has decided to cease publishing detailed statistics concerning the country of destination of our exports.

*September consumption of cotton includes 12,000 bales distributed by Surplus Marketing Administration through various cotton mattress programs.

World Statistics

The world's production of commercial cotton, exclusive of linters, grown in 1939 as compiled from various sources was 27,875,000 bales, counting American in running bales and foreign in bales of 478 pounds lint, while the consumption of cotton (exclusive of linters in the United States) for the year ending July 31, 1939, was 27,748,000 bales. The total number of spinning cotton spindles, both active and idle, is about 145,000,000.

September Department Store Sales in New York Federal Reserve District 20% Above Year Ago

Sales of department stores in the Second (New York) Federal Reserve District during September increased 20% above a year ago, it was announced Oct. 17 by the Federal Reserve Bank of New York. Stocks of merchandise on hand in department stores at the end of September were 30% more than at the end of September, 1940.

The apparel stores in the New York Reserve District also reported a gain of 23% in net sales in September as compared with a year ago. Apparel stores' stock on hand at the end of the month was 35% above a year ago.

The following is the tabulation issued by the Bank:

DEPARTMENT STORE TRADE BY MAJOR LOCALITIES—SEPTEMBER, 1941

Second Federal Reserve District

Department Stores—	Percentage Changes from a Year Ago: Net Sales September	Net Sales January through September	Stock on hand e.o.m.
New York City (includes Brooklyn)*	+21	+14	+29
Northern New Jersey	+20	+16	+30
Newark	+20	+15	+28
Westchester and Fairfield Counties	+29	+23	+49
Bridgeport	+42	+29	+53
Lower Hudson River Valley	+13	+13	+27
Poughkeepsie	+18	+15	----
Upper Hudson River Valley*	+22	+20	+51
Albany	+17	+16	----
Central New York State	+27	+24	+42
Mohawk River Valley	+38	+28	+32
Syracuse	+24	+23	+45
Northern New York State	----	----	----
Southern New York State	+24	+23	+28
Binghamton	+31	+24	----
Elmira	+30	+34	----
Western New York State	+15	+20	+29
Buffalo	+11	+24	+29
Niagara Falls	+31	+15	+23
Rochester	+21	+16	+30
All department stores*	+20	+16	+30
Apparel Stores	+23	+14	+35

*Subject to possible revision.
25 shopping days in September, 1941.
24 shopping days in September, 1940.

INDEXES OF DEPARTMENT STORE SALES AND STOCKS, SECOND FEDERAL RESERVE DISTRICT

(1923-25 average equals 100)

	1940 Sept.	1941 July	1941 Aug.	1941 Sept.
Sales (average daily), unadjusted	108r	81	101	125
Sales (average daily), seasonally adjusted	103r	114	134	120
Stocks unadjusted	87r	83	98	113
Stocks, seasonally adjusted	83r	96	103	109

r Revised.

Trading On New York Exchanges

The Securities and Exchange Commission made public on Oct. 20 figures showing the daily volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended Oct. 4, 1941, continuing a series of current figures being published by the Commission. Short sales are shown separately from other sales in these figures, the Commission explained.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Oct. 4 (in round-lot transactions) totaled 421,290 shares, which amount was 16.31% of total transactions on the Exchange of 2,450,090 shares. This compares with member trading during the previous week ended Sept. 27 of 661,945 shares or 18.78% of total trading of 3,485,950 shares. On the New York Curb Exchange, member trading during the week ended Oct. 4 amounted to 82,950 shares, or 14.89% of the total volume on that Exchange of 485,650 shares; during the preceding week trading for the account of Curb members of 139,885 shares was 18.47% of total trading of 730,500 shares.

The Commission made available the following data for the week ended Oct. 4:

The data published are based upon weekly reports filed with the New York Stock Exchange and the New York Curb Exchange by their respective members. These reports are classified as follows:

	N. Y. Stock Exchange	N. Y. Curb Exchange
Total Number of Reports Received	1,059	773
1. Reports showing transactions as specialists	183	93
2. Reports showing other transactions initiated on the floor	178	29
3. Reports showing other transactions initiated off the floor	196	74
4. Reports showing no transactions	605	583

Note—On the New York Curb Exchange, odd-lot transactions are handled solely by specialists in the stocks in which they are registered and the round-lot transactions of specialists resulting from such odd-lot transactions are not segregated from the specialists' other round-lot trades. On the New York Stock Exchange, on the other hand, all but a fraction of the odd-lot transactions are effected by dealers engaged solely in the odd-lot business. As a result, the round-lot transactions of specialists in stocks in which they are registered are not directly comparable on the two exchanges.

The number of reports in the various classifications may total more than the number of reports received because a single report may carry entries in more than one classification.

Total Round-Lot Stock Sales on the New York Stock Exchange and Round-Lot Stock Transactions for Account of Members* (Shares)
Week Ended Oct. 4, 1941

	Total For Week	Per Cent a
A. Total Round-Lot Sales		
Short sales	74,530	
Other sales b	2,375,560	
Total sales	2,450,090	
B. Round-Lot Transactions for the Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists		
1. Transactions of specialists in stocks in which they are registered		
Total purchases	190,010	
Short sales	34,570	
Other sales b	169,380	8.04
Total sales	203,950	
2. Other transactions initiated on the floor		
Total purchases	119,600	
Short sales	19,300	
Other sales b	111,370	5.11
Total sales	130,670	
3. Other transactions initiated off the floor		
Total purchases	68,425	
Short sales	8,650	
Other sales b	78,020	3.16
Total sales	86,670	
4. Total		
Total purchases	378,035	
Short sales	62,520	
Other sales b	358,770	16.31
Total sales	421,290	

Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members* (Shares)
Week Ended Oct. 4, 1941

	Total For Week	Per Cent a
A. Total Round-Lot Sales		
Short sales	5,795	
Other sales b	479,855	
Total sales	485,650	
B. Round-Lot Transactions for the Account of Members		
1. Transactions of specialists in stocks in which they are registered		
Total purchases	40,165	
Short sales	3,235	
Other sales b	58,490	10.49
Total sales	61,725	
2. Other transactions initiated on the floor		
Total purchases	5,805	
Short sales	400	
Other sales b	3,450	0.99
Total sales	3,850	
3. Other transactions initiated off the floor		
Total purchases	15,730	
Short sales	725	
Other sales b	16,650	3.41
Total sales	17,375	
4. Total		
Total purchases	61,700	
Short sales	4,360	
Other sales b	78,590	14.89
Total sales	82,950	
C. Odd-Lot Transactions for the Account of Specialists		
Customers' short sales	3	
Customers' other sales c	38,839	
Total purchases	38,842	
Total sales	20,616	

* The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners.

a Shares in members' transactions as per cent of twice total round-lot volume. In calculating these percentages, the total members' transactions is compared with twice the total round-lot volume on the Exchange for the reason that the total of members' transactions includes both purchases and sales, while the Exchange volume includes only sales.

b Round-lot short sales which are exempted from restriction by the Commission rules are included with "other sales."

c Sales marked "short exempt" are included with "other sales."

WHISPERINGS

A customer's man at the Fifth Avenue office of **Merrill, Lynch** was complaining about the slowness of his phone dial. "By the time I get my number," he explained aggrieved, "the stock has either gotten away from me, gone back to sleep, or some other guy has reached him first." Being mindful of the modern age, speed and it's modern design, the manager promptly phoned the telephone people and ordered a faster dial. The following day, bright and early, the repair man called and began installing the new dial. As he was completing the finishing touches he carelessly remarked: "You know, this will cost $1.50." A horrified look appeared on the customer's man's face. "Gee, I didn't know about that. Wonder if the firm knows." So calling the manager in charge of you can't-do-this-without-consulting-me, he threw the whole problem of the charge into his lap. The manager stalked into the room and indignantly began harrumphing about why wasn't I told of this. And anyway $1.50 was ridiculous; all out of line. The repair man said nothing. Finally during a pause in the diatribe he looked up and calmly asked, "how do you expect us to pay the $9 dividend?" There was a sudden hush. The face of the manager and the faces of all the rest of the onlookers turned blank. One could almost see their thought. "How many shares of Telephone do my customers own" written on their faces. The manager was the first one to recover. "I called for a repair man," he caustically observed. "I didn't know the phone company sent the president to give us financial advice." . . . P. S., **Merrill, Lynch** paid the $1.50.

Which reminds us of another story we heard long, long ago. If you heard it before don't stop us: An inebriated gentleman stepped into a phone booth, deposited 5 cents, and asked the operator for a number. The operator got the number and asked the caller to deposit 10 cents please. The man came back with a fuzzy "wazzat?" The request was repeated. Again the man asked "wazzat?" Realizing the condition of the caller the operator carefully enunciated, "deposit your money please." Whereupon the gentleman glared at the mouthpiece and roared back. "Looka here you! I want personal conversation wiz a frien'—not financial advice from a stranger!"

No one can point a finger at the City Council of Wildwood, N. J., and say it isn't progressive; or at any rate, thorough. For some time the good burghers of the city had been kept awake by the barking of dogs. Something had to be done. Something was done. An opus (called an ordinance in legal circles) consisting of 3,800 words was written and placed before the Council sitting in session. This ordinance prohibits dogs from barking between 10 at night and 6 the next morning. . . .

While this belongs in the "Uptown After 3" department we thought you might like to know about it. If you're really anxious to see the Duke and Duchess of Windsor put on the feed bag—even get a table next to them—be at that restaurant on the northeast corner of 61st Street and Madison Avenue for lunch today—Thursday.

Here's another yarn we got from the West Coast from a dealer who wants to remain anonymous. A certain movie producer decided to hire another assistant and told his personnel man that he desired to conduct the interview. Word got around and applicants began appearing. The first applicant was asked by the movie mogul "How much is ten and ten?" The young man replied "twenty-five." The screen tycoon turned to his assistant. "That's what I call a man with imagination. He's not tied down with convention. We'll consider him." The next applicant, asked the same question, said "twenty." That, pointed out the interviewer, showed a balanced mind. He was not afraid to tell the truth, not like a lot of "yes" men he knew. This man would also be considered. The third young man when asked the question stopped, scratched his head and blurted out "twenty-two." . . . "Now that," said the movie producer, "showed real genius. An imagination par excellence. The movie business could use a man with such a fertile brain. That's the man I want. I'll hire him!" The personnel manager sat dazed throughout these interviews and finally asked: "Why did you hire the third young man? He didn't have anything more than the other two." The movie magnate glared back and replied: "Why shouldn't I? He's my nephew."

Our Reporter On "Governments"

(Continued from page 714)

Inside the Market

Borrowings and refundings of all types by the Treasury this fiscal year will exceed $13,000,-000,000. . . .

Between now and next June 30, Morgenthau probably will ask the market for around $5,800,-000,000. . . .

One reason for removing the "right" values from maturing note issues would be to discourage banks from buying new long-term Government bonds. . . . And the report from Washington is that Morgenthau wants the insurance companies to buy his new issues of long-terms—not the commercial banks. . . .

There's a considerable amount of switching going on from other issues into the new 2½s. . . . These new bonds probably will replace all others as the "keynoter" of the market. . . .

Weakness in the 2½s last week was in sharp contrast to comparative stability of other more seasoned issues. . . . Beyond doubt, cause for this was that the 2½s still are undigested. . . . Free riders have been selling. . . . Banks and insurance companies have been freezing some profits, keeping only part of their positions. . . .

The outlook is for a large-scale secondary distribution of these 2½s in the next few weeks. . . .

Tomorrow's Markets Walter Whyte Says—

(Continued from page 707)

bought at 15, stop at 26, current price about 30 and last, Warner Brothers, bought at about 5 with stop at 3¾, current price about 5.

A recapilation of the the above adds up to this: Total gross profits about 10 points after deduction of the three points loss. This does not take into consideration present holdings, paper profits or losses. If you're interested in figuring these all you have to do is to take the buying levels as given above and compare them with the closing prices as of last night.

* * *

Personally, I think figuring paper positions from a profit or loss angle is a waste of time. By the time one decides to cash in the chances are that an old loss may either be increased or an old profit may have vanished like the Arab and his tent. However, if you want to do it, go right ahead. At least it will be something to keep you looking busy these days.

* * *

But what about the market from here on? Will it continue to dribble down? Will volume increase on the decline? Or will it stop here and go up again? Of the three the answer to the last is probably the most important.

* * *

I don't believe the market has built up enough reserve strength to start anything more than a fitful rally.

* * *

So far as the answers to the first two questions are concerned we have to presuppose two things. A real desire to exchange common stocks for fixed income securities or cash; and two, a long period of past liquidation out of which a burst of selling occurs. A denial to the first is to be found in the evidence of inflation that surround us on each side. If you don't think so take a look at your food bills, your clothing bills and compare them with last year's or even last week's. This may not be the classical definition of inflation but it will do until another comes along. In any case your dollar buys a lot less today. If that is so then the purchase of fixed income securities today (unless they have other compensating features) seems shortsighted; the same thing applies to cash.

* * *

This leaves the explanation of the recent market decline to "past liquidation." But even there things aren't very clear. If distribution has been going on in the last few months it has been done skillfully indeed (I am not referring to British selling). Distribution presupposes strong markets perforated here and there with sharp declines. At no time in the recent past has this been true. Instead the market has trudged up and slipped back. And it wasn't until last week that in slipping back it managed to go under previously determined resistance levels. Of course it is possible that the recent distribution (if it was that) was disguised so excellently that it escaped detection but there are some things that can't be hidden—volume and price action. Volume has been nonexistent; price action has been nebulous. Only in a handful of stocks has the action (not the volume) been optimistic.

* * *

I realize all this theorizing leaves you high and dry. I'm trying to think this market through and doing my thinking out loud. Anyway, to get down to cases I see little reason to get all hopped up about things now or for that matter to go out and buy a raft of stocks. Perhaps by the time next week rolls around the market will have given new, and more important, clues.

More next Thursday.

—Walter Whyte

[The views expressed in this article do not necessarily at any time coincide with those of the Chronicle. They are presented as those of the author only.]

Our Reporter's Report

(Continued from First Page)

ments of the heads of two of the so-called "Big Five" insurance group, with regard to institutional buying of new issues must have been heartening. Both Lewis Douglas, president of Mutual Life Insurance Company, and George Harrison, head of New York Life Insurance Company, expressed fears of possible consequences of such operations if followed aggressively.

Treasury Conversion Loan

Another step toward consolidating the nation's contingent debts with its direct obligations, as projected under plans announced by Secretary of the Treasury Morgenthau a week ago, will be taken today.

The Treasury announced that holders of $300,000,000 of Reconstruction Finance Corporation's ⅞ per cent notes maturing Nov. 1, and $204,000,000 of Commodity Credit Corporation 1 per cent notes, due Nov. 15, would be offered direct Treasury long-term notes in exchange.

Since there are some $7,000,000,000 of these contingent obligations outstanding for Federal agency accounts, the movement could be extensive over the next year or so. The Treasury is taking up for cash on November 1 next, $112,000,000 of U. S. Housing Authority notes.

Who Bought A. T. & T. 3s?

It isn't often that Wall Street bond men are left in the dark with regard to identity of buyers of securities placed on the market.

But that element finds itself quite completely stymied in attempting to identify the buyers of the un-subscribed portion of the American Telephone & Telegraph Company's 3 per cent debentures marketed this week on the New York Stock Exchange and other institutions.

Metropolitan Life was reported to have been a buyer, but the identity of other purchasers of the $10,800,000 par amount offered through brokers remained something of a mystery.

Again the run of cancellations, which developed Tuesday afternoon, was interesting and there were reports that the market had been oversold to some extent, although nothing definite was learned on that score.

Building Buyer Accounts.

The current situation in the investment market is being likened to that which preceded the advent of the Securities and Exchange Commission and the Truth in Securities legislation.

There was a dearth of new issues at that time and dealers, in order to remain in business, were moved to seek out "sleepers" among existing bonds and work out switches for customers replacing issues that were priced too high with others where the yield was more attractive.

In order to accomplish this many customers were encouraged to switch into "local" securities. Results were very largely beneficial to customers who profited by the trades recommended. Belief is that current activities will prove "all for the good" in strengthening the relationship between the buyer and the dealer.

Central Illinois Public Service.

Central Illinois Public Service Company will open bids next Monday for its offering of $38,000,000 of thirty-year 3⅜ per cent bonds being offered under the U-50 Rule which provides for competitive bidding.

Several banking syndicates have been organized to bid for the issue and it is expected that the competition will be keen in view of the absence of new business recently.

Two of the larger groups are reported to have consolidated, making for a syndicate of over sixty firms. This aggregation, it is said, will not accept agency bids. It will be interesting, accordingly, to watch the reaction of the insurance companies to this development.

UP-TOWN AFTER 3

THE SCREEN

"Married Bachelor" (MGM) starring Robert Young and Ruth Hussey; with Sam Levene, Felix Bressart, Lee Bowman and others. Directed by Edward Buzzell.

An amusing picture with no pretense to message, believable plot or anything else. It was made to give onlookers something to laugh at and succeeds admirably. The story involves a pair of struggling bookies who can't pay off and are in danger of becoming corpses. One of the partners finally takes a manuscript from one of the firm's clients, a professor with a penchant for philosophy and horse betting, and sells it to a publisher as his own work. Complications pile up when the "writer" of the book sets himself out to be a bachelor—which he isn't. He's actually a newlywed married to Ruth Hussey who knows nothing about his job or his extre-curricular activities. The outstanding job is turned in by Same Levene whose New York intonations are as genuine as the sidewalks of New York. It's not sporting to tell you more but if a few incidents are dull there are plenty of others to laugh at.

"Blues In The Night" (Warner) with Priscilla Lane, Richard Whorf, Betty Field, Lloyd Nolan, Jack Carson, Elia Kazan, Wally Ford and others. Directed by Anatole Litvak.

We suppose Warner can't keep up the high standards they set for themselves when they produced such pictures as **Sergeant York, Maltese Falcon** and **One Foot In Heaven.** But we can't understand why they have to go to other extremes in putting out **Blues In The Night.** It's a dull yarn how a group of swing musicians form a band; it's hardships and experiences. For some reason there's a gang mix up and a lot of loose ends that never get tied up and seldom make much sense. It's a movie the youngster of high school age will probably go for, perticularly if he's "in the groove" and is "hep to jive." So far as we are concerned it's just another one of those things.

RESTAURANT

Cafe Bagatelle (106 E. 52nd) A new place with a nice atmosphere. The room is done in some sort of wine color and has heavy white opaque chandeliers suspended from the ceiling. The food and service are both good. Dance music is furnished by Dick Wilson and his small combination. Wilson and two members of the band occasionally step up to the mike and sing pleasantly.

AROUND-THE-TOWN

The Versailles (151 E. 50th) opened it's fall season with one of the most elaborate shows seen on the East Side in a long time. The costumes alone must have set the management back plenty. Ordinarily the Versailles goes in for top names, one or two performers, but good ones, and lets the two swell orchestras—Maximillian Bergere's and Panchito's rhumba (not to mention the food—probably the best served in a New York night club) carry the burden. Apparently, Nick and Arnold decided that wasn't enough and put in a show. This consists of Mili Monte, who sings in French and English and wears a Garbo hairdo; Jean Cavall, a Canadian radio singer; Frances Mercer, singer, who looks charming; the Barrys, a good dance team; and Marion Chandler, a tap dancer. With them is a line of six girls, all lookers and each dressed in a gown more gorgeous than the next. The whole thing adds up to a swell fashion show but so far as cohesive entertainment is concerned, leaves much to be desired. It's true we saw the opening show, which may have since been tightened up, still considering the money and effort that must have gone into it we don't think the results are anything to cheer about. . . . If you don't want to dance and like your entertainment with a capital E we suggest the **Ruban Bleu (4 E. 56th).** The current show consists of Maxine Sullivan, of Loch Lomond fame, whose small voice sends thrills up and down your back. Richard Dyer-Bennett, singer of old English songs, who accompanies himself on the lute. And last, but far from least, Paula Laurence. Here's a young lady you'll hear more from in the future. She hasn't a voice. She doesn't sing risque jingles, still she has something that defies description. She has her own arrangements of popular songs that she delivers with a sly sense of humor. Sometimes she just sings one line, stops, and rolls her eyes, or shrugs her shoulders, and the crowd just doubles up with laughter, she's that good. The opening night audience just couldn't get enough of her. Whatever it takes to make a hit this Paula Laurence, the pixie from Flatbush, has it! . . . **The Penthouse Club (30 Central Park South)** has set up it's own recording equipment to record the favorites of patrons. If anybody feels like it they may sing to Paul Taubman's accompaniment (he plays the Solovox and the piano). The whole thing is recorded and the lucky patron can take the thing home and play it on his or her own phonograph. If it serves no other purpose it can impress neighbors with your ability, can help you break your lease, or scare hell out of little children.

Write For Analysis

A detailed analysis of the current situation in the capital stock of Atlantic Coast Line Co. of Connecticut has been compiled by Wertheim & Co., 120 Broadway, New York City, members of the New York Stock Exchange. Copies of this interesting memorandum may be obtained from Wertheim & Co. upon request.

Civilian Defense

The Bond Club of New York, at its luncheon meeting on October 22nd, was addressed by Col. Joseph A. Baer on the problems of civilian protection and civilian defense, with particular emphasis on the vulnerability of the New York area to surprise attack and organization for defense.

J. Taylor Foster, president of the Bond Club, presided.

L. T. Nelson Bankrupt

Lawritz T. Nelson, also known as Louis T. Nelson, formerly doing business as L. T. Nelson & Co. from New York City has filed a petition in bankruptcy in the Eastern District Court showing liabilities of $14,840, no assets.

Calendar of New Security Flotations

OFFERINGS

ADEL PRECISION PRODUCTS CORP.
Adel Precision Products Corp. registered with the SEC 150,000 shares capital stock, 20 cents par value.
Address—10777 Vanowen St., Los Angeles, Cal.
Business—Business principally is the development, manufacture and sale of aircraft accessories and equipment, consisting of line supports, hydraulic equipment and other precision products, and synthetic rubber compound cushions and supports. Unfilled orders aggregated $2,000,000 on Sept. 15, 1941.
Underwriters are: Cavanaugh, Morgan & Co., Los Angeles; Lester & Co., Los Angeles; Van Grant & Co., Detroit, Mich.
Offering—The shares will be offered to the public at $3 per share; underwriting commission is 60 cents per share.
Proceeds will be used to pay off a part of the indebtedness of company, and to increase its working capital.
Registration Statement No. 2-4854 Form A2 (9-30-41 San Francisco)
Effective—4:45 P.M., E.S.T., on Oct. 15, 1941.
Offered—Oct. 18, 1941.

LEXINGTON TELEPHONE CO.
Lexington Telephone Co. registered with SEC 8,000 shares 5.2% Cumulative Preferred Stock, $100 par.
Address—151 N. Upper St., Lexington, Ky.
Business—Provides telephone service to 5 communities and their environs in Fayette, Jessamine and Woodford Counties, Ky.
Underwriters, and number of share underwritten by each, are as follows: J. D. Van Hooser & Co., Inc., Lexington, Ky., 3,000; Security & Bond Co., Lexington, 2,250; Almstedt Bros., Louisville, 2,000; Bankers Bond Co., Inc., Louisville, 750.
The offering price as supplied by amendment is $106 per share; Underwriting commission, $3.50 per share.
Proceeds, plus treasury funds to extent necessary, will be used for redemption on Nov. 21, 1941, of company's 8,000 shares outstanding 6% cumulative preferred stock, at redemption price of $106 per share, or to repay funds temporarily borrowed for such purpose.
Registration Statement No. 2-4852. Form A-2. (9-29-41)
Effective—4:45 P.M., E.S.T., on Oct. 14, 1941.
Offered—Oct. 15, 1941 at $106 per share.

SAFEWAY STORES, INC.
Safeway Stores, Inc., registered with SEC 27,000 shares 5% Cumulative Preferred Stock, $110 par
Address—20 E. Fifth St., Reno, Nev.
Business—Operates, directly and through subsidiaries, a chain of approximately 3,029 retail food stores, in 19 states of the U. S. west of the Mississippi, and in New York, New Jersey, Connecticut, Maryland, Virginia and the District of Columbia, and in the five western Provinces of Canada
Underwriters — Merrill Lynch, Pierce, Fenner & Beane, New York, 15,000 shares; Merrill Lynch & Co., Inc., Newark, N. J., 7,800 shares; Cassatt & Co., Inc., Philadelphia, 4,200 shares
Offered—The shares are offered to public, at $109 per share by amendment
Proceeds—Will replace the cash purchase price of $2,750,000 paid by company upon acquisition, on Oct. 6, 1941, of the assets and business of National Grocery Co.
Registration Statement No. 2-4859. Form A2 (10-15-41)
Offered—Oct. 22, 1941

Following is a list of issues whose registration statements were filed less than twenty days ago. These issues are grouped according to the dates on which the registration statements will in normal course become effective, that is twenty days after filing except in the case of the securities of certain foreign public authorities which normally become effective in seven days.

These dates, unless otherwise specified, are as of 4:30 P.M. Eastern Standard Time as per rule 930(b).

Offerings will rarely be made before the day following.

SATURDAY, OCT. 25

MUTUAL TELEPHONE CO.
Mutual Telephone Co. registered with SEC 100,000 shares capital stock, $10 par.
Address—1128 Alakea St., Honolulu, Oahu, Territory of Hawaii.
Business—Company is an independent public utility furnishing telephone service on the Islands of Oahu, Hawaii, Maui, Kauai, and Malokai, Territory of Hawaii, radio telephone service between said Islands and certain ships at sea, and also wireless telegraph service between Oahu, Lanai, Hawaii, Maui and Malokai.
Underwriters—There is no underwriting in connection with this offering.
Offering—Company is offering the 100,000 shares for subscription at $10 per share to its stockholders of record Oct. 15, 1941, by offering one share for each 4 shares then held. Subscription offer expires Dec. 20, 1941. Full shares of such stock, representing fractional interests and also shares called for by warrant to be issued to stockholders, which are not exercised, will be sold at public auction in Honolulu to highest bidder therefor not later than Dec. 27, 1941, and proceeds from the auction sale in excess of $10 per share (after deduction expenses of auction) will be distributed pro rata to stockholders of record Oct. 15, 1941, whose fractional interests are disposed of and to holders of unexercised warrants.
Proceeds to prepay outstanding short term bank loans, additions to plant and equipment, working capital.
Registration Statement No. 2-4855. Form A2. (10-6-41)
Effective—4:45 P.M., E.S.T., on Oct. 17, 1941.

WEDNESDAY, OCT. 29

BRIDGEPORT BRASS CO.
Bridgeport Brass Co. registered with SEC 25,486 shares cumulative convertible preferred stock, $100 par; and indeterminate number of shares of no par common stock (including scrip certificates for fractions of shares), such common stock to be reserved for issuance upon conversion of the convertible preferred stock. Dividend rate of the preferred stock will be supplied by amendment.
Address—30 Grand St., Bridgeport, Conn.
Business—Company purchases and processes copper, zinc and other non-ferrous metals and manufactures and markets brass and other non-ferrous metal alloys in various forms.
Offering—The preferred stock will be first offered to holders of company's common stock of record Oct. 24, 1941 (or, in certain circumstances, at a later date on or before Oct. 28, 1941) for subscription on the basis of one share of preferred stock for each 37 shares of common stock held. Subscription price will be supplied by amendment. The subscription offer expires approximately Nov. 5, 1941.
Underwriting—Any shares of preferred stock not subscribed to under above subscription offer, will be purchased by underwriters and sold to public, at price to be supplied by amendment. Names of underwriters, and the percentages of such unsubscribed stock to be purchased by each, are as follows (all of New York, N. Y., unless otherwise indicated):

	% of Unsub. Pfd. Stk. to be Purchased
G. M.-P. Murphy & Co.	21.525
Stone & Webster and Blodget, Inc.	15.695
Union Securities Corp.	12.752
W. E. Hutton & Co.	10.790
Hornblower & Weeks	9.809
Hemphill, Noyes & Co.	7.847
Kidder, Peabody & Co.	5.886
Spencer, Trask & Co.	5.886
Bosworth, Chanute, Loughridge & Co., Denver	3.924
Reynolds & Co.	3.924
Auchincloss, Parker & Redpath, Wash., D. C.	1.962

Proceeds—Proceeds, plus other funds of company, will be applied to payment of outstanding $2,874,000 3% notes of company, requiring $2,917,110.
Registration Statement No. 2-4857. Form A-2. (10-10-41)
Amendment—Filed disclosing that preferred stock will bear dividends at the rate of 5½% per annum and that the shares will be first offered to common stockholders of record Oct. 24, 1941, for subscription at $105 per share, at the rate of one share of the preferred stock for each 37 shares of common stock held. Subscription offer will expire on Oct. 28, 1941. Unsubscribed shares will be offered to the public at a price of $105 per share by underwriters, who will receive a commission from the company of $2 per share on all of the 25,486 shares of preferred stock plus an additional $2 per share on all of such shares actually purchased by them

THURSDAY, OCT. 30

CROCKER MC ELWAIN CO.
The Voting Trustees of Crocker McElwain Co. registered with the SEC voting trust certificates, to be issued in exchange for a like number of shares of 1,684 shares of 7% preferred stock, $100 par, and 15,000 shares of common stock, $100 par.
The voting trust certificates provide that the voting trust shall continue in effect until Sept. 2, 1944, unless terminated earlier. Unless terminated according to its terms, the voting trust will continue until Sept. 2, 1947.
Voting trustees are Elmer C. Tucker, Ralph H. Morrill, and Joseph K. Holmes.
Address—642 Main St., Holyoke, Mass.
Business—Company is engaged in manufacture and sale of paper, with its mill located in Holyoke, Mass.
Registration Statement No. 2-4858. Form F-1. (10-11-41).

MONDAY, NOV. 3

EATON & HOWARD BALANCED FUND
Eaton & Howard Balanced Fund registered with SEC 500,000 Trust Shares
Address—25 Federal St., Boston, Mass.
Business—Investment Trust
Offering—The shares will be offered to the public, at the market
Underwriters—Eaton & Howard, Inc., Boston
Proceeds—For investment
Registration Statement No. 2-4860. Form A2 (10-15-41)

PACIFIC GAS & ELECTRIC CO.
Pacific Gas & Electric Co. registered with SEC 175,000 shares 5% Cumulative First Preferred Stock, $25 par
Address—245 Market St., San Francisco, Cal.
Business—Company is an operating public utility company engaged, principally, in business of generating, purchasing, distributing and selling electricity and natural gas throughout a large part of northern and central California
Underwriter—Blyth & Co., Inc., San Francisco, Cal.
Offering—The shares will be offered to the public, at a price to be supplied by amendment to registration statement
Proceeds—Will be used to pay at or before maturity company's outstanding First & Refunding Mortgage Series B 6s, due Dec. 1, 1941
Registration Statement No. 2-4861. Form A-2. (10-15-41 San Francisco, Cal.)

WEDNESDAY, NOV. 5

BENEFICIAL INDUSTRIAL LOAN CORP.
Beneficial Industrial Loan Corp. registered with SEC 10,000,000 Fifteen-Year 2¾% Debentures, due Oct. 1, 1956
Address—1300 Market St., Wilmington, Del.
Business — A holding company, subsidiaries of which are engaged in the personal finance business, and the acceptance business, and activities related thereto
Underwriters, and amount of the debentures respectively underwritten by each, are as follows (all of New York City, unless otherwise indicated):

Eastman, Dillon & Co.	$2,805,000
Smith, Barney & Co.	2,175,000
Blair & Co., Inc.	800,000
Kidder, Peabody & Co.	800,000
E. H. Rollins & Sons, Inc.	600,000
Ladenburg, Thalmann & Co.	475,000
Riter & Co.	425,000
Alex. Brown & Sons, Baltimore	375,000
Hayden, Stone & Co.	375,000
Hemphill, Noyes & Co.	375,000
Merrill Lynch, Pierce, Fenner & Beane	375,000
Dean Witter & Co., S. Fran.	325,000
Jackson & Curtis, Boston	275,000
Hornblower & Weeks	225,000
Whiting, Weeks & Stubbs, Inc., Boston	175,000
Putnam & Co., Hartford, Conn.	140,000
Piper, Jaffray & Hopwood, Minn.	140,000
Rogers & Tracy, Inc., Chicago	140,000

Offering—The Debentures will be offered to the public, at a price to be supplied by amendment
Proceeds—Will be used to reduce outstanding bank loans and commercial paper
Registration Statement No. 2-4862. Form A2. (10-17-41)

PHILADELPHIA ELECTRIC CO.
Philadelphia Electric Co. registered with SEC $20,000,000 of First and Refunding Mortgage 2¾% bonds, due Dec. 1, 1971
Address—1000 Chestnut St., Philadelphia, Pa.
Business—This subsidiary in the United Gas Improvement Co. holding company system, is engaged primarily in production, purchase, transmission, distribution and sale of electricity and gas in southeastern Pennsylvania, including Philadelphia and vicinity
Underwriting and Offering—The bonds will be sold under the competitive bidding rule U-50 of the SEC's Public Utility Holding Company Act of 1935. Names of underwriters, and price to public, will be supplied by later amendment
Proceeds—$20,000,000 of the net proceeds from sale of the bonds will be applied to pay company's presently outstanding $20,000,000 of 1½% promissory notes payable to banks. Remainder of net proceeds will be used to reimburse, in part, company's treasury for additions, extensions, batterments and improvements to its plants and property
Registration Statement No. 2-4863. Form A2. (10-17-41)

DATES OF OFFERING UNDETERMINED

We present below a list of issues whose registration statements were filed twenty days or more ago, but whose offering dates have not been determined or are unknown to us.

AIR ASSOCIATES, INC.
Air Associates, Inc., registered with SEC 50,000 shares $1.37½ Cumulative Convertible Preferred Stock, no par; and maximum of 100,000 shares $1 par common stock, latter reserved for issuance upon conversion of the preferred.
Address—Bendix Airport, Bendix, N. J.
Business—Company is manufacturer and distributor of airplane parts, equipment, material, supplies and accessories.
Underwriter—White, Weld & Co., New York, is principal underwriter; others to be named by amendment. Underwriting commission is $2.25 per share.
Offering—Preferred stock to be offered to public, at price to be supplied by amendment.
Proceeds—$300,000 to prepay outstanding bank loans; $200,000 for purchase of additional machinery; balance for plant additions and working capital.
Registration Statement No. 2-4851. Form A-2. (9-27-41).
The company has filed an amendment to its registration statement with the Securities and Exchange Commission disclosing that its 50,000 shares of $1.37½ cumulative convertible preferred stock will be offered to the public by the following underwriters:

	Shares
White, Weld & Co.	12,500
Jackson & Curtis	10,000
Merrill, Lynch, Pierce, Fenner & Beane	10,000
Stern, Wampler & Co.	5,000
E. H. Rollins & Sons	4,000
Pacific Co. of California	4,000
Mitchum, Tully & Co.	1,500
Cohu & Torrey	1,000
Fuller, Cruttenden & Co.	1,000
Victor Common & Co.	1,000

AIRPLANE MANUFACTURING & SUPPLY CORP.
Airplane Manufacturing & Supply Corp., registered with SEC 69,000 shares common stock, $1 par
Address—Lockheed Air Terminal, Burbank, Cal.
Business—Purchase, service and sale of airplane equipment
Underwriters—G. Brashears & Co., Los Angeles, Cal.
Offering—The number of shares to be offered by the underwriter consists of the 69,800 shares currently registered with SEC, and 16,433 shares previously registered with the SEC. Such aggregate of 86,233 shares are already issued and outstanding and are to be offered to public for account of certain selling shareholders to be offered to public at arbitrary prices to be determined by underwriter from time to time with regard to existing circumstances. Such offering price will not exceed 125% not be less than 110% of the highest bid price during the day of sale Underwriting commission on the 86,233 shares of 25 cents per share
Proceeds will accrue to the selling stockholders
Registration Statement No. 2-4807. Form A-1. Filed (7-31-41) (San Francisco)
Effective—3 p.m. E.S.T. Sept. 17 as of 4.45 p.m. Sept. 6, 1941

AMERICAN BAKERIES CO.
American Bakeries Co. registered 15,000 shares Class B no par common stock
Address—No. 520 Ten Pryor St. Bldg. Atlanta, Ga.
Business—Manufacturing and distributing bakery products in souther states
Underwriter—None named
Offering—Stock will be offered to public at price to be filed by amendment
Proceeds—All proceeds will be received by L. A. Cushman, Jr., chairman of board of company, for whose account the stock will be sold
Registration Statement No. 2-4714. Form A-2. (3-28-41)

AUTOMATIC TELEPHONE DIALER, INC
Automatic Telephone Dialer, Inc. registered 75,000 shares of common stock no par
Address—1201 East Grand Street, Elizabeth, N. J.
Business — Development of automatic telephone dialing devices
Underwriter—None. Stock will be sold through registered brokers and dealers
Offering—Public offering price, $3 per share, underwriting commission 75 cents per share
Proceeds—For engineering and development expenses and working capital
Registration Statement No. 2-4752. Form A-1. (5-5-41)
Effective but apparently deficient 4:45 P.M., E.S.T., May 24, 1941

BEACON ASSOCIATES, INC.
Beacon Associates, Inc. registered SEC $500,000 6% Participating Sinking Fund Debentures, due July 1, 1971
Beacon Associates, Inc. interest rate on $500,000 Participating Sinking Fund Series A Debentures, due July 1, 1971, changed from 6% to 6½% per annum, according to amendment filed with SEC July 21, 1941
Address—216 Turks Head Bldg., Providence, R. I.
Business—Engaged in the small loan business in Rhode Island and Massachusetts
Offering—The Debentures will be offered to the public at 100 by F. L. Putnam & Co., Inc., Boston; underwriting commission is 15%, leaving net price to company of 85
Underwriter—F. L. Putnam & Co., Inc., Boston
Proceeds—Will be advanced to subsidiary for their working capital or will be used for payment of debt incurred on providing funds for advances to subsidiaries
Registration Statement No. 2-4790. Form A-2. (6-27-41)
Effective—3:00 P.M. E.S.T., August 22 as of July 17, 1941

BEAR MINING AND MILLNG COMPANY
Bear Mining and Milling Co. registered 153,145 shares of common stock, $1 par
Address — 513 Majestic Bldg., Denver, Colo.
Business—Mining and milling
Underwriter—None
Offering—Stock will be offered publicly at $1 per share, selling commission, 35%
Proceeds — For development equipment and operation mining property near Breckenridge, Colo.
Registration Statement No. 2-4571. Form A-1. (11-12-40)

BLACK HILLS POWER & LIGHT CO.
Black Hill Power & Light Co. registered with SEC $2,115,000 First Mortgage Bonds, Series A, due 1971; 9,400 shares 5% cumulative preferred stock, $100 par; and 100,000 shares common stock, $1 par
Address—Rapid City, S. D.
Business—Incorporated in South Dakota on Aug. 27, 1941, for purpose of continuing business and operations of the Dakota Properties of General Public Utilities, Inc., and the business and operations of the Dakota Power Properties of the Dakota Power Co. Engaged in generation, transmission, distribution and sale of electricity, in 12 communities in western South Dakota, and various unincorporated communities and rural areas
Offering—The bonds are to be sold to Dillon, Read & Co. at 103¼ and in turn will be resold by latter to Equitable Life Assurance Society of the U. S. at 103¾. The preferred stock and an undetermined number of shares of common stock are to be issued to General Public Utilities, Inc., in part payment for the so-called Dakota Power Properties to be acquired from that company and Dakota Power Co. The remaining shares of common stock, as well as the preferred and common stock to be received by General Public Utilities, Inc., will be offered to the public
Proceeds—To company from sale of the bonds and common stock will be used to pay General Public Utilities, Inc., and Dakota Power Co. the balance of the consideration for the properties to be acquired. Balance of net proceeds will be added to working capital.
Registration Statement No. 2-4832. Form A-2. (9-6-41)

BONWIT TELLER, INC.
Bonwit Teller, Inc. registered 39,334 shares of 5½% cumulative convertible preferred stock, $50 par, and 131,202 shares of common stock, $1 par
Address—721 Fifth Avenue, New York City
Business—Operation of specialty store in New York City
Underwriters—To be filed by amendment
Offering Terms — Preferred and common will be publicly offered at prices to be filed by amendment, except that 106,202 common shares will be reserved for conversion of preferred
Proceeds—Stock will be sold by Atlas Corp. and the American Co., parents, and no proceeds will be received by the company
Registration Statement No. 2-4748. Form A-2. (4-30-41)

BULLION, INC.
Bullion, Inc., registered 110,000 shares of $1 par 8% non-cumulative preferred stock and 110,000 shares of common stock, ten cent par
Address—1st Nat'l Bank Bldg., Deadwood, South Dakota
Business—Gold mining
Underwriter—None
Offering—Preferred will be offered at $1 per share, and common at 10 cents per share
Proceeds—For development of mining properties, purchase of machinery and equipment, and working capital
Registration Statement No. 2-4763. Form A-O-1 (5-20-41)
Effective—4:45 P.M., E.S.T. on Sept. 23, 1941 as of 4:45 P.M., E.S.T., Aug. 10, 1941.

CENTRAL ILLINOIS PUBLIC SERVICE CO.
Central Illinois Public Service Co. registered with the SEC $38,000,000 of first mortgage bonds, Series A, 3⅝%, due Oct. 1, 1971.
Address—607 E. Adams St., Springfield, Ill.
Business—This operating company, a subsidiary of Middle West Corp., is engaged principally in generating, purchasing, distributing and selling electricity in central and southern Illinois. Also, provides gas, ice, water and steam heat service.
Underwriters and Offering—The bonds are to be sold by company under the competitive bidding rule under SEC's Public Utility Holding Company Act of 1935. Names of underwriters, and public offering price, will be supplied by amendment to registration statement.
Proceeds—Proceeds from sale of the bonds, together with other funds of company, are to be applied to redemption, on or about 30 days after delivery of the new bonds, of the outstanding $38,000,000 of first mortgage Series A 3¾% bonds, due Dec. 1, 1968, to be redeemed at 105¾ and accrued interest.
Registration Statement No. 2-4856. Form A2. (10-8-41)
Effective—4:45 P.M., E.S.T., on Oct. 16, 1941.
Bids—Will be received by the company for the purchase from it of $38,000,000 bonds. Proposals will be opened by the company at room 2158, 20 N. Wacker Drive, Chicago, at 12 noon (C.S.T.), Oct. 27.

COLUMBIA GAS & ELECTRIC CORP.
Columbia Gas & Electric Corp. registered $28,000,000 serial debentures, due 1942 to 1951, and $92,000,000 sinking fund debentures due 1961
Address—61 Broadway, N. Y. C.
Business—Public utility holding company
Offering—Both issues will be publicly offered at prices to filed by amendment
Proceeds—To redeem $50,000,000 Deb 5s, 1952; $4,750,700 Deb. 5s, due April 15, 1952; $50,000,000 Deb. 5s, 1961; to purchase $3,750,000 4% guaranteed serial notes due 1942-46 of Ohio Fuel Gas Co., a subsidiary, and $3,750,000 guaranteed serial notes of United Fuel Gas Co., a subsidiary, from the holders thereof; and to make a $3,402,090 capital contribution to Cinn., Newport & Covington Ry Co. to enable that Company to redeem its outstanding $3,303,000 1st & Ref. 6s, 1947
Registration Statement No. 2-4736. Form A-2. (4-10-41)

COMPOSITE BOND FUND, INC.
Composite Bond Fund, Inc., registered with SEC 32,500 shares $1 par common stock.
Address—601 Riverside Ave., Spokane, Wash.
Business — Open-end investment trust, limited to investments in bonds.
Underwriting—Murphey, Favre & Co., Spokane, Wash., is underwriter and distributor, purchasing said shares at the net asset value then in effect for distribution to public at such net asset value plus 8½%.
Offering—To be offered to the public at the then prevailing market price.
Proceeds—Will be used for investment purposes.
Registration Statement No. 2-4825 Form A-1. (8-28-41)

FLORIDA POWER & LIGHT CO.
Florida Power & Light Co. registered with SEC $45,000,000 First Mortgage bonds, due Oct. 1, 1971; $10,000,000 Sinking Fund Debentures, due Oct. 1, 1956; and 140,000 shares Cumulative Preferred Stock, $100 Par. Interest rates on the Bonds and Debentures, and the dividend rate on the preferred stock, will be supplied by amendment
Address—25 S. E. Second Ave., Miami, Fla.
Business—This subsidiary of American Power & Light (Electric Bond & Share

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System) is an operating public utility engaged principally in generating, transmitting, distributing and selling electric energy (also manufacture and sale of gas), serving most of the territory along the east coast of Florida (with exception of the Jacksonville area), and other portions of Florida

Underwriting and Offering—The securities registered are to be sold by company under the competitive bidding Rule U-50 of the SEC's Public Utility Holding Company Act. Names of underwriters and price to public, will be supplied by post-effective amendment to registration statement

Proceeds will be applied as follows: $53,170,000 to redeem at 102¼, the $52,000,000 of company's First Mortgage 5s of 1954; $15,693,370 to redeem at $110 per share, the 142,667 shares of company's $7 preferred stock, no par. Further details to be supplied by post-effective amendment

Registration Statement No. 2-4845. Form A2. (9-17-41)

HOUSTON LIGHTING & POWER CO.

Houston Lighting & Power Co. registered with SEC an indeterminate number of shares of its common stock, no par. (Company has outstanding 500,000 shares of common stock, of which 499,987 shares are held by its parent National Power & Light Co., which latter company also holds options to purchase the remaining 13 shares of outstanding common stock of company).

Address—900 Fannin St., Houston, Tex.

Business—Company is an operating public utility company principally engaged in generating, transmitting, distributing and selling electricity at retail and wholesale, serving 150 communities and an extensive rural area in Texas, including cities of Houston and Galveston.

Underwriter—None.

Offering — No public offering contemplated initially. Company is advised by National Power & Light, that that company has filed with SEC a declaration under the Holding Company Act contemplating, initially, the exchange of common stock of company which National Power & Light owns, for the $6 preferred stock of National Power & Light Co. and also contemplating that if, upon termination of such proposed exchange plan, National Power & Light still holds as much as 5% of common stock of company, it will dispose of such holdings as promptly as shall be practicable in light of then market and other conditions and with the best interests of its security holders in mind. After such disposition, company will have ceased to be either a subsidiary or an affiliate of National Power & Light Co. or Electric Bond & Share Co.

Registration Statement No. 2-4827 Form A-2. (8-29-41)

KENSINGTON MINES, INC.

Kensington Mines, Inc. has filed a registration statement covering 565,000 shares of $1 par 6 per cent cumulative preferred stock and the same number of shares of 1 cent par common 35,000 shares of $1 par 6 per cent cumulative preferred shares previously sold to promoters at $1 and 1,320,000 shares of 1 cent common previously sold to promoters at 2.62 cents a share

Address—Seattle, Washington

Business—Mining and Milling

Proceeds — For property, construction, development and working capital

Underwriters—Kressly and Campbell

Registration Statement No. 2-4697. Form A-1. (3-21-41)

Effective—4:45 P.M., E.S.T., April 9, 1941

KIRKLAND GOLD RAND, LTD

Kirkland Gold Rand, Ltd., registered with SEC, under refiling, 500,000 shares common stock $1 par

Address—360 St. James St., West, Montreal, Quebec, Canada

Business—Engaged in development, acquiring, holding, selling and operating gold, silver and other mineral mines. Company is still in the development stage

Underwriters—To be named by amendment

Offering—Above shares to be offered to public at $1.25 per share; underwriting commission is 43¾ cents per share

Proceeds—For development, purchase of equipment and working capital

Registration Statement No. 2-4727. Form A-1. Refiled (6-16-41)

LA CROSSE TELEPHONE CORP.

La Crosse Telephone Corp. registered 32,080 shares of common stock, $10 par

Address—La Crosse, Wisconsin

Business—Telephone service to La Crosse, Wis.

Underwriter—Alex. Brown & Sons

Offering—All stock registered will be publicly offered at price to be filed by amendment, except that 2,406 shares will be sold to Central Electric & Telephone Co.

Proceeds—Stock registered is owned by parent company, Middle Western Telephone Co., which will donate a portion to La Crosse Telephone Corp. and latter will use proceeds to retire outstanding preferred stock

Registration Statement No. 2-4717. Form A-2. (3-29-41)

LOUISVILLE GAS & ELECTRIC CO.

Louisville Gas & Electric Co. has registered with SEC 150,000 shares common stock, no par value.

Address—311 W. Chestnut St., Louisville, Ky.

Business—This operating utility subsidiary of Standard Gas & Electric Co. is engaged principally in the electric and gas business in Louisville, Ky., and vicinity.

Underwriters—To be named by amendment.

Offering—The 150,000 shares to be offered to the public, at price to be supplied by amendment.

Proceeds—Will be used to reimburse in part company's treasury for funds expended for construction (approximately $7,000,000), none of which heretofore has been used by company as basis for issuance of stock or long-term debt. Remaining amount needed, for this undertaking will be obtained from sale of additional common stock; of the amount so needed, company has temporarily obtained $3,150,000 by bank loans.

Registration Statement No. 2-4848, Form A-2. (9-24-41).

McDONNELL AIRCRAFT CORP.

McDonnell Aircraft Corp. registered with SEC 6,453⅓ shares 6% Non-Cumulative Convertible Preferred Stock, $100 par, and 129,063⅓ shares common stock, $1 par

Address — Lambert-St. Louis Municipal Airport, Robertson, Mo.

Business—Engaged in designing and developing aircraft and of manufacturing and selling parts for aircraft; expects presently to engage in business of manufacturing, testing and selling aircraft

Underwriting—None. Securities to be offered by company

Offering—Of the shares registered, the 6,453⅓ shares of preferred and 64,531⅔ shares of common, will be offered to public in units each unit consisting of one share of preferred and 10 shares of common stock, at price of $140 per unit. Remaining 64,531⅔ shares common reserved for issuance on conversion of the preferred

Proceeds for working capital, purchase of tools, machinery and equipment.

Registration Statement No. 2-4844. Form A-1. (9-17-41).

Effective—4:45 P.M., E.S.T., on Oct. 8, 1941 as of 4:45 P.M., E.S.T., Oct 6, 1941.

MOORE-McCORMACK LINES, INC.

Moore-McCormack Lines, Inc. registered 30,000 shares of $5 cumulative convertible preferred stock, $100 par, and 235,000 shares of common, $1 par

Address—5 Broadway, New York City

Business—Operation of vessels in South American trade

Underwriters—E. H. Rollins & Sons Incorporated and Schroder Rockefeller & Co., Inc.

Offering—The preferred and 85,000 common shares will be offered publicly at prices to be filed by amendment. 150,000 common shares will be reserved for conversion of the preferred

The proposed offering will represent about 17% of the outstanding common stock of Moore-McCormack Lines and approximately 55% of preferred stock. Albert V. Moore, president, and Emmet J. McCormack, vice president and treasurer—officers and directors associated with the company since its incorporation in 1927, retain together about 72% of the common stock, or 36% each. On Dec. 31, 1940, they sold to Kuhn, Loeb & Co., Beavan Corp. and Schroder Rockefeller & Co., Inc., 30,000 shares of $5 no par preferred stock and 2,150 shares of no par common which have since been converted into 30,000 shares of $100 par preferred and 107,500 shares of $1 par common. It is understood that Kuhn, Loeb & Co. are retaining 22,500 of such common shares as an investment

Proceeds—None of the proceeds will be received by the company

Registration Statement No. 2-4715. Form A-2 (3-29-41)

NORTHERN NATURAL GAS CO.

Northern Natural Gas Co. registered 710,500 shares of common stock, $20 par

Address — Aquila Court Bldg., Omaha, Nebraska

Business—Production and transmission of natural gas

Underwriter—Blyth & Co., and others to be named by amendment

Offering—Stock will be publicly offered at price to be filed by amendment

Proceeds—All proceeds will be received by selling stockholders, United Light & Railways Co., and North American Light and Power Co.

Registration Statement No. 2-4741. Form A-2. (4-21-41)

Northern Natural Gas Co. filed an amendment to its registration statement of shares of its $20 par value common stock proposed to be offered to the public has been reduced from 710,500 shares to 355,250 shares. According to the amendment, such 355,250 shares are those that are presently owned, and outstanding, by North American Light & Power Co., and are to be offered to public for the account of American Light & Power Co.

The 355,250 additional shares orginally registered with the SEC on April 21, 1941, for public offering, and withdrawn from registration were subsequently registered and became effective. These shares constituted the stock outstanding and owned by United Light & Railways Co., a subsidiary of United Light & Power Co.

PARQUAY OPERATING, INC.

Parquay Operating Inc., registered with SEC 55,850 shares common stock, 50 cents par value

Address—512 E. Central Ave., Albuquerque, N.M.

Business—Engaged in development and operation of a chain of retail food stores, store buildings and controlled parking built or to be built under Revolving Top Building and Parking Control Patent Franchises owned by company in Roswell, N.M. Later, it was decided to expand operations to include 11 additional stores located in 9 cities in New Mexico, including 3 in Albuquerque

Underwriting—No underwriters. The stock will be sold by company's agents under direction of its executive vice-president

Offering—The shares will be offered to public at following prices per share for each successive block of 11,170 shares each: $13.50, $15, $16.50, $18 and $19.50 per share.

Proceeds will be used to purchase 11 grocery stores to be located in 9 communities in New Mexico

Registration Statement No. 2-4842. Form A1. (9-16-41)

Registration Statement withdrawn Oct. 16, 1941 and stop order proceedings discontinued.

PARQUAY ROYALTY CO.

Parquay Royalty Co. registered with SEC 9,091 shares common stock, 25 cents par value

Address—512 E. Central Ave., Albuquerque, N.M.

Business—Company owns one grocery store built under Revolving Top Building Patent which is leased for period of 10 years from Nov. 20, 1937. Company intends to build grocery store buildings under that patent and controlled parking patents for Parquay Operating, Inc., and for other operating companies throughout New Mexico, Arizona, Utah, Nevada and Cal.

Underwriting—No underwriting. Shares to be sold by company's agents under direction of its executive vice-president

Offering—Shares to be offered at following prices for following blocks: $30 per share for first block of 1,117 shares; $32.50, $35, $37.50 and $40 per share for each of next successive blocks of 1,117 shares each; and $50 per share for last block of 3,506 shares

Proceeds to finance purchase of construction, equipment and construction of grocery stores, finance a purchasing department including warehouses, etc.

Registration Statement No. 2-4841. Form A1. (9-16-41)

Registration Statement withdrawn Oct. 16, 1941 and stop order proceedings discontinued.

PUEBLO MINING COMPANY

Pueblo Mining Co. registered with SEC 1,500,000 shares 1 Cent Par Value Assessable Common Stock

Address—Spokane, Wash.

Business—Mining

Underwriter—No underwriter named.

Offering—To be offered to public at 2 cents per share

Proceeds—Will be used for development, purchase of equipment, building, and working capital

Registration Statement No. 2-4829. Form AO-1. (9-3-41) (San Francisco)

SOUTHEASTERN INDIANA POWER CO.

Southeastern Indiana Power Co. registered with SEC 2,000 shares 6% cumulative preferred stock, $100 par

Address—Rushville, Ind.

Business—A public utility company engaged in transmitting, distributing and selling electricity in southeastern Indiana

Offering — The preferred stock will be offered to public at a price to be supplied by amendment

Underwriter—Central Republic Co., Inc., Chicago, is sole underwriter

Proceeds—From sale of the 2,000 shares preferred stock, together with aggregate of $1,152,280 to be received by company from sale of other securities ($650,000 4% first mortgage bonds to an insurance company, $350,000 Serial Guaranteed Debentures to a bank and an insurance company, and 12,500 shares $10 par common stock) are to be applied by company to acquire all the outstanding capital stock and funded indebtedness of Hoosier Public Utility Co. and for other corporate purposes

Registration Statement No. 2-4830. Form A-2 (9-6-41)

SOUTHERN ACCEPTANCES, INC.

Southern Acceptances, Inc. registered 150 shares $50 dividend Preferred stock, no par, 20 shares Class A $60 dividend common stock, no par; and 30 shares Class B common stock, no par

Address—26 Wall St., Orlando, Fla.

Business—Discounting installment notes and making small loans

Underwriter—Leedy, Wheeler & Co., Orlando, Fla.

Offering—Preferred and Class A will be publicly offered at $1,000 per share, Class B common at $1,100 per share. Underwriting commission $50 on preferred and Class A, and $55 on Class B

Proceeds—To repay bank loans, and for working capital

Registration Statement No. 2-4570. Form A-2. (11-12-40)

Effective—Dec. 4, 1940

TEXAMERICA OIL CORP.

Texamerica Oil Corp. registered with SEC 119,891 shares common stock, $2 par.

Address — Milam Bldg., San Antonio, Tex.

Business—Engaged in production and marketing of crude oil, acquire mineral leasehold interests in producing or proven oil properties in Texas, drilling of oil wells thereon, acquire royalty interests in proven and developed oil properties.

Underwriter—Willard York Co., San Antonio, Tex., has agreed to purchase 44,750 shares at $1.75 per share and 74,157 shares at $2, from company.

Offering—118,907 shares to be offered to public at $2.375 per share; remaining 984 shares registered constitute shares issued July 1, 1941, by company, as dividends.

Proceeds—Will be used to pay outstanding mortgage indebtedness ($200,000), and remaining $26,626 will be added to working capital

Registration Statement No. 2-4824 Form A-1. (8-27-41)

TOMASINI BRIDGE REVENUE BONDS

T. A. Tomasini, an individual, registered with SEC $20,000,000 of 3% Tomasini Bridge Revenue Bonds, due Aug. 1, 1970

Address—25 California St., San Francisco, Cal.

Business—Holds a franchise to build, maintain and operate a tube and toll bridge across San Francisco Bay from Alameda County, near Point Fleming, to Marin County near Bluff Point, both in California. The Obligor—T. A. Tomasini—also has secured necessary approval of plans, permits and authority to construct the bridge from War Department of the United States, and proposes to proceed with construction of the project. Project expected to be completed by June 27, 1944

Underwriting and Offering—The Obligor proposes to advertise for bids for all or part of the bonds by inserting a notice to that effect in one or more newspapers of general circulation in the city and county of San Francisco, and in New York City. There will be no underwriting

Proceeds will be used to construct, operate and maintain the tube and toll bridge

Registration Statement No. 2-4815. Form A-1. (8-15-41)

Request to withdraw registration filed Oct. 11, 1941, and registration withdrawn Oct. 13, 1941.

TRAILER COMPANY OF AMERICA

Trailer Co. of America registered with SEC 4,547 shares 7% cumulative preferred stock, $100 par, and 81,095 shares common stock, no par

Address—31st & Robertson Aves., Cincinnati, O.

Business—Manufacture, assembly, distribution and sale of commercial trailers with the SEC, disclosing that the number and semi-trailers, trailer bodies, parts and equipment, truck bodies and cabs for tractors and trucks

Underwriters—None

Offering—The above shares to be offered by company to all its stockholders at price of $100 per share of 7% preferred and $8 per share for common, through rights, at rate of 2½% shares of 7% preferred and 5 shares of common stock for each share of 7% preferred stock held, and at rate of one share of common stock for each share of common stock held. Subscription rights evidenced by Warrants will expire on the thirtieth day after date of issue. Unsubscribed portion of the shares will be offered for sale, at same prices, to all stockholders. Any unsold shares then may be sold at same prices to general public

Proceeds—For plant extension, retirement certain bank loans, and for working capital

Registration Statement No. 2-4803. Form A-2. (7-29-41) (Cleveland)

Effective—Sept. 13 at 1:15 P.M., E.S.T. as of 4.45 p.m. E.S.T. Sept. 17, 1941

UNION LIGHT, HEAT AND POWER COMPANY

Union Light, Heat and Power Co. registered 25,000 shares $100 par common stock

Address—4th & Main St., Cincinnati, Ohio

Business — Operating electric utility company

Underwriter — Columbia Gas & Electric Corp.

Offering—Stockholders will receive offer to subscribe to 25/94ths of one common share in units of 5/94ths of a share for each 5/94ths of a share held at $5.32 for each unit. On a share basis, stockholders may subscribe to 5 new shares for each share held at $100.016 per share. Substantially all outstanding stock is held by Columbia Gas & Electric Corp.

Proceeds—To repay current debt and $2,835,000 first mortgage bonds held by parent and associated companies, and for construction costs

Registration Statement No. 2-4379. Form A-2. (3-30-40)

UNITED STATES SUGAR CORP.

United States Sugar Corp registered with SEC 200,000 shares 6.4% Series A Cumulative Participating Convertible Preferred Stock, $25 par, and 562,500 shares common stock $1 par, latter reserved for issuance upon conversion of the preferred

Address—Clewiston, Fla.

Business—Principal business consists of the culture of sugar-cane in the Everglades of Florida and extraction of raw sugar therefrom in a sugar-house adjacent to Clewiston, Fla. Sugar is presently disposed of under the contract with Savannah Sugar Refining Corp.

Underwriter—None named

Offering—The preferred shares registered are to be offered for subscription to holders of outstanding common stock and $5 preferred stock of company, of record Nov. 10, 1941, or the tenth day after offering of the stock to stockholders, whichever is later, at a price of $25 per share on following basis: one share new preferred for each 10 shares common, and 4 shares new preferred for each share outstanding $5 preferred stock. Subscription period comprises the ten days following the record date, but company may extend the expiration date to not later than Dec. 15, 1941. Unsubscribed portion of the 200,000 shares preferred stock may be offered at others by company, at $25 per share, in sole discretion of company

Proceeds will be used for plant additions an improvements, purchase of new machinery and equipment, for retirement of outstanding $5 preferred stock, and for working capital

Registration Statement No. 2-4847. Form A2. (9-23-41)

UNITED WHOLESALE DRUGGISTS OF PITTSBURGH, INC.

United Wholesale Druggists of Pittsburgh, Inc., registered with the SEC 4,000 shares no par common stock

Address—6543 Penn Ave., Pittsburgh, Pa.

Business—Incorporated in Delaware on April 28, 1941, to engage in business of selling drug store merchandise

Underwriting—None

Offering—The 4,000 shares of common stock will be sold by the company direct to (exclusively) retail druggists, at $50 per share

Proceeds—Will be used for purchase of equipment, and for working capital

Registration Statement No. 2-4818 Form A-2. (8-22-41)

Effective—Oct 7, 1941 at 11 A. M., E.S.T.

VIRGINIA LAND CO.

Virginia Land Co. registered warranty deeds representing interests in oil and gas lands in the Everglades, Florida, about 50 miles west of Miami

Address—Theatre Building, Coral Gables, Dade County, Florida

Underwriters—None

Offering—Interests will be sold to the public at prices from $20 per acre up to $150 per acre

Proceeds — For development of lands, purchase of equipment, and working capital

Registration Statement No. 2-4767. Form S-10 (5-23-41)

Effective—Under notice of deficiency 4:45 P.M., E.S.T., Sept. 21, 1941.

WESTINGHOUSE ELECTRIC & MANUFACTURING CO.

Westinghouse Electric & Manufacturing Co. registered with SEC 534,426 shares common stock, $50 par value, and Subscription Warrants evidencing rights in respect of such shares.

Address—306 Fourth Ave., Pittsburgh, Pa.

Business—Engaged, together with its subsidiaries, in manufacture and sale of machinery, apparatus and appliances for generation, transmission, utilization and control of electricity and in manufacture and sale of steam turbines and associated equipment.

Offering—The 534,426 shares will first be offered to outstanding preferred and common stockholders of company of record Oct. 15, 1941, for subscription at rate of one-fifth of a share for each share of preferred and common stock so held, at a price to be supplied by amendment. Rights expire Oct. 28, 1941.

Underwriters—Unsubscribed portion of such 534,426 shares are to be purchased by underwriters, at a price to be supplied by amendment. Underwriters may or may not, as they may determine, make one or more public or other offerings of such unsubscribed stock. All offerings of unsubscribed stock is to be made by the underwriters either at the market price then prevailing (NYSE), or at such other prices as Kuhn, Loeb & Co., representative of the underwriters, may determine. Underwriters, numbering 119, are as follows:

Kuhn, Loeb & Co., A. C. Allyn & Co., J. S. Bache & Co., Bacon, Whipple & Co., Baker, Watts & Co., Baker, Weeks & Harden, Banc Ohio Securities Co., Bear, Stearns & Co., A. G. Becker & Co., Biddle, Whelen & Co., Blair & Co., Inc., Blair, Bonner & Co., Blyth & Co., Inc., Bonbright & Co., Alex. Brown & Sons, H. M. Byllesby & Co., Inc.

Central Republic Co., Inc., Clark, Dodge & Co., E. W. Clark & Co., Courts & Co., Curtiss, House & Co., Paul H. Davis & Co., Dick & Merle-Smith, Dominick & Dominick, Drexel & Co., Eastman, Dillon & Co., Elkins, Morris & Co., Emanuel & Co., Eastbrook & Co., Equitable Securities Corp.

Farwell, Chapman & Co., Field, Richards & Co., The First Boston Corp., The First Cleveland Corp., First of Michigan Corp., Robert Garrett & Sons, Glore, Forgan & Co., Glover & MacGregor, Inc., Goldman, Sachs & Co., Graham, Parsons & Co., Grubbs, Scott & Co.

Hallgarten & Co., Harriman, Ripley & Co., Inc., Harris, Hall & Co. (Inc.), Hawley, Shepard & Co., Hayden, Miller & Co., Hayden, Stone & Co., Hemphill, Noyes & Co., J. J. B. Hilliard & Son, Hornblower & Weeks, W. E. Hutton & Co., The Illinois Co. of Chicago, Jackson & Curtis, Janney & Co.

Kalman & Co., Kean, Taylor & Co., Kidder, Peabody & Co., Knight, Dickinson & Co., Ladenburg, Thalmann & Co., Laird & Co., Laird, Bissell & Meeds, W. W. Lanahan & Co., W. C. Langley & Co., Lazard Freres & Co., Lee, Higginson Corp., Lehman Brothers, Adolph Lewisohn & Sons, Carl M. Loeb, Rhoades & Co.

Mackubin, Legg & Co., Laurence M. Marks & Co., Mason-Hagan, Inc., A. E. Masten & Co., McDonald-Coolidge & Co., Mellon Securities Corp., Merrill Lynch, Pierce, Fenner & Beane, Merrill, Turben & Co., The Milwaukee Co., Mitchum, Tully & Co., Moore, Leonard & Lynch, F. S. Moseley & Co., Maynard H. Murch & Co., G. M.-P. Murphy & Co., W. H. Newbold's Son & Co., Newhard, Cook & Co., Paine, Webber & Co., Arthur Perry & Co., R. W. Pressprich & Co., Putnam & Co.

Reinholdt & Gardner, Riter & Co., The Robinson-Humphrey Co., E. H. Rollins & Sons Inc., L. F. Rothschild & Co., Schoellkopf, Hutton & Pomeroy, Inc., Schroder Rockefeller & Co., Inc., Schwabacher & Co., Scott & Stringfellow, Shields & Co., Singer, Deane & Scribner, Smith, Barney & Co., Smith, Moore & Co., William R. Staats Co., Starkweather & Co., Stein Bros. & Boyce, Stern Brothers & Co., Stern, Wampler & Co., Inc., Stone & Webster & Blodget, Inc., Stroud & Co., Inc., Swiss American Corp., Spencer Trask & Co.

Tucker, Anthony & Co., Union Securities Corp., G. H. Walker & Co., Wells-Dickey Co., Wertheim & Co., White, Weld & Co., Whiting, Weeks & Stubbs, Inc., Dean Witter & Co., Yarnall & Co.

Proceeds—For payment outstanding bank loans, construction of plant additions, purchase of additional equipment, and for working capital.

Registration Statement No. 2-4849. Form A-2. (9-25-41).

Subscription price of the 534,426 shares common stock, $50 par value, to be offered first to stockholders of record Oct. 15, 1941, at rate of one-fifth of a share of common for each share of preferred or common stock so held, is fixed at $70 per share. Subscription offer expires Oct. 28, 1941 at 3 P.M., E.S.T. Unsubscribed portion of such shares to be purchased by underwriters, and offered to public, at price to be supplied by later amendment.

Effective—3 P.M., E.S.T., Oct. 14, 1941.

WHITWORTH APARTMENT, INC.

Whitworth Apartment, Inc., registered with SEC 5,950 shares common stock, 25 cents par $74,375 First Mortgage 5% bonds, due Sept. 1, 1951, and $74,375 Second Mortgage Income Bonds. 6% Non-Cumulative Interest, due Sept. 1, 1961

Address—311 Securities Bldg., Seattle, Wash.

Business—Incorporated on July 3, 1941, to acquire title to Whitworth Apartment, Seattle, Wash., and to own and operate said apartment

Underwriters—None

Offering—All of the securities registered will be offered under a Plan of Reorganization, to holders of 148,750 undivided fractional shares, latter represented by Certificates of Interest. Latter may be surrendered under the plan through Seattle-First National Bank, Seattle, Wash. Owner of each 25/148,750 fractional share will receive: (a) $12.50 par value of first mortgage bonds, $12.50 par value of second mortgage income bonds, and one share of capital stock of the new company

Registration Statement No. 2-4811. Form E-1. (8-8-41) (San Francisco, Cal.)

WILLIAMS HYDRAULICS, INC.

Williams Hydraulics, Inc. registered 1,000,000 shares $5 par Class A common stock

Address—Alameda, Cal.

Business—Deep-sea dredging and manufacture of equipment therefor

Underwriters — Brown Hartwell Company

Offering—Public offering price, $5 per share, underwriting commission, $1 per share

Proceeds—Purchase of plant and equipment; purchase of seagoing vessel; equipment, and working capital

Registration Statement No. 2-4133. Form A-1. (7-19-39)

Effective—May 29 as of April 18, 1940

Railroad Unions Reject Wage Arbitration Offer

The five operating brotherhoods on October 20 rejected last week's offer by President Roosevelt's five-man fact-finding board to arbitrate the railroad wage controversy, in which the board has been hearing evidence since September 16, the New York "Times" reported.

The fourteen non-operating unions turned down railroad management's proposal of a settlement which would provide for adjustment of wages periodically on the basis of living costs and gross operating revenues of the railroads.

Rejection of the arbitration proposal was made by Charles M. Hay, chief counsel for the operating brotherhoods.

Explaining that the decision was made "with assurance of great respect for the board," Mr. Hay said:

"At the time the mediation board proposed arbitration, the conference committee representing the employes rejected the proposal and expressed preference for a hearing of the kind now being conducted by the emergency board. This action of the committee was approved by the general chairmen of several organizations. The position taken by the committee and ratified by the general chairmen is unchanged."

In accepting the arbitration proposal on behalf of railroad management, J. Carter Fort, chief counsel for the railroads, said earlier:

"Just before the adjournment of the hearing on Saturday, October 18, the chairman made a statement with respect to possible arbitration.

"The chairman said, as I understood him, that if the emergency could be brought to an end by an agreement to arbitrate, with the members of this board sitting as a board of arbitration it would appear that such a result would be highly desirable from the standpoint of the President of the United States.

"In response to the chairman's statement, I desire at this time to express the willingness of the railroads which I represent to enter into an agreement for the purpose of making it possible for the members of the board to act as a board of arbitration and decide the issues here presented on the basis of the record which has been made before the emergency board."

Wayne C. Morse, Chairman of the President's board, offered the board's services for arbitration in a surprise move near the close of Saturday's (October 18) hearing.

In view of the operating brotherhoods' rejection, it appeared that the board, as originally intended, would make a recommendation to the President regarding a settlement. This recommendation would not be binding, and thirty days after it is made both parties can act as they see fit.

Nation's Exports Greatly Increased In August Commerce Dept.'s Foreign Trade Report Shows

(Continued from page 714)

total of almost $3,000,000,000 was 6% above the corresponding period of 1940 and the highest total for any similar period since 1929.

General Imports into the United States, valued at $283,000,000 in August, were 2% higher than in July 1941 and 28% higher than in August 1940. The rise in value over both these earlier periods was mainly the result of increased imports of strategic materials.

The value of imports during the first eight months of this year over the same period in 1940 increased by 24% to $2,154,000,000.

Foreign Trade in the Second Year of the European War

During the 12-month period ending August 1941, the second year of the European War, the value of total United States exports was $4,189,000,000. This amount was 4% larger than the value of exports during the first year of the war and 42% larger than that in the comparable 12-months' period preceding the outbreak of the war.

Imports, at $3,033,000,000, increased 15% during the year ending August 1941 over the preceding 12 months' value and by 42% over the value in the 12 months' immediately preceding the outbreak of war.

The war's influence on export trade during the second year of the war is particularly reflected in the high proportion of manufactured articles in the total. Finished manufactured articles, valued at $2,760,000,000, comprised 66% of total United States exports in the year ended August 1941, while finished and semifinished manufactures, taken together, made up 84% of the total. The value of the finished manufactures increased by $627,000,000, or by 29% as compared with the first year of the war and by 78% in comparison with the 12 months ended August 1939. The value of semimanufactures showed a decrease of 11% and an increase of 47%, respectively, over these two preceding periods.

Commodities Responsible for Export Rise

The two principal manufactured articles shipped abroad in greatly increased value during the second year of the war were aircraft and munitions. The former more than doubled in value, advancing from $246,000,000 in the first year of the war to $492,000,000, while munitions, including firearms and explosives, nearly tripled, increasing from $62,000,000 to $173,000,000. In the 12 months' period ending August 1939, aircraft exports were valued at only $90,000,000, while munitions totaled less than $10,000,000.

Among other manufactured exports, iron and steel-mill products showed an expansion of 17%—from $427,000,000 to $501,000,000—while exports of metal-working machinery, valued at $259,000,000, were larger by 37% than in the 12 months ending August 1940. Exports in these two categories increased substantially after the outbreak of war, reaching high monthly values of $54,000,000 and $30,000,000, respectively, during the last quarter of 1940. In 1941, however, shipments have been at lower levels. They were valued at $46,000,000 and $21,000,000, respectively, in August.

Exports of Foodstuffs

Lend-Lease shipments (mainly to the United Kingdom) since March have included substantial amounts of meats, dairy products, and eggs, which are reflected in the increase in value of exports of edible animal products to $129,000,000 in the 12 months ending August 1941 from $79,000,000 in the preceding 12-months' period. Exports of other food products, especially grains and fruits, showed declines, however, with the result that total exports of foodstuffs dropped to $273,000,000 from $292,000,000 in the year ending August 1940 and $322,000,000 in the year ending August 1939.

Cotton and Petroleum Decline

Several principal nonagricultural commodities were exported in smaller amounts during the second year of the war than during the first year. These commodities include unmanufactured cotton, shipments of which decreased in value to $66,000,000 from $336,000,000, and petroleum and products, shipments of which declined to $224,000,000 from $364,000,000. Exports of nonferrous metals also declined, from $219,000,000 in the year September 1939-August 1940 to $137,000,000.

Strategic Material Imports Increase

Relatively large imports of basic raw materials, such as crude rubber, tin, and raw wool, account mainly for the large increase recorded in the value of imported crude materials and semimanufactures, from $1,495,000,000 to $1,887,000,000 during the second year of the war. The value of these imports in the year ending August 1941 with percentage increases over the year ending August 1940 were as follows: Crude rubber, $401,000,000, an increase of 51%; tin, $161,000,000, an increase of 53%; and unmanufactured wool $181,000,000, an increase of 148%.

Foodstuffs Imports

Imports of coffee moved into the United States in large volume from October 1940 through June 1941, after the quota arrangements between the United States and coffee producing countries were initiated, with the result that the value of coffee imports was considerably larger in the year ending August 1941 than in the comparable 12 months' period preceding. The quantity of total coffee imports increased 10% from $2,106,000,000 pounds in the year ending August 1940 to 2,327,000,000 pounds and the value advanced from $138,000,000 to $152,000,000. Imports of other foodstuffs, including cocoa and sugar, showed moderate increases also. The value of total foodstuffs imports increased from $607,000,000 in the 12 months' period ending August 1940 to $631,000,000 in the corresponding period of 1941.

Finished Manufactures Imports

Imports of finished manufactured articles were valued at $397,000,000 in the 12 months ending August 1941, as compared with $427,000,000 in the preceding 12 months' period, a decline which reflects primarily the curtailment in entries of goods from the Continent of Europe since June 1940. Although trade with the United Kingdom has been well maintained, imports of cotton manufactures and linens, leather manufactures, pottery, diamonds and other commodities formerly obtained largely on the Continent of Europe have shown marked decreases. Imports of newsprint valued at $126,000,000 and burlaps at $46,000,000, the largest single items, of manufactured imports, varied only moderately in value as compared with the 12 months ending August 1940. Canada has supplied increased amounts of newsprint to replace those from Europe, while burlaps are received largely from British India.

EXPORTS, INCLUDING REEXPORTS, AND GENERAL IMPORTS OF MERCHANDISE
COMPARATIVE SUMMARY
Exports and Imports—Thousands of Dollars

	August 1940	July 1941	August 1941	Eight Months Ending August 1940	1941	Increase + Decrease —
Exports, including reexports	350,933	358,649	455,257	2,731,989	2,900,297	+168,308
General imports	220,523	277,847	282,513	1,746,978	2,154,457	+407,479
Export balance	130,410	80,802	172,744	985,011	745,840	------

BY MONTHS AND BY CUMULATIVE PERIODS
Exports, Including Reexports—Thousands of Dollars

Month or Period	1936	1937	1938	1939	1940	1941
January	198,564	222,665	289,071	212,911	370,082	325,030
February	182,024	233,125	261,935	218,716	347,105	303,110
March	195,113	256,566	275,308	267,781	350,784	356,688
April	192,795	268,945	274,472	230,974	322,938	387,109
May	200,772	289,922	257,276	249,466	323,749	384,717
June	185,693	265,341	232,726	236,164	349,728	329,737
July	180,390	268,184	227,535	229,631	316,669	358,649
August	178,975	277,031	230,790	250,102	350,933	455,257
September	220,539	296,579	246,335	288,956	295,451	------
October	264,949	332,710	277,668	331,978	343,840	------
November	226,364	314,697	252,381	292,453	327,567	------
December	229,800	323,403	268,943	368,046	322,299	------
8 months ending August	1,514,326	2,081,778	2,049,112	1,895,745	2,731,989	2,900,297
12 mos. end. December	2,455,978	3,349,167	3,094,440	3,177,176	4,021,146	------

General Imports—Thousands of Dollars

Month or Period	1936	1937	1938	1939	1940	1941
January	187,482	240,444	170,689	178,246	241,992	228,665
February	192,774	277,709	162,951	158,072	200,068	233,698
March	198,701	307,474	173,372	190,481	216,755	267,784
April	202,779	286,837	159,827	186,300	212,352	287,496
May	191,697	284,735	148,248	202,493	211,470	296,920
June	191,077	286,224	145,869	178,866	211,425	279,536
July	195,056	265,214	140,809	168,910	232,393	277,847
August	193,073	245,668	165,516	175,623	220,523	282,513
September	215,701	233,142	167,592	181,536	194,854	------
October	212,692	224,299	178,024	215,289	206,920	------
November	196,400	223,090	176,187	235,458	223,554	------
December	245,161	208,833	171,347	246,807	253,073	------
8 months ending August	1,552,638	2,194,304	1,267,280	1,438,991	1,746,978	2,154,457
12 mos. end December	2,422,592	3,083,668	1,960,428	2,318,081	2,625,379	------

EXPORTS OF UNITED STATES MERCHANDISE AND IMPORTS FOR CONSUMPTION
COMPARATIVE SUMMARY
Exports and Imports—Thousands of Dollars

	August 1940	July 1941	August 1941	Eight Months Ending August 1940	1941	Increase + Decrease —
Exports of United States Merchandise	342,885	348,890	438,264	2,673,117	2,830,625	+157,508
Imports for consumption	214,413	264,685	273,898	1,675,921	2,050,453	+374,532

BY MONTHS AND BY CUMULATIVE PERIODS
Exports United States Merchandise—Thousands of Dollars

Month or Period	1936	1937	1938	1939	1940	1941
January	195,689	219,063	285,772	210,260	360,584	317,637
February	179,381	229,671	259,160	216,191	338,966	297,968
March	192,405	252,443	270,429	263,995	343,072	349,900
April	189,574	264,627	271,508	227,624	315,449	377,841
May	197,020	285,081	253,713	246,119	316,457	376,435
June	181,386	256,481	229,553	233,465	343,714	323,689
July	177,006	264,613	224,866	226,740	311,992	348,890
August	175,825	273,561	228,312	247,412	342,885	438,264
September	217,925	293,374	243,595	284,392	288,475	------
October	262,173	329,373	274,059	323,077	336,153	------
November	223,920	311,212	249,844	286,761	321,130	------
December	226,666	319,431	266,358	357,307	315,305	------
8 months ending August	1,488,285	2,045,539	2,023,313	1,871,805	2,673,117	2,830,625
12 mos. end. December	2,418,969	3,298,929	3,057,169	3,123,343	3,934,181	------

Imports for Consumption—Thousands of Dollars

Month or Period	1936	1937	1938	1939	1940	1941
January	186,377	228,680	163,312	169,353	234,641	223,624
February	189,590	260,047	155,923	152,577	190,160	216,664
March	194,296	295,705	173,196	191,269	206,552	254,554
April	199,776	280,899	155,118	185,916	203,114	274,585
May	189,008	278,118	147,123	194,185	203,893	281,341
June	194,311	278,300	147,779	178,373	205,250	261,102
July	197,458	262,919	147,767	170,430	217,897	264,685
August	200,783	248,730	171,023	180,225	214,413	273,898
September	218,425	233,959	172,909	199,404	196,274	------
October	213,419	226,470	178,447	207,131	212,913	------
November	200,304	212,382	171,668	214,502	217,300	------
December	240,230	203,644	165,359	232,736	238,248	------
8 months ending August	1,551,599	2,133,398	1,261,241	1,422,328	1,675,921	2,050,453
12 mos. end. December	2,423,977	3,009,852	1,949,624	2,276,099	2,540,656	------

EXPORTS AND IMPORTS OF GOLD AND SILVER
COMPARATIVE SUMMARY
Exports and Imports—Thousands of Dollars

	August 1940	July 1941	August 1941	Eight Months Ending August 1940	1941	Increase + Decrease —
GOLD						
Exports	10	13	6	4,957	46	—4,911
Imports	351,563	37,055	36,979	3,622,083	773,012	—2,849,070
Import balance	351,553	37,041	36,973	3,617,126	772,966	------
SILVER						
Exports	180	353	207	3,257	4,782	+1,525
Imports	4,107	4,686	3,561	39,510	32,395	—7,115
Import balance	3,927	4,333	3,353	36,253	27,613	------

BY MONTHS AND BY CUMULATIVE PERIODS
Exports—Thousands of Dollars

Month or Period	1938	1939	1940	1941	1938	1939	1940	1941
January	5,067	81	22	4	355	1,671	452	319
February	174	15	53	6	233	2,054	298	817
March	20	53	18	3	191	1,923	657	1,048
April	145	231	33	2	250	2,054	594	1,212
May	212	36	3,563	5	317	611	177	615
June	131	19	1,249	7	254	303	884	210
July	65	9	8	13	193	640	15	353
August	17	13	10	6	401	937	180	207
September	11	15	13	---	1,463	1,292	139	---
October	16	15	17	---	1,259	1,773	87	---
November	14	10	6	---	823	487	68	---
December	16	11	3	---	1,344	887	123	---
8 mos. ending August	5,832	457	4,957	46	2,194	10,191	3,257	4,782
12 mos. ending December	5,889	508	4,995	--	7,082	14,630	3,674	----

Imports—Thousands of Dollars

Month or Period	1938	1939	1940	1941	1938	1939	1940	1941
January	7,155	156,427	236,413	234,246	28,708	10,328	5,799	4,576
February	8,211	223,296	201,475	108,615	15,488	9,927	4,070	3,292
March	52,947	365,436	459,845	118,569	14,440	7,207	5,724	4,489
April	71,236	606,027	249,885	171,994	15,757	7,143	5,170	4,346
May	52,987	429,440	438,695	34,835	17,952	6,152	4,589	3,347
June	55,438	240,450	1,164,224	30,719	19,186	14,770	4,673	4,099
July	63,880	278,645	519,983	37,055	18,326	5,531	5,378	4,686
August	165,990	259,934	351,563	36,979	4,985	4,365	4,107	3,561
September	520,907	326,089	334,113	---	24,098	4,639	4,656	---
October	562,382	69,740	325,981	---	25,072	7,268	4,857	---
November	177,782	167,991	330,113	---	24,987	4,183	4,721	---
December	240,542	451,183	137,178	---	21,533	3,795	4,690	---
8 mos. ending August	477,844	2,559,656	3,622,083	773,012	134,842	65,422	39,510	32,395
12 mos. ending December	1,979,458	3,574,659	4,749,467	----	230,531	85,307	58,434	----

K. C. Bond Traders Appoint Committee

KANSAS CITY, MO.—At the first meeting of the newly appointed officers of the Bond Traders Club of Kansas City, at which Harry Coleman, H. O. Peet & Co., presided, the following members were appointed to serve on various committees for the ensuing fiscal year:

Membership Committee: A. W. Sawyer, Chairman, C. F. Childs & Co.; Fred J. Armentrout, John J. Seerley & Co., Inc.; and Kneeland Jones, A. E. Weltner & Co.

Program Committee: Donald D. Belcher, Chairman, Martin-Holloway-Purcell; Leonard A. White, Wahler, White & Co.; and Claude M. McDonald, Collins, McDonald & Co.

Publicity Committee: Francis G. Kulleck, Chairman, Kulleck, Wheeler & Co.; Earl L. Combest, Prugh, Combest & Land, Inc.; and Frederic P. Barnes, Lamson Bros. & Co.

Finance Committee: Russell Sparks, Chairman, Harris, Upham & Co.; Eldridge Robinson, Baum, Bernheimer Co.; and Leo L. Kellett, W. C. Pitfield & Co., Inc.

Harry L. Coleman was appointed as National Committeeman, and Laurence B. Carroll, Prescott, Wright, Snider Co., the alternate National Committeeman.

John J. Trask To Be Admitted By duPont

On November 1st, John J. Trask, member of the New York Stock Exchange, will become a partner in Francis I. du Pont & Co. and Chisholm & Chapman, 1 Wall Street, New York City, members of the New York Stock Exchange. Mr. Trask was previously an individual floor broker in New York.

Carlyle Detjen With Murdoch, Dearth Co.

(Special to The Financial Chronicle)

ST. LOUIS, MO.—Carlyle L. Detjen has become associated with Murdoch, Dearth & White, Inc., Boatmen's Bank Building. Mr. Detjen was formerly Mid-Western representative for Harder & Co. and in the past conducted his own business in St. Louis.

THE BOND SELECTOR

Progressive Strength In U. S. Quotations For Canadian Bonds; Recent Activity Traced To Sound Financial Policies And To U. S.-Canadian Trade Collaboration

A great deal of discussion, mostly by arm-chair economists, has taken place within the past year regarding the magnitude and effectiveness of Canada's war effort. Comparisons usually are made between the sacrifices on the part of American citizens and the role played by the average Canadian, and often are translated into dollars. This column does not intend to become embroiled in the questions of the merits and shortcomings of either party. Recently, however, some interesting figures were compiled by Wood, Gundy & Co., which appear to show that, on the basis of population, Canada's efforts have already been meagre. This firm states, "Canada has a population of about 11,500,000, in order to make clear to American investors the importance of Canada's war effort relative to its population, the following table has been prepared to show corresponding figures for a population the size of the United States."

	Canada	On basis of Population of 130,000,000
Public War Loans	$1,415,000,000	$15,995,000,000
Financing of British War Expenditures	905,000,000	10,230,000,000
British Commonwealth Air Training Plan Established in Canada (64% of total cost)	531,000,000	6,002,000,000
Shipbuilding Program	320,000,000	3,617,000,000
Personal Equipment for Armed Forces	100,000,000	1,130,000,000

Other comparative figures are cited to indicate the volume of war material being produced, food shipments to Britain, size of the armed forces, etc. Since we are principally concerned with the financial aspects of the situation, these interesting figures must be omitted. The fact seems well-established that from the angle of financial effort, Canada has been doing a magnificent job, particularly during the current year.

At this juncture, we should realize what $1 billion represents to a Canadian in the form of per capita debt—about $87. To an American, accustomed as he is to seeing billions tossed about quite blithely even long before the war began, $1 billion boiled down to per capita debt amounts to $7.70. In this light, then, some further figures may be revealing. According to Wood, Gundy & Co., the following compilation shows the needs of the Dominion government during the two-year period (Sept. 1, 1939-Aug. 31, 1941) and the methods of raising the required revenue:

	2 Yrs. of War
Funds Required—	
Canadian Direct War Expenditures	$1,320,000,000
Non-War Expenditure	940,000,000
Financing British War Expenditure in Canada	905,000,000
Maturing Obligations	455,000,000
Total	$3,620,000,000
Funds Obtained—	
Revenue	$1,745,000,000
New Securities Issued	2,380,000,000
Total	$4,125,000,000
Residual Item (mainly net increase in cash balances)	505,000,000

In other words, of the $2,260,000,000 of direct war and non-war expenditures, $1,745,000,000, or 77%, has been covered by current taxation.

Perhaps the two most important specific factors which have been responsible for the recent steady strength in Canadian bonds were the Lend-Lease Bill enactment in March, and the so-called Hyde Park Declaration of last May. It was this latter agreement between the United States and Canada which initiated "cooperation for defense" between the two countries. It provided means for Canada to market in the United States hundreds of millions of dollars worth of strategic material, munitions and ships sorely needed by the United States; it provided a method whereby Canada could apply lend-lease provisions on parts and materials which she had to purchase here in order to produce essential war equipment for Great Britain; it also has provided Canada with U. S. dollar exchange. Despite the truth that there are still many desirable mutual benefits yet to be attained, Canada has already sold to the United States between $200,000,000 and $300,000,000 of defense supplies.

The following tabulation shows closing quotations in U. S. funds at the end of each month since December, 1940, of six representative Dominion of Canada bonds. Quotations for a recent date are also shown:

DOMINION OF CANADA BONDS
(Quotations in U. S. Funds)

Date	*2¼s, 1944	3s, 1958	*3s, 1967	3¼s, 1951	*3¼s, 1961 Opt. 1956	*4s, 1960
Oct. 11	99 -99¼	82 -83½	94½-95	84 -86	98 -99	104 -104¾
Sept. 30	99⅛-99¼	80¼-82	95¼-95⅝	82½-84½	98½ bid	105½-106
Aug. 31	97¾-98¼	78 -80	88⅝-89	80½-82½	92⅛-92¾	100⅞-101¼
July 31	96⅞-97⅜	76 -77½	87 -87⅝	78½-80	90⅝-91	99¾-100
June 30	96¾-96⅞	75½-77½	87 -87⅜	77½-79½	85⅝-90½	99 - 99½
May 31	95⅝-96	71½-73½	86¼-87	74 -76	89½-90	97⅜- 98
April 30	97 -97¼	74¾-76½	86½-87	77 -79	89¼-89¾	97½- 98
Mar. 31	94⅞-95½	70¾-72¾	81⅜-82	73 -75	84¼-85	92 - 92½
Feb. 28	92⅞-95	69 -71	78 -79½	71 -73	81¼-83	88¾- 89¼
Jan. 31	92¼-92¾	65½-70½	79½-80¼	68 -70	81½-82	90 - 90¾
Dec. 31	92¼-93⅛	65½-67½	78¾-79½	67½-69½	82½-83¼	91½- 92

*Payable in U. S. funds.

Obviously, since the Canadian dollar in New York has advanced from a low of 82¾ in January, 1941, to its present value of 88¾, the largest increases have taken place in the issues payable in Canadian funds. Those payable in U. S. funds, however, have shown remarkable recovery from their lows. Further action of Canadian bonds in New York will undoubtedly be governed by (1) the course of the war, (2) financial policies of the Canadian government, and (3) mutual efforts to expand the possibilities of the Hyde Park Declaration.

B. A. Kehoe Promoted; G. Kobbe II In Army

Gustave Kobbe II has resigned as a director and as assistant secretary and assistant treasurer of Kobbe, Gearhart & Company, Inc., 45 Nassau Street, New York City, and has entered the military service of his country. At present he is stationed at Fort Riley, Kansas, and is a member of the First Training Squadron of the Cavalry (C. R. T. C.).

Bernard A. Kehoe has been elected an officer and director to fill the vacancies. Mr. Kehoe has been associated with the firm since its inception, and was formerly the head of the clearance department of the Underwriters Trust Company.

These changes involve nothing more than that noted above. There are no changes in the two senior officers, in the firm's personnel, or in the firm's policy of making actual trading markets and giving quick, accurate service.

J. F. Hartfield Co. Opening In New York

J. Frederick Hartfield and Charles J. Degnan are forming the firm of J. F. Hartfield & Co., with offices at 42 Broadway, New York City, to conduct a general securities business. Mr. Hartfield was formerly with H. S. Renton & Co., specializing in New Jersey issues and prior thereto was manager of the trading department for Campbell & Co.

Homer G. Kaupp Joins Juran & Moody Staff

ST. PAUL, MINN.—Juran & Moody, specialists in municipal bonds, Minnesota Mutual Life Building, announce that Homer G. Kaupp, formerly manager of the municipal department of Polk-Peterson Corporation, Des Moines, Iowa, is now associated with their firm.

Orvis Bros. Co. Open Office In Columbus

COLUMBUS, OHIO — Orvis Brothers & Co. announce the opening of an office here at 16 East Broad Street under the management of Lucas A. Green, for the conduct of a business in stocks, bonds and commodities. Mr. Green was formerly manager of the Columbus office of Merrill Lynch, Pierce, Fenner & Beane, with which he had been associated since 1931.

Also associated with the new Orvis Brothers office is E. H. Horne, previously with Merrill Lynch, Pierce, Fenner & Beane.

Schoellkopf, Hilbert Formed; NYSE Firm

Effective with the admission to partnership today of Webb Hilbert, the firm name of Schoellkopf & Co., members of the New York Stock Exchange, has been changed to Schoellkopf, Hilbert & Co. Mr. Hilbert was formerly a partner in the dissolved firm of Hilbert, Condon & Bassett, New York City. Schoellkopf, Hilbert & Co. maintain offices at 70 Niagara Street, Buffalo, N. Y., and 11 Wall Street, New York City. Mr. Hilbert will make his headquarters in the firm's New York office.