IT should be obvious to anyone who thinks at all that everything that anyone possesses is the result of past or present effort. Industry, therefore, is the first duty of man, as it must ultimately subdue upon the fruits of someone's labor. This law is as valid for the future as it has been for the past, and social planners will serve humanity best when they realize the justice of its dictates. There is no chance that the miracle of Galilee will be repeated.

Man is not sustained by either present or future labor but by past labor, the function of which is to bear the time lag and the risk. While the grain is growing, we consume the fruit of other harvests. The decrétip arguments to the contrary are straw in the wind; they harken back to the Government for support in their old age, sickness or times of depression, reversion to barbarism would be inevitable and rapid. As a matter of fact, the tobacco business, learned, to save, had not been dominant in some men, civilization would have been impossible and the malcontents, the inefficient and those who make political capital out of their imaginary grievances would not be here. The tragedy of existence is not that many men fail but that few seldom try.

The destruction of a country rests in its redistribution by political or religious oppression—destroys the spells of civilization. Every agreement which restricts or limits production, whether entered into by corporations or by individuals, or by governments to control crops, is an economic crime; a direct theft from the standard of-living of everyone.

It is the duty of the individual and the duty of the State. A profligate government, however, is something more than a wastrel. Its progress, in granting relief, no matter how selected or what they are called, are of the same flimsy quality as all thieves.

We are led by influence of Government, the lengths of depravity are reached and the foundations of democracy and a sound economic system are shattered at their base.

(Continued on page 59)

FINANCIAL CHRONICLE
Volume 157 Number 4140
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Price 60 Cents A Copy

THURSDAY
JAN 8 1943
In 3 Sections—Section 1

HOW DO WE GET THIS WAY?
The AnatomY of Capitalism
By H. B. LOOMIS and JOHN B. KNOX
of John B. Knox & Company

Our Reporter On "Governments"

We expected premiums, all right—in fact predicted them on the 21/2 and 11/2 in this column almost immediately after the December advance began. We were right. The December 18/32 have premiums of 9/32 on the 11/2, and even premiums on the 3/16 were 9/32. This was followed by a spurt in borrowing!... Particularly this is noteworthy when you remember that this time unlimited subscriptions by non-banking brokers are a fact.

The dealers have been active in the market, admittedly, and we know the professionals bought large amounts of the 11/2 and 3/16... The brokers' loan figures—which showed a rise from $540,000,000 to $550,000,000 in the period before December 23—tell us that clearly... Brokers' loan advances these days usually mean purchases of Government securities on margin increased speculation in stocks.... But the dealers aren't powerful enough and don't own enough of the 11/2 (or the others) to boost the market price level as much as has been indicated.... That's definite... And inquiries around the financial district confirm the statement beyond a shadow of doubt.

So where is the demand coming from?... Before answering that question, one doubt or suspicion must be removed from the minds of observers... This is not inside-the-market maneuvering.... The dealers have been active in the market, admittedly, and we know the professionals bought large amounts of the 11/2 and 3/16... The brokers' loan figures—which showed a rise from $540,000,000 to $550,000,000 in the period before December 23—tell us that clearly... Brokers' loan advances these days usually mean purchases of Government securities on margin increased speculation in stocks.... But the dealers aren't powerful enough and don't own enough of the 11/2 (or the others) to boost the market price level as much as has been indicated.... That's definite... And inquiries around the financial district confirm the statement beyond a shadow of doubt.

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75 YEARS OF SERVICE TO INVESTORS is the title of a 4-page pamphlet we have prepared in celebration of this firm's 75th anniversary. A copy will gladly be sent to you upon request, together with a list of sound Connecticut Securities with an unknown divided record of 25 years or more.

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NYSE Wage Dispute Certiﬁed To WLB By
Secretary Perkins After Conciliation Failure

After an unsuccessful effort to settle the dispute over wages and union security between the New York Stock Exchange and members of the New York Stock Exchange Employes Union, the controversy has been certified to the New York Labor Board by Secretary of Labor Perkins. Involved are about 400 employees of the exchange represented by the body, affiliated with neither the C. I. O. nor the A. F. of L.; this consist of almost all the floor workers, but less than the present personnel of the Exchange as a whole.

Negotiations between the union and the Exchange began in October, with a demand by the union for wage increases, vacation pay, insurance, time off and overtime. "We agree on everything," said Emil Schram, president of the Exchange, "save their demand for what I call a closed shop. They wanted us to fire our men taken on who did not join the union within a certain period. We did not agree to that. They then took the case to the Department of Labor and an arbitrator was sent here. We did not recede from our position on the closed shop, so he made his report early in November, and it has just now been referred to the War Labor Board."

Mr. Schram declared that wage increases for floor employees of the Exchange since the beginning of 1941 have amounted to about 20% and added that he had some doubts that the War Labor Board would even approve the most recent wage increase granted in the October negotiations with the union.

Williams Municipal
Mgr. For Byllesby

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JANUARY 2, 1943

FE ADELADES 4, 1957

Davenport Besler, Hist. Inc. 63, 53

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CLIFFORD DRAKE JOINS
Blair Co. As Mun. Mgr.

Clifford Drake has joined the municipal bond department of Blair Co., 44 Wall Street, New York City. Mr. Drake was formerly associated with H. M. Byllesby and Company, Incor-
porated, and Mr. Drake will be in charge of their municipal bond department prior thereto served in the same capacity in the Mayor office of the H. C. Waln
wright Co.,

Auvile Eager Retires As
Mackubin, Legg Partner

Auvile Eager has resigned as a partner in the firm of Mackubin, Legg & Company, 23 Little Street, New York City. The firm will continue to carry on the investment banking activities as a representative of the firm.

John C. Legg, Jr., Laurence M. Simonson, Howard E. Denuth and Joseph W. Sener will continue to carry on the investment banking and brokerage business of the firm under the same name.

William J. Banigan
John B. Fowler, Jr.
John E. Hutchinson
Philip L. Morrison

Limited

Thurday, January 7, 1943

Alabama Mills

Davenport Besler, Hist. Inc. 63, 53

STEINER, ROUSE & CO.

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We take pleasure in announcing that Mr. Frederick L. Schuster has become a General Partner of our firm.

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January 1, 1943
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REAL ESTATE SECURITIES

Record of Herald Square Building Since Reorganization
Original $2,500,000 Mortgage Reduced To $1,500,000

Pursuant to a plan of reorganization covering the execution of a Supplemental Trust Indenture, new first mortgage leasehold sinking fund income bonds were exchanged for par for par for the old Herald Square Building first mortgage bonds. At the time of issuance of the new bonds, the old $2,500,000 mortgage was reduced to $1,500,000.

The Supplemental Indenture provided for interest at 2¼% per annum, if earned, plus additional income interest on the bonds at 1% per annum on any income paid in excess of $34,000. In addition, sinking fund bonds based on earnings as follows:

June 30, 1941...$19,204.55
June 30, 1942...33,685.32
Retiring $174,000 in principal amount will reduce the issue to $1,326,000. The amount available as sinking fund for the plan of bond reduction is approximately $40,000 and will be used in payment of mortgage and redemption of bonds. Total interest that has been paid on the bonds amounted to $48,850 per $1,000 bond.

The bonds are secured by a first first mortgage on the leasehold estate in the land and building with a market value of approximately $200,000 per 1,000 square feet. On the mortgage there is a first mortgage construction loan of $18,000,000, at 6% per annum. In addition there is available $1,500,000 joint mortgage insurance. The interest on the mortgage is $101,450 used in the building fund.

NY Curb Renominates
Moffatt For President

Fred C. Moffatt, President pro tem of the New York Curb Exchange since July 1, 1942, when Secretary of the New York Cotton Exchange closed its offices for the season, has been renominated as chairman of the board of governors of the Exchange for a one-year term. The nominating committee, under the chairmanship of Harry A. Tracy, also designated candidates for the board of governors and trustees of the gratuity fund. Elections will be held on Feb. 9, 1943.

John A. McDermott, chairman of the public relations committee of the Exchange, was nominated as a class member of the board of governors for a one-year term. Nominated for the board of governors for a three-year term were Andrew Bailes of Josephthal & Company, Philip W. W. Hill of Smith, Barney & Company, H. C. Adam of Eastman, Dillon & Co., John A. Lodi of J. A. Lodi & Company, and Herbert G. Tully. Nominated for the board of governors for a two-year term were Paul L. Hymans, E. B. Upham & Company, John W. Farr of Merrill Lynch, Pierce, Fenner & Beane, and J. B. Walker of Wedekin & Harden.

Municipal Sec. Co.
In Greensboro, N. C.

GREENSBORO, N. C.—Wiley A. Byrnes and Eliza G. Hall announce the formation of a partnership to carry on an investment and securities business under the name of Municipal Securities Company, Guildford Building, as successors to the corporation of Brown & Company, Greensboro, which was formerly officers of the latter firm which was established in 1890.

Am. Cynamid Looks Good

The 5% cumulative preference stock of the American Cynamid Company reported a profit of $32,000 for the March quarter, an unusual situation at the present time as a result of the recessions just issued by Bristol & Willett, 115 Broadway, New York City. Copies of this memorandum were sent to Brown & Company as Bristol & Willett upon request.

Brown Co-Manager In Cgo

CHICAGO, ILL.—Bro. & Hutzler announced that Harry M. Brown has been named co-manager of their Chicago office, 201 South La Salle Street. Mr. Brown has been with the firm in Chicago for many years.

Tomorrow's Markets
Walter Whyte

Bullish rail forecasts not convincing and the market action gives better clue than impressive statistical array. Industrial still against sellings. Look for news to break market out of rut.

By WALTER WHYTE

As this goes to press the eyes of Wall Street are peered on three things. The first, the new Congress; the Rails and, in the background, the War. Of the first there is high hopes based on little more than Bahrain and less than that a conservative Congress will put a stop to bureaucracy. Republica leader Joseph Martin has already said, "We shall insist upon radical Government expenditure." Then in the next breath adds, "We shall respond promptly to every request for money needed for the prosecution of the war." So if anybody is going to break the delusion that taxes will be reduced they are in for a rude awakening.

The rails as everybody in the Street knows have been particularly hard hit since 1930 or so. But now talk is gathering momentum that the group is finally about to emerge from its lonesomeness. One of the arguments presented is that the rails have finally achieved a favorable ratio between market price and property investment.

Total value of all classes of rail securities is now about $18,000,000,000, of which $16,000,000,000 is in property account is now about $26,000,000,000. The assumption naturally being that buyers of rail securities at this time are not only getting actual value but are obtaining some earning power for nothing. In line with this theory it can be shown that many rails are therefore selling at 6½ or even less times earnings.

Seeing these, and more powerful arguments one is tempted to buy into what appears such a favorable situation. Unfortunately things in the market seldom work out so simply or so well.

Two and two make four: any place in the world but in the market. There is a little thing called public psychology to consider. If anyone could figure out the public fight to buy stocks selling for say 10 times earnings at one time and then sell the same public turn up its nose at the same stocks when available at 15 times earnings, he would come out well to profits than a close study of all the balance sheets and income statements could give him.

Of course you will say the public is no longer in the market, it's all powerful. They who do the real buying today. Yet the fact remains that unless these "Theya" find a public to whom they can sell their stocks, losses are inevitable. For all after is said potential buyers of securities never believe in the next bull market, less they feel that sometime in the not too distant future they can sell their stocks for a better price. Even the investor who is interested in yield, rather than in market value, is not totally disinterested in market possibilities. All this brings the problem of buying and selling down to the question of: What about the market?

At the end of 1942 the rail averages stood at 27.29. Up to the time this was written they managed to go up to 27.32, 29.28, low 23.31. For the past two and a half years the rails have made at least six attempts to push through a 25 to 31 range. Each time they have failed. Now they are at a level which has been a possibility for two years. The first was given above. The second is the importance most technicians ascribe to the condition of the Dow Theory.

According to this theory no bull market can call up gold and unless until both averages (rails and industrials) confirm each other by moving into new high ground the industrials have done so. The rails have not. You can see then how important it is psychologically, for the rails to advance. Nevertheless I believe the wish becomes father to the thought. So all kinds of formulas and schemes have been trotted out to prove the rails must go up.
What Ever Woman wants to know about a Man …

… that he chooses flowers for her, and Old Schenley, America's most beloved in bond, for his guests.

Old Schenley
SOLD IN BOND

Milder! Older! Better!

Straight Bourbon Whiskey — 100 Proof — This Whiskey is 6 Years Old. N. Y. State Distillers Corporation, N. Y. C.

UP-TOWN AFTER 3

AROUND THE TOWN

Sanny Dunham, the band leader and virtuoso on the trombone and trumpet, went to the New Yorker Hotel to an audience which goes daily real and it hears him give out …. The Hartmans, the funniest dancing team we have ever seen; open this Friday evening in the Fredenham Room of the Waldorf-Adams, on the same program will be Tito Guizar, Carmen Cavallaro and his orchestra and Mische Barr and his zambukas. — Betsie Bryant of the velvety voice opens it at the East Side Men Paree tonight. … Now that everybody knows about this good-will business it is applied to, but perhaps the nation, sight owners have bought up a new one—now this good-will is to apply to North Africa. A couple of weeks ago a funny bar and grill, all done up in silver, steel and satin to look like an American's idea of what a shell's should be. One cannot agree with the man who closed the Cash, even if it does flaunt to a non-dancing public and tonight another one opens. The latest to cash in on Yankee activity in the North, American claims itself the Algiers and is located on 54th Street. Will report to you about it at some later date (If it's still around) … You'll think, with rationalizing the effect of the combination of night clubs and restaurants would have their hands full just in keeping open without service on the East Side. So another place is scheduled to start business tonight. This one calls itself The Cafe Maxum (741 East 53rd) and already brags about its "famed" French chef, Jean Hagenes. Run by Max Hirsch, it's show will consist of a couple of girl singers, Nancy Donovan, the latter according to the publicity man, is a thrush with a different style — whatever that means. Others running the program will be Muriel Burt, Ida Proctor, Bruno, violinist, and dance music by Lou Martins and his band.

Tomorrow's Markets Walter Whyte Says …

(Continued from page 52) I might add that I'm not impressed with either the arguments or the action of the rails. On the contrary, I am almost heartbroken. In the plethora of good rail forecasts in the face of the poor rail market action is far from a bullish sign. To me it is something entirely different.

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This column has been on record for the last two weeks to the effect that enough resistance was ahead to stop any additional advances. This has been seen, resistance to advance also leads to other things. One is dullness. The other is decline. The first we are now witnessing. The second is still as possible. As much of the present market is so completely dominated by developments in Washington and news from the fighting fronts it would be presumptuous to give a definite opinion. The market shows by its hesitant action that it is too in doubt of near term developments. So until it breaks out of its trading range we can find no other advice to keep stops in the securities held by you must still apply.

More next Thursday. — Walter Whyte

(The views expressed in this article do not necessarily at any time of the views of the Chronicle. They are presented at the author's own request.)

Defaulted Railroad Bonds

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RAILROAD REORGANIZATION SECURITIES

Late in December an Interstate Commerce Commission examiner brought forth a reorganization plan for Chicago, Indianapolis and St. Joseph, which, if upheld by the Commission as a whole, will add further substantial proof to earlier signs that that body is determined that war induced traffic and earnings boons are not to color reorganization procedure. The Monon, controlled by the First Chicago National Bank (the Southern), had a particularly poor depression record, with operating ratios even covered in three of the ten years 1923-1941, inclusive. In more recent years, however, there has been growing evidence of executive and traffic interchange allotments from the parent companies and by 1940 the deficit had reduced to nominal proportions. In that year the old fixed charges were 9% earned.

In each of the past two years operations have been conducted profitably with old fixed charges covered 1.54 times and earnings and eminence of about 1.75 times in 1942. Despite this sharp recovery, in the course of which cash has been built up more than three times present annual fixed charges, the newly proposed reorganization contemplates that interest on even the first fixed Mortgage shall be contingent on earnings. Fixed charges are to be held to $163,000 or a reduction of about 20% from the old level.

Contingent charges would be that body is determined that war induced traffic and earnings boons are not to color reorganization procedure. The Monon, controlled by the First Chicago National Bank (the Southern), had a particularly poor depression record, with operating ratios even covered in three of the ten years 1923-1941, inclusive. In more recent years, however, there has been growing evidence of executive and traffic interchange allotments from the parent companies and by 1940 the deficit had reduced to nominal proportions. In that year the old fixed charges were 9% earned.

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In general, it is expected that the new year will bring greatly accelerated military action on the part of the United States and greatly enlarged civilian regulation.

How will these developments affect the Insurance Industry? No one can answer that question categorically but, perhaps, a few generalizations can be made. First, and most important, the insurance business will not be subject to rationing. Neither the product which it sells nor the ingredients which go into such product are subject to priorities or shortages except for the man-power problem, which is common to all. The personnel situation may or may not become acute depending upon the degree to which our mobilization is carried and the severity used in determining which industries are to be regarded as "essential." For the most part, the responsible personnel of an insurance company consists of mature men with dependents and, due to their long years of specializing in one field, there would appear to be little need for a point in transferring them to other work.

The loss, particularly in clerical help and agents, represents a blow which has already been considerable. However, the clerical force of an insurance company usually runs predominantly to girls and women, even under ordinary conditions, and thus will be less affected than most other businesses. In the production end, furthermore, it is not so much a matter of "setting" insurance at present as of servicing the business which is automatically available. This means hard work and long hours for the field forces and home office staffs but, at least, the task is not an impossible one.

The insurance business, of course, will be indirectly concerned with rationing and shortages in some cases as individual customers are affected by these things. Therefore, the expense factor and replacement costs will be higher but, on the other hand, the very fact that such materials and property have become increasingly precious means that the owners exercise greater care in using and servicing them. As a result, the insurance market has become very small indeed. This applies both to labor and equipment. For example, workers are recovering from injuries so much quicker under the new conditions that the pay check that greatly exceeds the compensation insurance payable.

Insurance underwriters, of course, are prepared for a considerable increase in burglary and fire losses but the tendency of the Government to forbid courts to regard such acts as sabotage, punishable almost as treason, may discourage the extent to which one might ordinarily be tempted to take a chance.

The authentic situation is unquestionably the most important, the most difficult and the most unpredictable element with which the insurance business has to contend. Prior to this year, nearly one-third of the premium income in both the fire and casualty fields was directly or indirectly connected with automobiles. In 1942, premium income held at a high level and losses were abnormally low. Most insurance men do not think that they will be equally fortunate from here on. Due to curtailed mileage, rates have already been reduced and, as a contribution to the war effort, companies have let down the "tars in regard to "ride-sharing" plans. Obviously, the profit margin on this business will be much lower this year.

In the fire-marine field, the over-all earnings for 1942 were the poorest in many years due to the heavy ocean marine losses of last spring. This development will tend to obscure the excellent results from straight fire insurance and the improvement in the automobile underwriting. During the year ahead, the mere operation of the law of averages would appear to indicate that the fire and marine results of 1943 will be less profitable but there will be no repetition of the ocean marine losses. Therefore, the net profit underwriting profit should be considerably better than in 1942.

In the casualty-surety field, no one could expect an improvement in earnings during 1943, barring miracles, because these companies have just been through the most profitable period in their history. Taxation alone should serve to place a "ceilng on profits from this point but the normal probabilities alone would also appear to point to higher loss ratios in 1943.

However, these companies have been fortunate in being able to get several years' good earnings "under the belt" and the full impact of war-time taxes hit them. As a result, they have greatly strengthened their financial position and, what is equally important, have refined and perfected their rate-making technique and have eliminated some of the more hazardous lines. To summarize, it seems a fair assumption that the fire-marine business will show improvement this year as compared with 1942.

However, there are some insurance companies. Similarly, it is a fair guess that the casualty-surety business will be more profitable. This, too, could (Continued on page 50)
Investment Trusts

CATCHING UP ON THE INVESTMENT NEWS

Much space has been devoted in investment company literature to the prospects for 1943. The viewpoints are stimulating, wide in range and, we believe, generally consistent.

Under the heading, "How Long A War?" Hugh W. Long & Co.’s "New York Letter" analyzes the arguments of the two main schools of thought on this all-important subject. While adhering to the viewpoint that the war will last two years more and probably longer, this admirable 97-page cent features a wide-spread survey which disclosed that about one-third of the people believe that the war will be over within a year. The reasoning of the "shorts" is set forth and compared with the arguments of those who believe that we still have a long way to go.

"On Looking Ahead" is the title of Abstracts in which Lord, Abbott sizes up the prospects for 1943. The bulletin is written from the viewpoint of the investor and, after discussing the armed forces, political and economic trends in progress, it sums up as follows:

"Our national debt has been tightened—and will be hitched still tighter before we’re through. But the effects of the change-over to a military economy cannot be measured; all doubts as to the viability of American industry have been dispelled; its critics and would-be masters stand confounded. "And over and above all hangs the intangible fact that war cost money—this one more than all the other wars of history combined. Despite higher taxes and more rigid controls some additional degree of inflation is inevitable. As to "How much?" or "How soon?" war is a factor that everyone knows.

"But there is one prediction which these basic underlying trends permit us to make with some assurance—that selected equities will prove, increasingly more during the war and the post-war reconstruction period.

The last two issues of National Securities & Research Corp.’s "Investment Timings" have been devoted to various aspects of the new year’s problems. A careful analysis of "Tax Law Prospects for 1943" forms the body of one bulletin with the outlook for each type of corporate and individual tax. The second is a "Prospectus: Pro or Con" and outlines the benefits and drawbacks of each type of stock.

A feature of this bulletin is the itemized presentation of earnings outlook for major industries. Division is made between "war," "peace" and "strategic" industries with graduated tables of earnings. The above average.

Average and Below Average. Five "war" industries are placed in the Above Average group, while none of the "peace" industries are given that rating. National Securities & Research Corp. has issued to dealers a plain but instructive booklet bearing the title, "Investment Management: A Guide to Survival". The booklet shows the functional adjustments of the present war and the future, and gives a brief resume of the qualifications necessary for an executive personnel. A recent issue of "Brevity" draws the comparison, "Pre-War versus War-Time Stocks", in the following terms:

"For the year 1939, the 30 industrial stocks which comprise the Dow-Jones Industrial-Share Average paid a total of 595.69 in dividends (on a per share basis). For the year 1943 on the same basis, these 30 industrial stocks paid a total of $91.10 in dividends. This concordant fact rather conclusively belies the idea, which has inspired such selling in recent years, that taxes and government controls would sharply curtail or eliminate corporate profits in war time. "But because in some degree the idea has been widely held, selling of the Dow-Jones Average has been strong from around 180-185 in December, 1938, to around 135-136 at present. "The improvement in dividend payments indicated in the Dow-Jones Average comparison is confirmed on a broader scale by a comparison of dividend payments in the years 1939 and 1942 by Massachusetts Investors Trust..."
**Municipal News & Notes**

A proposal that Congress require Federal Reserve Banks to take over some of the "obligations of States and local subdivisions now confronted with decreased revenues" was made Jan. 3 by Chairman Patman (Dem., Texas) of the special House Committee on Small Business. Mr. Patman was quoted in Washington press reports as saying that States owed approximately $1,500,000,000 in outstanding obligations; counties, $2,600,000,000; cities, $10,000,000,000; school districts, $2,600,000,000, and other civil divisions, $2,600,000,000. Mr. Patman said he was preparing for introduction soon a measure which would require Federal Reserve Banks to accept those obligations that became delinquent and pay for them at par and accrued interest, or at the fair market price or at some date prior to Pearl Harbor, whichever is the lowest.

Federal Reserve banks, according to report, would be required to hold these obligations until the war is over and for at least a definite period thereafter. The interest charge could not be in excess of one-eighth of 1% a year.

In a statement, he said that he was considering also a move to release revenue raised through the Federal gasoline tax to States and political subdivisions.

"Most political subdivisions have been affected by the war because of their reliance upon sales and local gasoline taxes," he commented.

Patman estimated that 31% of the revenues of a State come from sales taxes on motor fuel and general sales and another 18% from business and motor vehicle permits and licenses, both of which are seriously threatened by wartime conditions. North Bergen, N. J., has Surplus After Paying All Charges.

A booklet containing pertinent facts concerning the progress of the Township of North Bergen, N. J., since its bonded indebtedness was refunded on May 15, 1941, has been prepared by Campbells, Phelps & Co., Inc., New York City.

"The present administration of the Township of North Ber¬
gen," says the booklet, "is imbued with the idea of conducting the affairs of the township along business lines; that is, it proposes to put into actual practice the most modern and effective methods of procedure for running the municipal government that could possibly apply to any modern business.

"With this idea in view and after four years of preparation, the Township Commission proceeded to straighten out its financial entanglements by refunding its bonded indebtedness as of May 15, 1941. Serial bonds in the amount of $14,988,000 were issued, bearing interest at the rate of 3 ½% per annum. These bonds matured from 1942 to 1967, inclusive, the last seven maturities (from 1961 to 1967) being made callable. The approving opinion of Hinsdale, Longfellow, New York bond att¬
ers, accompanies the bond.

"The township is operating under the cash basis provision of the Budget Act, holds all in¬
clusive tax sales annually, and is continuing its policy of fore¬
closing promptly on delinquent accounts and making use of its business policy of considering the affairs of the municipality prior to the end of the year. The Commission will close the year 1941 with all banks paid; all principal and in¬
terest on its bonded debt paid; all State and county taxes paid; and, in addition, will have added cash surplus to carry over into the next year."

Offering of $516,000 Township 3½% refunding bonds (non-call¬
able) dated May 15, 1941, is being made by a six banking group composed of Campbell, Phelps & Co., Inc.; Bioren & Co.; Paine, Web¬
er & Co.; Urban & Curtiss; Fox, Reusch & Co.; and Phelps & Co., Inc.; McDougall & Condon, Inc., and Insurance Union Bank, Nashville. The bonds mature Dec. 1, 1950 or 1956, inclusive, and are priced to yield from 3.20% to 3.50%, according to maturity.

**Manufacturers Trust Company**

Condonated Statement of Condition as at close of business December 31, 1942

**RESOURCES**

<table>
<thead>
<tr>
<th>Resource</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Due from Banks</td>
<td>$370,862,693.11</td>
</tr>
<tr>
<td>U. S. Government Securities</td>
<td>63,366,899.22</td>
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<tr>
<td>U. S. Government Insured</td>
<td>9,633,818.16</td>
</tr>
<tr>
<td>State and Municipal Bonds</td>
<td>2,277,950.00</td>
</tr>
<tr>
<td>Mortgages &amp; Acceptances</td>
<td>300,578,843.40</td>
</tr>
<tr>
<td>Loans, Bills Purchased and Bankers Acceptances</td>
<td>14,573,993.72</td>
</tr>
<tr>
<td>Mortgages</td>
<td>12,529,572.25</td>
</tr>
<tr>
<td>Banking Houses</td>
<td>2,145,185.32</td>
</tr>
<tr>
<td>Amounts due from National Equities and Customers' Liability for Acceptances</td>
<td>2,814,083.72</td>
</tr>
<tr>
<td>Accrued Interest and Other Resources</td>
<td>1,685,114.65</td>
</tr>
<tr>
<td><strong>Total Resources</strong></td>
<td><strong>$3,419,456,873.51</strong></td>
</tr>
</tbody>
</table>

**LIABILITIES**

<table>
<thead>
<tr>
<th>Liability</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred Stock</td>
<td>8,216,040.00</td>
</tr>
<tr>
<td>Common Stock &amp; Undivided Profits</td>
<td>32,998,040.00</td>
</tr>
<tr>
<td>Reserves</td>
<td>6,311,065.00</td>
</tr>
<tr>
<td>Common Bank &amp; Other Liabilities</td>
<td>41,808,931.51</td>
</tr>
<tr>
<td>Preferred Stock &amp; Dividends (Payable January 2, 1943)</td>
<td>292,959.50</td>
</tr>
<tr>
<td>Preferred Stock Dividends (Payable January 13, 1943)</td>
<td>214,080.80</td>
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<tr>
<td>Outstanding ACCEPTANCES</td>
<td>3,077,857.65</td>
</tr>
<tr>
<td>Liability as Endorsers on Acceptances and Foreign Bills</td>
<td>100,000.00</td>
</tr>
<tr>
<td>Deposits</td>
<td>1,322,310,066.60</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$3,419,456,873.51</strong></td>
</tr>
</tbody>
</table>

**SBanking OFFICERS**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charles H. Hoffer</td>
<td>President</td>
</tr>
<tr>
<td>Edward G. Borden</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td>John S. Johnston</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td>Homer L. Jones</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td>William T. Caffey</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td>Robert E. Smith</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td>Horace L. King</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td>John M. Franklin</td>
<td>New York City</td>
</tr>
<tr>
<td>E. H. Allard</td>
<td>Senior Executive Vice President</td>
</tr>
<tr>
<td>C. E. Palmer</td>
<td>Senior Counsel</td>
</tr>
</tbody>
</table>

**Directors of the Banks**

<table>
<thead>
<tr>
<th>Name</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Charles A. Dana</td>
<td>Secretary</td>
</tr>
<tr>
<td>Franklin D. Roosevelt</td>
<td>Chairman</td>
</tr>
<tr>
<td>Woodrow Wilson</td>
<td>Chairman</td>
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**Statement of Condition as at close of business December 31, 1942**

**RECREATION**

<table>
<thead>
<tr>
<th>Recreation</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Golf</td>
<td>214,080.80</td>
</tr>
<tr>
<td>Tennis</td>
<td>2,145,185.32</td>
</tr>
<tr>
<td>Baseball</td>
<td>3,077,857.65</td>
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<tr>
<td>Swimming</td>
<td>100,000.00</td>
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<td>Pool</td>
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Tennessee Has $7,760,000 Debt Retirement Cushion

The Federal Reserve Board of the State of Tennessee has deposited in the State bank fund $7,760,000, per month more than the deposit required under the Debt Retirement Act, thus creating a total "surplus" of $7,760,000. This "surplus" is the result of the State gasoline tax and bridge tolls which are used to meet the burden of the bond retirement. The Tennessee Taxpayers Association, 10 years a non-partisan, non-professional, non-legislative, non-commercial agency maintained by the citizens of this State. The Tennessee Taxpayers Association, quoting State authorities in the Tennessee Department of Finance and Taxation, adds that there is every indication that the funding board will make the $7,760,000 cushion deposit by the end of December, collections of gasoline tax and bridge tolls on Dec. 31 already assuring collections sufficient to permit the State to retire all excess debt.

Tennessee, while not included in the 17 States on or near the Eastern seaboard in which gasoline has been rationed since July, nevertheless has had widespread voluntary rationing of gasoline, gasoline tax collections for the five months ended on Nov. 30 showing a decline of 11.5% below collections for the same five months in 1941. Yet the present action of the State Funding Board now puts Tennessee in a 10 years position where it can see gasoline tax and bridge toll collections decline to 45% of last year's yield before any notable one would have to be made of the other State revenue pledged to debt retirement.

North Carolina: May Invest In Own Bonds

The State of North Carolina plans to invest $20,000,000 of the expected federal fund surplus of approximately $30,000,000 for fiscal year ending June 30, 1943, in its own bonds and United States Government obligations according to a statement made Dec. 20 by State Treasurer Charles M. Johnson. Recommendation that such portion of the surplus be transformed into the form of a "war-sever" fund has been urged by Mr. Johnson in several public briefs. The subject is scheduled to be considered by the General Assembly which is now in session. The State, according to Mr. Johnson, is in the best financial condition of its history and is operating on a strictly cash basis. The gross bonded debt was reduced during the past year from $138,615,048 to $133,311,560. Striking fund holdings increased from $19,362,281 to $22,472,489, the net State debt as of Dec. 31, 1942, of $189,839,068, reflecting a decline of 8.8%, or 56.5%.

"After the war is over, if not before," the Treasurer noted, "we may expect an economic and social problem of nationwide scope and we should begin now to meet this crisis when it comes." The Treasurer, when asked if he anticipated the contemplated post-war reserve fund, said he added, "we will be prepared to carry on the normal functions of government, even that which may sharply decline."

The Treasurer also declared that he has recommended that legislation be enacted allowing the State to set up post-war reserves during the year-end surplus either in their own bonds or in United States Reserve. They are required under existing laws to use surpluses for the reduction of taxes in the ensuing year. Although acknowledging that such procedure is good business in normal times, the Treasurer pointed out that at present practically all of the local units have much greater surpluses than they normally have and, for that reason, he has recommended that the law governing the use of these surpluses be amended.

Unless this is done, he said, local taxes will be reduced materially in most cases by early next year, but will certainly have to be raised the fall before that. Further increased when war-induced restrictions on local capital expenditures are relaxed and at a time when the taxpayers will be less able to pay. Existing surpluses, he noted, resulted from the ability of local units to effect greater collections of delinquent taxes than at any time in the past few years and through curtailment of capital expenditures and the sale of material shortages, although provisions for such surpluses had been made in budgets.

As regards the trend of the local government indebtedness, the Treasurer pointed out that this figure has shown a continuous reduction and said that the total of local bond debt on June 30, 1922, was $262,000,000. Despite the creation of $59,600,000 of new debt in the past 10 years, the aggregate amount outstanding on June 30, 1942, was $209,000,000, a net reduction in the decade of $72,000,000. On June 30, 1940, the total was $308,000,000, reflecting a net reduction in the last biennium of $18,000,000.

Ogle County, Ill., Reports Nearly 100% Tax Collections

The Treasurer of Ogle County, Ill., collected 99.4% of the county's 1942 real estate and personal property tax bill. This was described by the Municipal Finance Officers Association as a record "as nearly perfect as anyone is likely to get." All but $1,726 of a total tax bill of $3,094,327 was collected by Dec. 5, the end of the county's fiscal year. All that remains uncollected for the fiscal year is $55 in taxes on land, $390 on lots and $1,275 on personal property. The Treasurer said all legal measures to force collections and in some instances had to "get tough" with many tax delinquents to set the record.

Major Sales Scheduled

January 16
$982,000 Orleans Levee District, La.
Proposed sale in December, 1941, was can-
celled because of poor market conditions.

January 19
$500,000 Nashville, Tenn.
Previous award to Lazard Freres & Co.

January 26
$7,900,000 Seattle, Wash.
John Newton & Co., account in¬volved had been not¬At auction, with Blair & Co., Inc.,看不到下一条

February 1
$1,100,000 Maricopa Co., Ariz.
Bid for these bonds will be received by the State Treasurer in behalf of the county.

CHARTERED 1853
United States Trust Company of New York

Statement of Condition December 31, 1942

OFFICERS

WILLIAMSON FELL
President

BENJAMIN STRONG
First Vice-President

THOMAS H. WILSON
Vice-President and Secretary

ALTON S. KEELER
Vice-President

JAMES M. TRENARY
Vice-President

Assistant Vice-Presidents

HENRY H. HENZE
CARL O. SAYWARD
GEORGE MERRITT
GEORGE P. LEE
HENRY L. SMITHS
ELIJAH B. KNOWLES
HENRY E. SCHAFER
LLOYD A. WAUGH
HARRY G. DREFFERICH
IVAN A. SPARGE
ARTHUR H. EBB
AUGUSTUS J. MARTIN

RESOURCES

Cash in Bank                      $30,967,708.86
Loan and Bills Purchased         20,566,460.88
United States Government Obligations 70,738,425.17
State and Municipal Obligations  8,206,450.17
Other Bonds                     2,905,000.00
Federal Reserve Bank Stock      8,400,000.00
Real Estate Mortgages           4,068,920.08
Real Estate                     1,735,000.00
Accrued Interest Receivable     3,568,444.45

Total                           $149,061,909.61

LIABILITIES

Capital Stock                    $2,000,000.00
Surplus                          26,000,000.00
Undivided Profits                2,955,580.82
General Reserve                  742,506.38
Deposits                        108,622,286.17
Reserved for Taxes, Interest, Expenses, etc. $4,959,109.02
Unearned Discount                2,447.22
Dividend Payable January 2, 1943 500,000.00

Total                           $149,061,909.61

$25,105,000 par value of United States Government and other securities are pledged to secure public deposits and for other purposes required by law.

TRUSTEES

WILLIAMSON FELL, President

JOHN J. PHELPS
BASIL LIEY
JOHN H. WATSON

BENJAMIN STRONG
GEO. DE FOREST LORD
FRANK E. POLK
ROLAND L. REDMOND
JOHN F. WILSON
G. FORREST BUTTERWORTH

HAMILTON HARLEY
JAMES H. BREESTER, JR.

FRANCIS T. P. PLIMPTON

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION
HOW DID WE GET THIS WAY?

(Continued from first page)

When wasteful spending is disguised as a humanitar-
ian program, hypocrisy is at its zenith. Idealists cannot
use the mundane weapons of ward politicians without as-
suming their limp morality.

The campaign policy—"spend and spend and spend;
and elect and elect and elect," and the renaissance of an
older slogan, "unto the victors belongs the spoils," are
possible only to those whose moral sense has been stunted
and whose ego is so great that they believe that only with
their guidance can mankind survive. They indicate a con-
tinuous attrition of ethical values.

These people, who sipomer like dandies in the distor-
tioned mirror of their self-esteem, have illusions of personal
omnipotence resulting from the hypercog of self and
which, developing into megalomania, gives them infinite
confidence in their ability to unravel involved complexities
without realizing the temerity of their undertaking. There
is no arithmetic for measuring vanity; no moral brakes on
self-aggrandizement.

Campaign oratory is the requiem of democracy. It is
the most poisonous form of gas. Repudiated pledges and
platforms are inimical to a republic. Apostates to truth,
ignorant of their limitations, make a mockery of govern-
ment. A mobocrat is not even as useful as an economic
royalist.

As long as a nation does not lose faith in itself, and
maintains its integrity by insisting upon the integrity of
its servants—and no man in government is any more than
a servant—it can remodel its institutions without danger.
When it gives way to arid sentimentalism, hypocrisy, bana-
lices, radicalism and mysticism, makes a fetid out of words
and a symphony out of economic gibberish; accepts theo-
ries which cannot prove themselves in terms of reason or
become infatuated with alien ideologies, suitable, perhaps,
for other cultures, it retrogrades into an era of insecurity
and decay and can only with great difficulty extricate itself
from the morass of intrigue which is the concomitant of
excessive political power.

The paradox of want amidst plenty is a phenomenon
which continually baffles self-anointed reformers, who al-
ways neglect the essential preliminaries of reforming them-

selfs. They are invariably high priests of the worship of
the voice with blatant neophytes who accept verbosity, a
form of intellectual disguie, for wisdom. The logical ex-
planation is beyond their understanding; they mistake the
anomaly for the rule. They take coincidences as causes and
build doctrines upon false inferences; doctrines which
cannot be true, for they are absolute in their scope, while
human affairs are conditional and relative; doctrines whose
authenticity they endeavor to demonstrate by garrulity.
They construct parties upon class interests; confuse dogmas
with principles and attempt to baffle inquiry with the leger-
demain of their peculiar idioms and their verbal hiero-
glyphics. They reason, if reasoning is possible to men who
are intellectually incoherent and who thnik not by percep-
tions but by acoustics, as follows:

1. Capitalism has increased the total wealth or the
facilities for producing goods.
2. Misery exists in the midst of plenty.
3. The system which produces the plenty is, there-
fore, responsible for the misery.
4. It must be destroyed so that misery can be eli-
ninated.

What they are unable to understand is:
1. Capitalism has made it possible for more men to
live; to live longer and to live better, although
all men have not contributed equally to the
process. It alone is capable of producing an integrated economy by which to metabolize the social body.
2. The percentage of superior or talented men has not increased in proportion to the increase in population. The mediocrity tend to reproduce themselves in proportion to their mediocrity, hence the derivation of the word "proletariat" from the Latin.
3. In an industrial economy where the rewards of energy, enterprise, judgment and sagacity are the greatest, the penalties for folly, weakness, error and vice are the most severe.
4. The living phenomena of society must be interpreted in relation to facts. Matters of fact must take dominance over matters of feeling. Competition is a condition of existence. It is a method by which human values are elucidated.
5. Misery is largely the result of human ignorance. Most other reasons are myths which men invent to console themselves for failure.
6. Ignorance is a relative term, definable only in relation to total knowledge. Individual knowledge has not increased in proportion to total knowledge. Most men are afflicted with chronic mental anorexia. Literacy is not a test of intelligence, nor a necessary measure of wisdom. The initiatic is a universal human animal.
7. The ability to absorb knowledge has not increased in proportion to its totality or the facilities for its distribution. Intellectual development is not coextensive with life.
8. Economic conditions can, to a certain extent, be affected by social conditions, but in the long run social conditions are the result of economic and biological imperatives which are seldom fashioned in the image of man's hopes.
9. Social phenomena present themselves in complicated combinations. They are generally far removed from their causes. For this reason the diagnosis of social ills is far more difficult and onerous than is realized. A superficial view of any human event suggests causes which are not fundamental.
10. The ultimate solution, if there is one, of the problem of the "more abundant life" is primarily one for the biologist; secondarily for the economist and sociologist and utterly beyond the capacity of the politician, the welfare worker, and the social engineer, of whom it is always wise to suspect hyperbole in the recital of their qualifications.

---

**THE CHASE NATIONAL BANK**

**OF THE CITY OF NEW YORK**

**Statement of Condition, December 31, 1942**

**RESOURCES**

- Cash and Due from Banks $1,133,552,744.75
- U.S. Government Obligations, Secured and Fully Guaranteed 2,377,749,894.95
- State and Municipal Securities 87,679,461.60
- Stock of Federal Reserve Banks 6,014,300.00
- Other Securities 164,153,071.92
- Loans, Discounts and Bankers' Acceptances 786,065,433.05
- Bankers' Deposits 36,712,172.34
- Other Real Estate 7,721,012.32
- Mortgages 3,757,258.38
- Other Assets 10,800,333.43

**LIABILITIES**

- Deposits $100,270,000.00
- Surplus 100,270,000.00
- Undivided Profits 43,049,412.80
- Dividends Paid February 1, 1943 5,018,000.00
- Reserve for Contingencies 8,110,380.27
- Reserve for Taxes, Interest, etc. 6,461,001.24
- Deposits 4,291,466,866.00
- Acceptances Outstanding $7,907,370.35
- Less Amount in Portfolios 2,889,214.46
- 4,117,055.92
- Liabilities to Encumbrances and Foreign Bills 1,340,802.29
- Other Liabilities 7,308,774.32
- Total Liabilities $4,369,494,000.77

---

**THE NEW YORK TRUST COMPANY**

**BOOTH BROADWAY**

**CONDOMIUM STATEMENT OF CONDITION**

At the close of business, December 31, 1942

**ASSETS**

- Cash on hand and in Federal Reserve Bank 134,838,208.39
- Exchanges, Collections and Other Cash Items 37,599,868.51
- United States Government Obligations — Direct and Guaranteed 269,965,956.70
- Other Bonds and Securities 25,117,731.19
- Loans and Discounts 140,601,228.92
- Interest Receivable, Accounts Receivable and Other Assets 1,699,583.21
- Customers' Liability for Acceptances 92,110.06
- Real Estate Bonds and Mortgages 3,413,213.93
- Liabilities in Equity Real 1,059,005.52
- Banking Premises—Equity 2,924,998.09

**LIABILITIES**

- Deposits $614,499,284.81
- Borrowings and Discounted Checks $628,777,300.97
- Dividend Payable January 2, 1943 437,500.00
- Accounts Payable, Reserve for Taxes and Other Liabilities 1,804,420.50
- Acceptances 117,828.91
- Capital 12,500,000.00
- Surplus 25,000,000.00
- Undivided Profits 4,552,433.94

**Total Liabilities and Surplus $673,169,484.32**

**United States Government obligations and other securities carried at $1,000,081,866.82 in the above statement are pledged to secure United States Government deposits of $99,619,588.43 and other public and trust deposits and for other purposes required by law.**

**TRUSTEES**

- Malcolm P. Aldrich, New York
- Arthur A. Ballantine, New York
- John E. Bierwirth, President
- James C. Colgate, New York
- Alfred A. Cook, New York
- William F. Cutler, New York
- Frances B. Davis, Jr., New York
- F. Trubee Davison, New York
- Russell H. Dunham, New York
- Samuel H. Fisher, New York
- William Hale Harrington, New York
- B. Ebecuek, New York

**Bank & Insurance Stocks**

(Continued from page 54) Scarcely be otherwise. Despite these trends, profit margins in the latter field should continue to be higher than in the former. As to the improvement situation, the fire companies run more common stocks as a general rule while the casualty companies, due to the nature of their business, are obliged to adhere to a more conservative investment policy.

In any event, the outlook for the insurance business is no means encouraging and may actually be bright, at least in comparison with those industries which are more nearly curtailed or forced to suspend operations during the more concentrated phases of the war effort.

---

**Member Federal Deposit Insurance Corporation**
Three Chicago Men Become Blyth V.-Ps.

CHICAGO, ILL.—Alfred S. Wilthberger, Hiram B. Belding, Jr., and Robert R. McDowell, for many years associated with the Chicago office of Blyth & Co., Inc., 135 South La Salle Street, have been elected vice-presidents of the firm. Mr. Wilthberger, who has been in charge of the Syndicte Department in Chicago, was recently appointed resident manager.

Walter Scott Joins Lord, Abbott & Co.

Lord, Abbott & Co., Inc., 60 Wall Street, New York City, announce that Walter R. Scott, formerly with Hayden, Stone & Co., has become associated with them as Eastern wholesale representative.

Sellman Boston Manager For Spencer Trask & Co.

BOSTON, MASS. — Spencer Trask & Co., members of the New York and Boston Stock Exchange, have announced the appointment of Frank H. Seliman as resident manager of their office, 50 Congress Street. Mr. Seliman has been acting manager and has been a member of the sales staff since 1924.

BROWN BROTHERS HARRIMAN & CO.

PRIVATE BANKERS

NEW YORK BOSTON PHILADELPHIA

Statement of Condition, December 31, 1942

ASSETS
Cash on Hand and Due from Banks... $ 3,415,406.38
United States Government Securities
    Vested at Cost or Market whichever lower... 67,329,283.79
Call Loans and Acceptances of Other Banks... 7,325,352.41
Securities Callable at Maturing Within 1 Year
    Vested at Cost or Market whichever lower... 7,038,375.66
Loan and Advances... 23,674,650.73
Marketable Bonds and Stocks
    Vested at Cost or Market whichever lower... 13,078,217.08
Customers' Liabilities on Acceptances... 3,374,327.62
Other Assets... 418,581.62
$163,742,348.26

LIABILITIES
Deposits—Demand... $ 240,369,439.58
Demand—Time... 1,437,118.62
$241,806,558.20
Assets
Liabilities
$163,742,348.26

Treasurers Pursued to Secure Penalties

Philadelphia

STATEMENT AS OF DECEMBER 31, 1942

RESOURCES
Cash and Due from Banks
    U. S. Government Securities
State, County & Municipal Securities
Other Investment Securities
Commercial and Collateral Loans
First Mortgages Owned
Interest Accrued
Bank Buildings and Equipment
Other Real Estate
Customers' Acceptance Liability
Miscellaneous Assets

$135,899,113.60
136,140,870.06
6,367,606.39
18,898,137.22
9,162,411.64
2,113,203.57
611,607.68
2,018,883.32
2,187,736.42
110,312.50
1,710,077.94
$401,252,069.91

LIABILITIES
Capital Stock
Surplus
Undivided Profits
Reserved for Contingencies
Reserved for Taxes and Expenses
Dividend Payable Jan. 2, 1913
Unearned Interest
Letters of Credit and Acceptances
Miscellaneous Liabilities
Deposits

$10,000,000.00
14,700,000.00
2,367,844.39
2,296,409.64
357,581.95
5,000,000.00
617,113.91
110,312.50
11,971.93
376,613,741.94
$401,252,069.91

Members Federal Deposit Insurance Corporation * Members Federal Reserve Bank
The Security Salesman's Corner

ORGANIZATION, SOUND PLANNING: THE FOUNDATION FOR SUCCESS IN 1943

On all sides of us today, everyone is talking about planning. Planning for a better world, for winning the war, for creating jobs, and even for the recovery of this country. Fortunately in most instances the planning thus talked of consists of nothing more than talk and that's about as far as it will go.

There is another kind of planning, however, that every sales organization and salesman can get his "teeth into." That kind of planning is based on having good, concrete, constructive plans for our own business in our orderly, constructive manner. It means, having a plan to do business. Not only to do business, but to fit constructive "sales ideas" into present conditions. Such a plan, when it is carried out, is bound to increase our profits, even if there is a recession.

If we were laying the plans for the year ahead for a sales organization in the securities business, here are a few things we would do—right off!

Call each salesman in to our desk and ask him point blank if he feels like putting all his time and effort into his job for the coming year. Ask him if he feels satisfied with the business and if he was willing to lay aside every other task but his job (in business hours) for the coming year. Men who were dissatisfied, part time workers, chronic grumblers and those who were indifferent toward the securities business we'd politely advise to get a defense job. The country needs man power; it shouldn't be wasted. We'd rather have two good producers, even one, in our organization in 1945 than two dozen so-and-so's.

Next, we would plan our advertising and sales efforts to "get at our market." We'd base these plans on a survey of our market. If we were a municipal house, a firm specializing in rails utilities or what have you, we'd check every available source of leads that looked promising and then work out some sales ideas that would lift us out of the crowd. A new approach to old problems, a new twist to answer investor's problems, a new service to help get business, a follow up plan to check leads out, etc. These ideas would give us the best 100% backing that we could give them—these and all the other creative, workable, hard hitting, sensible plans that we could devise, we would set up as a work table for 1943.

Then we would turn the good old fashioned "power of work," upon these plans and by the best method of all, the application of will power, determination, and the proper use of constructive energy we would go to work. We would work at selling securities, for a profit to our self and as a benefit to our country, as well as our customers and as a practical example of how to make the world a better place to live in.

Here's to your good luck, and good business in 1943.

FIDELITY-PHILADELPHIA TRUST COMPANY
Organized 1866
Statement of Condition, December 31, 1942

ASSETS
Cash on Hand and Due from Banks $40,953,177.37
Loans 38,050,735.53

Investments:
U. S. Government Securities 41,956,709.31
State, County and Municipal Securities 13,821,138.49
Other Investments 23,118,541.26
Mortgages Owned 2,119,651.50
Investments in Public Buildings Corporation 3,320,460.77
Real Estate Owned 3,997,299.31
Vaults, Furniture and Fixtures 1,297,277.05
Accrued Interest Receivable 687,438.74
Prepaid Taxes and Expenses 309,088.69
Cash and Transit Collections 372,591.75
Other Assets 177,656.61
Total $737,177,017.58

LIABILITIES
Capital $67,000,000.00
Surplus 11,000,000.00
Undivided Profits 2,130,477.89
Reserve for Contingencies, etc. 636,087.95
Reserve for Interest, Taxes, etc. 9,500.00
Other Liabilities 9,450.00
Deposits 151,096,669.62
Total $737,177,017.58

United States Government obligations and other securities carried at par are pledged to secure Government loans and Municipal deposits. Clearing House Exchange, and the State of Pennsylvania.

Evan Randolph, President
MEMBER OF THE FEDERAL DEPOSIT INSURANCE CORPORATION
Calendar of New Security Flotations

OFFERINGS

GRAND FORKs PUBLISHING ASSOCIATION
Grand Forks, N. D.

PUBLICATION OF MILION NATIONAL BANK of PITTSBURGH

SHERIDAN BELMONT HOTEL CO.

Underwriting—Distributors

SATURDAY, JAN. 9

MELLON NATIONAL BANK

PITTSBURGH

SUNDAY, JAN. 10

PUBLIC SERVICE COMMISSION OF MICHIGAN

TUESDAY, JAN. 12

THURSDAY, JAN. 7

FEDERAL RESERVE BANK OF ST. LOUIS

FRIDAY, JAN. 8

FRIDAY, JAN. 15

SATURDAY, JAN. 9

FEDERAL RESERVE BANK OF ST. LOUIS

FRIDAY, JAN. 8

SATURDAY, JAN. 8

FEDERAL RESERVE BANK OF ST. LOUIS

FRIDAY, JAN. 8

SATURDAY, JAN. 8

FEDERAL RESERVE BANK OF ST. LOUIS

FRIDAY, JAN. 8

SATURDAY, JAN. 8

FEDERAL RESERVE BANK OF ST. LOUIS

FRIDAY, JAN. 8

SATURDAY, JAN. 8

FEDERAL RESERVE BANK OF ST. LOUIS

FRIDAY, JAN. 8

SATURDAY, JAN. 8

FEDERAL RESERVE BANK OF ST. LOUIS

FRIDAY, JAN. 8
Guaranty Trust Company of New York

Fifth Ave. at 44th St.  
140 Broadway  
Madison Ave. at 60th St.  
London: 1141 E. Lane, L. C.; Bush House, W. 2

Condemned Statement of Condition, December 31, 1942

RESOURCES

<table>
<thead>
<tr>
<th>Cash on Hand, in Federal Reserve Bank, and Due from Banks and Bankers</th>
<th>$ 640,745,482.95</th>
</tr>
</thead>
<tbody>
<tr>
<td>E. C. Government Obligations</td>
<td>$ 602,172,976.76</td>
</tr>
<tr>
<td>Public Securities</td>
<td>46,676,146.16</td>
</tr>
<tr>
<td>Stock Securities</td>
<td>1,380,000,000.00</td>
</tr>
<tr>
<td>Other Securities and Obligations</td>
<td>21,734,946.79</td>
</tr>
<tr>
<td>Loans and Discount</td>
<td>561,391,528.91</td>
</tr>
<tr>
<td>Credits Granted on Acceptances</td>
<td>1,207,213.28</td>
</tr>
<tr>
<td>Accrued Interest and Accounts Receivable</td>
<td>7,063,035.54</td>
</tr>
<tr>
<td>Real Estate and Mortgages</td>
<td>2,583,700,323.49</td>
</tr>
<tr>
<td>Bank Buildings</td>
<td>10,608,661.95</td>
</tr>
<tr>
<td>Other Real Estate</td>
<td>1,578,666,403.19</td>
</tr>
</tbody>
</table>

Total Resources | $2,995,482,622.31 |

LIABILITIES

<table>
<thead>
<tr>
<th>Deposits</th>
<th>$676,662,241.77</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasurer's Checks Outstanding</td>
<td>21,639,976.79</td>
</tr>
<tr>
<td>Accrued Acceptances Held for Investment</td>
<td>$2,698,262,178.73</td>
</tr>
<tr>
<td>Acceptances</td>
<td>$5,722,150.08</td>
</tr>
<tr>
<td>Loans</td>
<td>3,514,936.20</td>
</tr>
<tr>
<td>Held for Investment</td>
<td>2,107,238.83</td>
</tr>
<tr>
<td>Liability as Endorser on Acceptances and Foreign Bills</td>
<td>73,911.00</td>
</tr>
<tr>
<td>Foreign Bills</td>
<td>2,530,555.55</td>
</tr>
<tr>
<td>Dividend Payable January 2, 1943</td>
<td>12,520,550.00</td>
</tr>
<tr>
<td>Earned by Traders with Branches and Varies in Difference in Balances Between Various Offices Due to Local Trading</td>
<td>2,700,000.00</td>
</tr>
<tr>
<td>Branches</td>
<td>3,309,555.55</td>
</tr>
<tr>
<td>Miscellaneous Accounts Payable, Accrued Payroll, etc.,</td>
<td>7,212,951,562.97</td>
</tr>
</tbody>
</table>

Capital | $90,000,000.00 |
Surplus Fund | 170,000,000.00 |
Undivided Profits | 2,582,547,095.34 |

Total Capital Funds | $2,995,482,622.31 |

The National City Bank of New York

Head Office  
Fifty-five Wall Street  
New York  

Branches  
Throughout Greater New York

Condemned Statement of Condition as of December 31, 1942

including Domestic and Foreign Branches

ASSETS

<table>
<thead>
<tr>
<th>Cash and Due from Banks and Bankers</th>
<th>$901,172,805</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States Government Obligations</td>
<td>1,988,096,539</td>
</tr>
<tr>
<td>Obligations of Other Federal Agencies</td>
<td>40,685,588</td>
</tr>
<tr>
<td>State and Municipal Securities</td>
<td>157,477,045</td>
</tr>
<tr>
<td>Other Securities</td>
<td>41,153,141</td>
</tr>
<tr>
<td>Loans, Discounts, and Bankers' Acceptances</td>
<td>572,439,100</td>
</tr>
<tr>
<td>Real Estate Loans and Securities</td>
<td>5,463,330</td>
</tr>
<tr>
<td>Customers' Liability for Acceptances</td>
<td>3,650,229</td>
</tr>
<tr>
<td>Stock in Federal Reserve Bank</td>
<td>4,650,000</td>
</tr>
<tr>
<td>Ownership of International Banking Corporation</td>
<td>7,000,000</td>
</tr>
<tr>
<td>Bank Premises</td>
<td>38,160,040</td>
</tr>
<tr>
<td>Other Assets</td>
<td>731,142</td>
</tr>
</tbody>
</table>

Total | $3,761,671,281 |

LIABILITIES

<table>
<thead>
<tr>
<th>Deposits</th>
<th>$5,555,940,023</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States War Loan Deposit ($509,735,471)</td>
<td>2,561,771,114</td>
</tr>
<tr>
<td>Liability on Acceptances and Bills</td>
<td>5,498,627</td>
</tr>
<tr>
<td>Less: Own Acceptances in Port of Port of</td>
<td>1,382,112</td>
</tr>
<tr>
<td>5,476,515</td>
<td></td>
</tr>
<tr>
<td>Items in Transit with Branches and</td>
<td>9,571,515</td>
</tr>
<tr>
<td>Reserve:</td>
<td>2,526,169</td>
</tr>
<tr>
<td>Unearned Discount and Other Unearned Income</td>
<td>3,010,000</td>
</tr>
<tr>
<td>Interest, Taxes, and Other Accrued Charge</td>
<td>7,607,220</td>
</tr>
<tr>
<td>Total</td>
<td>$3,761,671,281</td>
</tr>
</tbody>
</table>

Figures for foreign branches are as of December 31, 1942, except those for New York and its surrounding branches, which were current as of December 31, 1941. Figures for foreign branches and war deposits and for other assets are deposited in United States Government Obligations and $13,564,326 of other assets are deposited in $132,135,010 of Public and Trust Funds and other funds as required or permitted by law.

Member Federal Deposit Insurance Corporation

THE COMMERCIAL & FINANCIAL CHRONICLE
If you contemplate making additions to your personnel, please send in particulars to the Editor of The Financial Chronicle for publication in this column.

NEW YORK, N. Y.—Charles M. Estabrook, Deputy Comptroller, has announced his retirement from the office of the Board of Directors of F. S. Moses & Co., Field Building, New York, N. Y.

NEW YORK, N. Y.—Milton Traubner has been appointed associate manager of the 22nd Street branch office of Hirsch Lilienthal & Co.

CHICAGO, ILL.—Fred B. McRae has become affiliated with Curtis.

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

Our Reporter On "Governments" (Continued from first page)

The old "on top" 2½s of 1867/82 are selling around 100 11/2. . . . They're available only in registered form. At May 5, 1902, Commercial banks are barred from holding either issue of 2½s. . . . Savings banks and others can buy whatever amounts they wish. . . . Look at that differential. . . . Study it, particularly if your portfolio is in the 5%-banking classification. . . . The difference is 1½ points. . . . The premium favors the longer-term bond.

The only disadvantage of the old 2½s is the fact that they are only registered bonds. . . .

For the escape from registration worth nearly 1½ points—say, to an insurance company or savings bank or large corporation not interested in selling the certificates and trading in them, the issue was bought on an issue due in 1868 instead of 1867, callable in 1902 instead of in 1897. . . . Figure it out for yourself, guarding yourself by your own requirements. . . . But, objectively speaking, the answer is no—it's not worth 1½ points. . . . Either the old 2½s must rise a bit or the new 2½s must slide back to fall in line. . . . Registration isn't that much of a drawback to too many investors once they notice the odd differential (caused by concentration on the December basket, the popularity of the issue, the dominance of coupon holders). . . . Savings banks managers, particularly, may be interested in this switch for a better price position.

W. T. Childs Urged As Baltimore Compromiser

J. R. Williston, Jr., partner in Stein Bros. & Boyce, Baltimore investment banking firm, is a purchaser-declarer for the post of City Compromiser on the Democratic ticket in the spring election.

The post became vacant some weeks ago upon the death of R. Walter Graham who was serving his fifth consecutive term. Filling this place on the ticket is regarded as an extremely difficult task since it is considered essential that the man available should have the experience and competence that Mr. Graham brought to the office.

Mr. Childs served the City for a short while as Deputy Comptroller, his work involving largely with the management of the city's various insurance problems. James F. Thrift, then Compromiser, instituted a budget system, given the power to create a separate department and established an insurance fund. Mr. Childs devoted his policy to work out the details of the plan which he supervised to its successful completion. Mr. Childs resigned his city post after six years and entered the banking business. For the past sixteen years he has been a partner in Stein Bros. & Boyce.

G. Caplan & A. Feuer

With J. R. Williston

J. R. Williston & Co., members New York Stock Exchange, announce that they have opened a branch office at 1 East 57th Street, New York City, under the management of Paul Forrester. The same firm also announces that they have opened a branch office of a public utility department at their main office, 115 Broadway, New York, under the direction of Gabriel Caplan, formerly of Hettlemann & Co., New York. Mr. Caplan's brothers Ernest & Co., will be associated with the Williston organization in the new department.

Opening of J. R. Williston & Co.'s up-town branch was reported in the "Financial Chronicle" of Dec. 31, 1941.

Technicolour Looks Good

The outlook for Technicolor, Inc., as a specialty speculation is unusually attractive at the present time, according to a memorandum issued by E. F. Putnam & Company, 61 Broadway, New York City, members of the New York Stock Exchange, and other leading national exchanges. Considerable interest in the stock is expected from investors wishing to take advantage of the sudden rise in the market for the company's patents. The company has at present several patents pending on the Technicolor process, which may be had from the firm upon request.

Bankers Trust Company

NEW YORK

CONDENSED STATEMENT, DECEMBER 31, 1942

ASSETS
Cash and Due from Banks . $ 48,927,526.99
U. S. Government Securities . 711,660,351.60
Loans and Bills Discounted . 396,123,360.28
State and Municipal Securities . 29,681,628.77
Other Securities and Investments . 35,918,561.97
Real Estate Mortgages . 1,866,093.06
Banking Premises . 16,165,603.68
Other Real Estate . 212,176.66
Accrued Interest and Accounts receivable . 3,788,054.60
Commerical Liability on Acceptances . 989,421.65
$1,625,080,340.46

LIABILITIES
Capital . . . . . . . . . . $ 25,000,000.00
Surplus . . . . . . . . . . 50,000,000.00
Undivided Profits . . 115,717,788.74
Dividend Payable January 2, 1943 . 875,000.00
Deposits . . . . . . . . . . 1,504,677,605.12
Accrued Taxes, Interest, etc . 2,472,623.55
Acceptances Outstanding . $ 1,070,594.71
Least Amount in Portfolios . 811,073.06
989,421.65
Other Liabilities . . . . . . . . . . $1,625,080,340.46

SECURITY IS THE ABOVE AMOUNTS ARE TO BE SUBSTITUTED WITH THE SCHOOL OF THE EMERGENCY CORPORA

Bancos Trust Company, New York

CONDENSED STATEMENT, DECEMBER 31, 1942

ASSETS
Cash and Due from Banks . $ 48,927,526.99
U. S. Government Securities . 711,660,351.60
Loans and Bills Discounted . 396,123,360.28
State and Municipal Securities . 29,681,628.77
Other Securities and Investments . 35,918,561.97
Real Estate Mortgages . 1,866,093.06
Banking Premises . 16,165,603.68
Other Real Estate . 212,176.66
Accrued Interest and Accounts receivable . 3,788,054.60
Commerical Liability on Acceptances . 989,421.65
$1,625,080,340.46

LIABILITIES
Capital . . . . . . . . . . $ 25,000,000.00
Surplus . . . . . . . . . . 50,000,000.00
Undivided Profits . . 115,717,788.74
Dividend Payable January 2, 1943 . 875,000.00
Deposits . . . . . . . . . . 1,504,677,605.12
Accrued Taxes, Interest, etc . 2,472,623.55
Acceptances Outstanding . $ 1,070,594.71
Least Amount in Portfolios . 811,073.06
989,421.65
Other Liabilities . . . . . . . . . . $1,625,080,340.46

SECURITY IS THE ABOVE AMOUNTS ARE TO BE SUBSTITUTED WITH THE SCHOOL OF THE EMERGENCY CORPORA