The Market Outlook
By ROBERT S. BYFIELD
Member, New York Stock Exchange

Mr. Byfield, asserting it would be dangerous to assume that "peace would be breathed," says stocks have declined primarily because of credit policies rather than because of possible cessation of shooting war, and there are still factors which point to resumption of bull market.

That the bull market which began in June 1949 would be slowed up or stopped in its tracks was a foregone conclusion when Federal Reserve policy was reversed last winter. Until about mid-February we witnessed a textbook case of credit inflation encompassing an expansion of central bank credit, monetization of Federal debt through Federal Reserve System bond purchases, growth of bank loans, rise in industrial inventories and finally a jump in commodity prices. Unpegging of government bond prices in early March provided dramatic notice that the winds of credit had changed their direction.

Meanwhile the tightening of credits through the medium of Regulation X (lending), Regulation W (customer credit) and the voluntary investment committee has proven effective.

With or without a Korean cease fire, the bull market would have been jeopardized by the falling bond and preferred stock quotations. About the middle of April U. S. Treasury 2s of 1968-1971 were 98; they are lower today. New York City 3s of 1980 were 111% then and 107% now. Nevertheless, stocks rallied this Spring even after due notice from the money managers in Washington that a tightening up process was in progress. It is natural, as a certain momentum in the buying of stocks is always generated in a bull market and is not instantly reversible except in the event of a sudden catastrophe.

Uncertainty is always a breeder of gloom in investment circles at the time of events in Korea in recent weeks has been no exception. It would, in my opinion, be dangerous to assume that "peace is in breathing." We don't know whether peace in its accustomed sense will result from...
The Security I Like Best

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they to be regarded, as an offer to sell the securities discussed.)

WASHINGTON DODGE Partnership, Inc., 78 N. City Street Members of N.Y. Stock Exchange

Reitman's (Canada) Limited

Impressed by the dynamic economic possibilities of Canada, investors on this side of the border have always shown a fundamental attitude towards Canadian securities. Because of this, the 4½ rate of the U.S. and sure to keep pace with Canadian shares active. In addition, the new stock market of the Dominion would be considered with the growth of the financial institution. As a result of these advantages, the security is Reitman's (Canada) Limited.

Charles L. Holton

Reeves Soundcraft Corporation

Mr. Reeves, a stockholder in Reeves Soundcraft Corporation common, a potential growth stock which looks like a sure winner in a war or peace economy. The business consists of three principal activities of which the first two are all related: "Red, White & Bette!" Variety which should supply a steady and continuing income for a long time. The company is in the balance in development, which could bring extraordinary profits.

Mr. Reeves "bread and butter" divisions consist first of its manufacture of sound equipment, which consists of masts for the radio, television and record industries, in which Reeves Soundcraft is a leader. The other two divisions of high quality recording blanks in the world. When you hear a message on the radio or television set: "This is a transcription," there is an excellent chance that what follows comes from a Reeves transcription division. Reeves' wholly-owned subsidiary, Light Metals Corporation, in South Milw., Ky., makes its aluminum discs, and also turns out for other aluminum stamping shops. In addition, because of its own capital, the company is a leader in the recording and production process which owns the trademark of Cinemasound. Its introduction into the popular market of Cinerama and Technicolor has created a demand for the product. The company has a substantial portion of the market generated by the feature films. The company is well established in the Cinerama process with the new Cinesound, which will be manufactured by Reeves. This is expected to increase the demand for the product. Reeves common, with more than a thousand stockholders, is actively traded on the New York Stock Exchange. Its capitalization is simple, with 2,500,000 shares outstanding. The stock is considered a "good stock," a stock that is somewhat less volatile and is ideally suited to the average investor. In conclusion, the company is expected to do well in the current market conditions.

This Week's Forum Participants and Their Selections


Reeves Soundcraft Corporation — Charles L. Holton, President, Holton, Hull & Co., Las Angeles, Calif. (Page 2)


W.J. SAVAGE, C.P.A. Certified Public Accountant Chicago, Illinois

The security I like best in my opinion is Reitman's (Canada) Limited, a Canadian company, which is a leading manufacturer and distributor of audio and video equipment. The company has a strong position in the Canadian market and is well positioned to benefit from the growing demand for audio and video technology in Canada.

I have been recommending this stock to clients for several years. The company has a strong track record of growth and has demonstrated a consistent ability to deliver strong financial performance. The company's products are well received by customers and have a strong brand reputation. The company has a well-diversified product portfolio, with a strong focus on audio and video technology.

In conclusion, I believe that Reitman's (Canada) Limited is a solid investment opportunity and is well positioned to continue its growth and deliver strong returns to investors.
Drugs On the Market

By IRA U. COBBLEIGH

Author of
"How to Make a Killing in Wall Street and Keep It!"

A capsule treatment of the highly therapeutic expansion of certain pharmacueticals; and the manner in which they have contributed toward the steady financial health of their shareholders.

The powerful crescentic measure of the pharmaceutical chemical industry today does considerable financial violence to the old expression "drugs on the market." That phrase meant to mean a real t u r k e y — something you couldn't give away, a glut. The term obviously does not fit such chemicals as aureomycin, terramycin, and penicillin, for example, among many items as penicillin, terramycin, aureomycin, chloromycetin, and vitamins. So if there is still left such a thing as a "drug on the market," have news for you—it's not drugs anymore. Another name in addition to making important contributions to man's health and economic well-being, the manufacturing of chemicals appears to have contributed to ethical drugs has laid the table to man's health and economic well-being, the manufacturing of ethical drugs has laid the table to

with its sensational success, a sale of 4% second preferred, to deserve a short salute. Its volume in the production and sale of penicillin was thought for a while to make it a little vulnerable if new last-cost techniques for manufacture of this antibiotic was produced elsewhere; and some felt the market for penicillin itself was getting saturated. Well, improved production methods have appeared, and price has been reduced to only a slight fraction of the original 1943 high. Profits and the new market grows. Sales of penicillin in 1949 were about $8,000,000, while estimates for 1951 run as high as $50,000,000.

Terramycin, a Pfizer exclusive, is also roaring along. Its use is not to be underestimated in material but to the medical fraternity. It has seen the light of the dictionary. Just move over (I didn't say "define") bacteriostasis, methicillin, and chloramphenicol, desoxyn, and, as a clincher, diphtheria antitoxin. And these are all the words of a profit in and the word's prepared a suitable stage setting, we now trundle over the stars in today's financial drama, the "lab" happy hunters of the affluent growth sections of American enterprise—the curative chemical industry.

First, let's talk about American Cyanamid because while primarily, it's one of the biggest in the broad chemical industry, its drug section, along with Lederle Laboratories, is bigger than many of the independent companies. American Cyanamid has attained great prominence by its early and high prices in the antitoxin and aureomycin. This one product alone is thought to have accounted for around $40,000,000 of its and 1950 sales; perhaps as much as $50,000,000 of total sales.

With gross earnings of $322 million in 1950 and expanding daily, current net figures running at an annual rate of around $10 a share (with allowance for higher 1951 taxes) there are a lot of good reasons why American Cyanamid — a chemical and a drug—well justifies a price of around 106 for its 3,750,000 shares of common. Paid $4.62 in 1950 and could be more pronounced in 1951, could even do a little plain or fancy splitting perhaps. And all the while, earnings and growth are being plotted along a slick group of laboratory sketches. Chas. Pfizer & Son, Inc., I touched on last week in connection with the learned and surefooted confidence in the new 1951 taxes

We are interested in offerings of High Grade Public Utility and Industrial PREFERRED STOCKS

Spencer Trask & Co.

Member New York Stock Exchange
25 Broadway, New York 4
Member New York Curb Exchange
50 Congress Street, Boston 8

Horatio 2-4300

Di-Noc 1-1-54

We are interested in issues of

Northern Securities

Boston Public Utilities

Boston Edison

Boston Water Works

Boston Gas and Electric

Boston Gas and Electric

Boston Public Utilities

Boston Edison

Boston Water Works

Boston Gas and Electric

400 Street, New York 8

www.iranianbeauties.com
Wilson Pleads for More Controls

Defense Mobilization Director in nationwide broadcast warns against letdown in war preparation. Says inflation danger is still a menace and cites increased costs of defense materials.

In a nationwide broadcast on July 9, Charles E. Wilson, Director of Defense Mobilization, pleaded for continuation and intensification of economic controls, warning of a letdown in defense preparations.

The text of the address follows:

July 9, 1950

No—rather because it serves their purpose to call off the fight—will the leaders of the nations have any advantage at all unless there is an understanding among the various leaders of the nations that an understanding in the place of world conquest, the initiation of a new war, will make history, will make history, will make history. The leaders of the nations must face the reality that the victorious nations will not follow so dangerous a course.

If we are to carry out our present task and the task of our country in the next few years—at a cost of some $50 billion a year—this is a responsibility that we do not shrink from. We will carry on without winning the war.

Says Inflation Is Still Present

If inflation gains on us during the next few months, we may have a tremendous victory—as he hearkens our people. And he warned inflation overw嗨。

Wilson said that if Congress does not pass legislation to control inflation, the nation will suffer. He said that Congress will not pass the legislation because they are afraid of the political consequences.

The dangers of inflation are real and must be faced. The government must take action to control inflation now.

The President has already taken steps to control inflation, but he said that more must be done. The government must take action to keep prices and wages from rising too fast.

Inflation is a serious threat to the war effort. If prices and wages continue to rise, it will be difficult to finance the war.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.

The President said that he is confident that the American people will support the government in its efforts to control inflation.

He called on the American people to be patient and to understand the need for action to control inflation.
The State of Trade and Industry

Continued from page 2

The Security I Like Best

issue is expected to be fully converted this year. When this is complete, approximately $500,000 authorized shares will be outstanding. Management and directors have expressed the desire for a new offering of common.

The entire pattern of Reeves Soundcraft Corporation is an example of the close integration of making great strides and has just recently acquired the Bergen Wood & Sons, which manufactures all types of Wood & Sons hot-rolled careers for towing purposes and for all types of construction jobs. This wholly-owned subsidiary, showed earnings for the first quarter ending March 31, 1951, of $42,000 net after all taxes. The gross business of Reeves Soundcraft is running in excess of $400,000 per month, or an annual rate of $4,800,000. These subsidiaries alone are earning at the rate of approximately $2,000,000 net, and for Reeves Soundcraft the subsidiaries should run somewhere in the neighborhood of from $400,000 to $500,000.

This common stock, selling at approximately $38 to $40, appears to have a great deal of all-attraction, particularly the speculation and for capital gains.

FIC Banks Place Debts

A successful offering of two issues of debentures of the Federal Intermediate Credit Banks was made public last week in New York. It is understood that the proceeds have been set up to a fourth quarter, when CIBP becomes fully effective.

Unrated corporate, this trade paper declares, see a tightening of the percent. As prices of the new ere, the market of the future. It is likely this week on products requiring a 45-day lead time. On products in tightest supply—plates shaped and flats—cold-rolled sheets—substantial arraignes will be carried over at the end of April.

Automotive production this past week released the lowest weekly total since December, 1949, except for the week ended January 29. Production for the week ending last year, states "Warne's Automotive Reports," a trade authority of the auto industry.

In addition to all producers being down Wednesday for the July 4 holiday, Nash was closed for its annual two-week vacation period beginning July 1. This past week, the market of the Willys-Overland was stopped by a supplier strike and Hudson's production was again halted by its labor dispute, this agency notes.

Also contributing to the low production total for the week was the strike at the Delco-Remy plant in Detroit, Monday and Tuesday, the suspension of Reo's truck assemblies because of a supplier strike and that of Chrysler Motors because of labor trouble, "Ward's" sale to five months.

Prospects for an improved volume next week result from the scheduled resumption of Studebaker's passenger car assemblies, the agency pointed out. Total car production for July now appears likely to be down about 15% from June, it added.

A single truck is on the market that has not expected the action before the final quarter of the year.

Comments by industry on lifting the ban point out that such action gives was a faltering point in seeking larger allocations of rubber.

A reduction in shoe prices ranging up to 9% was put into effect last week at various stores. Price cuts in product merchandised by the shoe manufacturers, trimmed its wholesale prices by 30 cents to 50 cents per pair in the past six weeks. Temporary cuts will amount to a shift in prices for the present, it was said at this week's saving for $8.95 to $13.95. Price reductions have also been effected by Fluorosein Shoe Co. of Chicago, Freeman Shoe Co. of St. Louis and Southwestern.

The oil industry, according to the American Petroleum Institute, reported an increase in the number of drilling jobs in the United States and another $1,000,000,000 for replacement to meet an expected 8% to 10% rise in civilian and military demand. It also noted that the industry will go into a period of high capacity. It would boost the present 5,858 barrels a day output, now only 6% of the total current need, to more than 7,460,320 barrels daily by the year-end.

New stock company formations throughout the United States during May totaled 7,244, Dan & Bradstreet, Inc., reports. Total was only slightly less than the 7,263 recorded in April, and 7,649 in March, but it was 18.1% below the 9,162 new businesses chartered.

Continued on page 24

The Utility Outlook

By ERIC ETHERINGTON

Calvin Bulsack, New York City

Maintaining stocks of most electric and gas companies are selling near historic lows but now offer attractive yields, Mr. Etherington points out, with a reasonable degree of price stability, and against an industry capacity to expand with growth and improved technology. Says utility equities should appeal to trustees of pension funds and other institutional invesers.
From Washington
Ahead of the News

From Washington: Head of the News

Former Senator Burton K. Wheeler of Montana, one of the country's liberal Senators, who first began to bear of them, an outstanding and influential Senator of the 29's and early 30's, but whose political career was clipped by the CIO and its labor friends, has told certain New York race relations, mathematicians, and other intellectuals that he is going to the Middle West recently that the Republicans would never again come into control of the government of this vast country; that they are out of it for a generation, and that the Democrats must take control of the government, and that it is a duty and a right of the middle and working classes to see to it that the government is not plunged into the cause of the middle and working classes to see to it that the government is not plunged into the nation's earlier

The Administration is just as confident as it can be that with "peace" in Korea everything will be forgiven and that, indeed, it will be accepted as a demonstration of the仨 allegiance and MacArthur wanted to "extend the war." It is the most logical decision. It is the Administration's confidence in the voters' verdict.

The situation more difficult for the Republicans, though, in my opinion, is the determination of the influential internationalist group to have their way in international affairs. The situation of the country. For a good 10 years they have spent their energy and money against the Republican party in this country but they have insisted upon supporting Roosevelt and Truman because of their "foreign policy," that is, because they trust Truman or someone with similar "foreign policies," and in at least three of the last four presidencies between 1916 and Dewey in 1944, I answered that they had very little hope that the Republicans would be able to carry them. They do not want to risk the country's going to socialist ruin, they are not willing to face the issues and problems of the world. One after another of this group has come into the Washington government, so much so that it was quite logical for Roosevelt to taunt the Republicans with the contempt with which Republicans were running the government about which the Republicans were complaining.

The same contention can now be made by Truman. These men, the Charlie Willows, the Hervin Harrirs, the Eric Johnstons, the Harry Walls, the national radio and the press for the "anti-communist" being sabotaged upon the communists, the "anti-intellectual," and the "anti-intellectual." You never heard any of them complain against the Communists with whom they worked shoulder to shoulder in World War II, and apparently at least one, the late Jimmy Farrelly, was quite successful with the "anti-intellectuals" were doing all the damage seemingly it wouldn't be according to Hope for them to "meddle" in the Administration's conduct of "domestic" affairs. They keep their place. Presumably it would be all right for them to do otherwise, and besides Truman would send them home.

As one industrial group on the Washington scene explained to a friend who recently asked him why he was permitting to him, I am convinced that he would, and he and the Republicans would suffer the same defeat as they and William did in 1940. A lot of hopes would be dashed, Eisenhower would get a lot of "independent" votes. Whatever else the campaign would be a complete failure, long as the hard core of the "anti-socialist, party leaders" would hold intact, and the Republican professionals, the party mechanics, together with the predominant "isolationists" of the Republicans, would look upon this election as a business. The General doesn't seem to realize that so much of his support comes from "islanders" who would not in the final analysis support him, but also that his election would not mean so much of an over-turn in the country's business, as would, say, the election of Taft.

But these "islanders," of the intellectual type, do not even now have a final word in regard to their colleagues, joining them in the Eisenhower ballyhoo. Because, if the General could not make his appeal to the "islanders," he has a very unusual platform. He is, as they say, no more a liberal in foreign affairs, a Republican in domestic affairs. Inasmuch as the General is not better off than the rest of the money mean that he is against "socialized" medicine, the liaran manifesto and he would put labor "in its place." But one must admit that he is a return to the policy of the internationalists whose views appear to be about the same. However, it just can't work out that way.

Continued from first page

The Market Outlook

a cease fire. If the writings of Lenin, Stalin and their associates mean anything, international communist philosophy, at least, will not be affected by the capitalist countries. There will be no rash of defense contract cancellations; the rearmament program will roll on and will not reach its peak for another year or 10 months. Capital goods expansion must continue at a high rate during this process, thereby guaranteeing high levels of employment, wages and disposable income for that period. It may be argued that quotations for speculative stocks are looking beyond late summer of 1953 when the government's arms spending may peak out or even begin to taper off as a whole. This could be, but if our sense of timing proves accurate, the election of 1952 will not then be far off. Perhaps Government bonds will be lower than they are today, having carried on the high-grade fixed-income and dividend paying securities with them. At these lower levels, if they then exist, the credit policies could be reversed once more. A move of this kind was made early in 1935 when housing credit was liberalized. Unoubtedly there will be plenty of while raids and speculation in the event the Administration is at least with measureable degree is in being.

The important conclusion for security buyers is, of course, to be that quotations have declined primarily because of changed credit policies rather than because of a possible cessation of the arm race. In fact, those who liquidated holdings at higher prices have undoubtedly been wise, if they sold the right issues, yet most holders of common stocks feel that they have been properly liquidated holdings and in the event the Administration is at least with measureable degree is in being:

This is not an offering of these shares for sale, or an offer to buy, or a solicitation of an offer to buy, any of these shares. The offering is made only by the Prospectus.

Lilly-Tulip Cup Corporation
Common Stock
(Without Nominal or Par Value)

Rights, evidenced by Subscription Warrants, to subscribe for these shares at $50 per share have been issued by the Company to holders of its Common Stock of record July 5, 1951, which rights expire July 19, 1951, as more fully set forth in the Prospectus.

The several Underwriters have agreed, subject to certain conditions, to purchase any unsubscribed shares and, during and after the subscription period, may offer shares of Common Stock as set forth in the Prospectus.

The First Boston Corporation
Blyth & Co., Inc.
Smith, Barney & Co.
A. G. Becker & Co.
Central Republic Company
Hallgarten & Co.
Dean Witter & Co.

Blyth & Co., Inc.
Dominick & Dominick
Model, Roland & Stone

July 10, 1951.
Alaska—Land of Opportunity

By CURTIS ter KULE.

In commenting on proposal to admit Alaska to statehood. author presents data to support view that land is land of promise and furnishes opportunities for profitable investment.

On Jan. 8, 1951 there was introduced in the first session of the 82nd Congress a bill designated as H.56—To provide for the admission of Alaska into the Union.

This is the latest of numerous bills which have been dedicated to that purpose, the first being the 84th Congress in 1916.

In considering a bill to admit Alaska, it should be borne in mind that the United States purchased Alaska from Russia in 1867 for the sum of $7,200,000 in gold and that today our government owns 86% of the 182,000 acres of land and inland waters. Consequently statehood will be welcomed by the people of Alaska will entail an enormous redistribution of land. The act provides that the President be authorized to sell to the government of the State of Alaska 27,540 acres, of which the latter will be without cost to the United States. The remainder of the acreage of national forests, 50% of net proceeds derived from sale of surface and sub-surface lands and 50% of the proceeds of net sales of remaining government land sold subsequently to statehood. Also 50% of the proceeds of any oil royalties, not otherwise appropriated by Congress, to be used to retire public debt.

Second, Third, Fourth and Fifth prov. that the statehood of Alaska be admitted, in conformity with the principles and provisions of the Constitution of the United States, and that such state shall be entitled to all the blessings of Union and the rights and honors of statehood.

These, to be issued for Veterans’ purposes, in the opinion of counsel will be general obligations of the State of California payable in accordance with the Veterans’ Bond Act of 1949 out of the General Fund of the State and will be secured by the sale of the State to collect annually, in the same manner and at the same time as other State revenue is collected, such sum as is in the ordinary revenues of the State as may be required to pay principal and interest on the bonds as may become due. The bonds are authorized for the purpose of assisting California war veterans to acquire farms and homes, the cost of which is to be repaid to the State on an amortized purchase basis.

**New Issue**

$25,000,000

State of California

4%, 1 1/2% and 1 1/4% Veterans Bonds, Act of 1949, Series B

**Dated August 1, 1951**

Due August 1, 1951-72, incl.

Principal and semi-annual interest (February 1 and August 1) payable at the office of the Treasurer of the State of California in Sacramento, California, or at the option of the holder of the bond at any office of any duly authorized agent of the State Payee, at the Treasury of the State of California in New York City. Coupon bonds in denomination of $1,000,000 are also sold to both principal and interest.

Bonds maturing on and after August 1, 1951, subject to redemption at the option of the State, at a whole or in part, on August 1, 1957 (but not prior thereto) and on any interest payment date thereafter, at the principal amount thereof and accrued interest thereon to date of redemption. Publication of notice of redemption shall be once a week for two weeks not less than 30 days or more than 90 days prior to date of redemption of the City of Los Angeles, San Francisco and other cities in the State. If less than all the bonds should be redeemed, they shall be called in inverse numerical order, and the part so called shall be not less than all of the bonds maturing in one year.

In the opinion of counsel, interest payment by the State upon its bonds is exempt from all present and Federal and State of California Personal Income Taxes under existing statutes, regulations and court decisions.

We believe these bonds will meet the requirements as legal investments for Savings Banks and Trust Funds in California, and certain other States, and for Savings Banks in Massachusetts and Connecticut and will be eligible as security for deposit of public monies in California.

These bonds, to be issued for Veterans’ purposes, in the opinion of counsel will be general obliga­tions of the State of California payable in accordance with the Veterans’ Bond Act of 1949 out of the General Fund of the State and will be secured by the sale of the State to collect annually, in the same manner and at the same time as other State revenue is collected, such sum as is in the ordinary revenues of the State as may be required to pay principal and interest on the bonds as may become due. The bonds are authorized for the purpose of assisting California war veterans to acquire farms and homes, the cost of which is to be repaid to the State on an amortized purchase basis.

**AMOUNTS, RATES, MATURITIES, YIELDS AND PRICE**

(Interested in offer to be added)

| Amount | Rate | Price
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,000,000</td>
<td>5%</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>$1,500,000</td>
<td>5%</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>5%</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>$500,000</td>
<td>5%</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

**Yield to maturity.**

The above bonds are offered when, and if issued and received by and subject to approval of legality by Messrs. Orrick, Dahlageit, Neff & Herrington, Attorneys, San Francisco, California by the following underwriters:

*Bank of America
The Chase National Bank
Blyth & Co., Inc.
The First Boston Corporation
Harriman Ripley & Co.,
N.T.& S.A.
New York

Harris Trust and Savings Bank
R. J. Muens & Company
American Trust Company
Gore, Fergan & Co.
C. J. Devine & Co.
Schoon, Sachs & Co.

Union Securities Corporation
Weeden & Co.
The First National Bank
Seattle's First National Bank
Seattle

Dean Witter & Co.
William R. Staats Co.
Equitable Securities Corporation
Reynolds & Co.
J. B. Barlow & Co.
B. J. Van Loon & Co., Inc.

Coffin & Bart
A. C. Alvy and Company
Harris, Hall & Company
Heller, Bevre & Co.
Barr Brothers & Co.
Kaiser & Co.
A. G. Becker & Co.

Osten & Co.
Ira Haskell & Co.
Hayden, Stone & Co.
G. H. Walker & Co.
Baron, Whipple & Co.
F. S. Smithers & Co.

Oatman & Co.
Hammond, Cotton & Co.
Trust Company of Georgia
E. F. Hamilton & Co.
The First National Bank
of Massena

The Ohio Company
Wm. E. Pocholak & Co., Inc.
Andrews & Wells, Inc.
Schafer, Necker & Co.
Courts & Co.
Juliet Collins & Company

Field, Richards & Co.
Czattenden & Co.
Hayden, Miller & Co.
Robert Winston Co.

The National Bank of Commerce
of Cleveland

The National Bank of Commerce
of Seattle

H. Y. Saltiel & Co., Inc.
Northwestern National Bank
Fulton, Reid & Co.
R. D. White & Company

Clement A. Evans & Company
Laid, Eissel & Meeds
Lawson, Levy & Williams
Jenney & Co.
Rockland-Alaska National Bank

Besworth, Sullivan & Company
Prentiss & Co.
Peoples National Bank
Girard & Company
Foster & Marshall
Sills, Fairman & Harris

J. B. Hanner & Co.
Taylor and Company
A. C. Edwards & Sons
Wurtz, Durla & Co.

Seasongood & Moyer
The Well, Roth & Living Co.
Doll & Upholstering, Inc.

Kenner, MacArthur & Co.
Stubble, Smith & Lombardo, Inc.
Magnus & Company
Walter, Woody & Heindeminger
Thornton, Mole & Co.

Stern, Frank, Meyer & Fox
Fred D. Blake & Co.
H. E. Work & Co.

Wagenmiller & Durst, Inc.
William D. James Company

C. N. White & Co.

*The writer, who is connected with the University of Chicago, New York City, is a graduate mechanical engineer, Cornell University. He has been engaged in planning and the investment business for many years and is a member of the New York Society of Security Analysts.*
Our most recent issue of “HIGHLIGHTS” comments on

Mansfield Tire & Rubber

Mission Oil

porcelain Corp.

polycarbonate.

Suburban Propane Gas

Federal Reserve Bank of St. Louis

Digital for FRASER

70, 2013 (Detroit, Mich.)

Bond Club of Detroit annual

numismatics and Coin Club, Sandwich, Ont.

Aug. 23, 2013 (Rockford, Ill.)

Rockford Security Dealers

Association and Coin Club of the Maub-Nab-Tee-See Country Club.

Sept. 7, 2013 (New York City)


Sept. 24-26, 2013 (Cincinnati, Ohio)

American Numismatic Association Falls Meeting at the Terrace-

Plaza.

Sept. 30, 2013 (Coronado Beach, Calif.)

National Security Dealers Association convention at Cor-

onado Hotel.

Oct. 12, 2013 (Dallas, Tex.)

Dumberton annual Colum-

bus Day outing.

Nov. 25-29, 2013 (Hollywood Beach, Fla.)


Halsey, Stuart Group

Offers Utility Bonds

Halsey, Stuart & Co. and associated companies offer Minnesota Power & Light Co. first mortgage bond issue of 1931 at 101.748% and accrued in-

terest. The group won award of commission to sell bonds on the July 10 on a bid of 101.19%.特別に

Furthermore, the proceeds of these bonds will be used to finance in part the expansion of its water power program which contemplates ex-

pansion of facilities entailing the expenditure of $5,533,000 in 1931, $10,381,000 in 1932 and $6,308,000 in 1933. The company expects to finance this program through the sale of these bonds from their own resources, and funds secured late in 1930 from the sale of 

additional redemptions may be made at prices from 101.75% to par. 

Regular redemptions prices range from 103 to 105. Recent

redemptions have averaged between 103 and 103 1/2. The company is engaged in the

Halsey, Stuart & Co. Inc. and associates do not inform nor are they aware that there is any sub-

stantial redemptions may be made at prices from 101.75% to par. 

Regular redemptions prices range from 103 to 105. Recent

redemptions have averaged between 103 and 103 1/2. The company is engaged in the

issue of new bonds within the New York and Colorado stock exchanges.

With Claxton Securities

Halsey, Stuart & Co. Inc. and associates do not inform nor are they aware that there is any sub-

stantial redemptions may be made at prices from 101.75% to par. 

Regular redemptions prices range from 103 to 105. Recent

redemptions have averaged between 103 and 103 1/2. The company is engaged in the

issue of new bonds within the New York and Colorado stock exchanges.

With Hullenweel Co.

(Special to The Financial Chronicle)

James F. Hulse of Annapolis, Md., is the son of Hon.

With Claxton Securities

Halsey, Stuart & Co. Inc. and associates do not inform nor are they aware that there is any sub-

stantial redemptions may be made at prices from 101.75% to par. 

Regular redemptions prices range from 103 to 105. Recent

redemptions have averaged between 103 and 103 1/2. The company is engaged in the

issue of new bonds within the New York and Colorado stock exchanges.

With Hullenweel Co.

(Special to The Financial Chronicle)

James F. Hulse of Annapolis, Md., is the son of Hon.

With Hullenweel Co.

(Special to The Financial Chronicle)

James F. Hulse of Annapolis, Md., is the son of Hon.

With Hullenweel Co.

(Special to The Financial Chronicle)

James F. Hulse of Annapolis, Md., is the son of Hon.

With Hullenweel Co.

(Special to The Financial Chronicle)

James F. Hulse of Annapolis, Md., is the son of Hon.

With Hullenweel Co.
Its Great Lakes Steel Corporation serves American industry in America's great automotive center

Great Lakes Steel Corporation, with the only integrated steel mill in the Detroit area, is the natural companion to America's mighty automotive industry in both production and location.

Its complete facilities—blast furnaces, open hearth furnaces, hot strip and sheet mills, merchant mills, cold mills—enable Great Lakes Steel to furnish auto makers and their suppliers with a large volume and variety of finished steel for their tremendous production needs.

And Great Lakes Steel serves a wide range of other industries throughout America—building, rail and highway transportation, home appliances, electrical equipment, to name just a few. It has developed special steels, including famous N-A-X High-Tensile . . . is the exclusive manufacturer of world-acclaimed Quonset Buildings and Stran-Steel framing.

The progress of Great Lakes Steel—one of National's seven principal subsidiaries—is another reason why National Steel is one of America's largest producers of steel . . . why it will continue to grow in the future.

NATIONAL STEEL CORPORATION
GRANT BUILDING
PITTSBURGH, PA.
SERVING AMERICA BY SERVING AMERICAN INDUSTRY
Old-Age Benefits
By ROGER W. BABSON

Noting that he has reached 76 years of age and is now eligible to a tax-exempt old-age pension of $80 per month, Mr. Babson says inflation may not be so bad, since contributory payroll tax by employees is in installments, and thus the payments are in depreciable dollars.

July 6 was my birthday and my trusted accountant has given me a very nice birthday present. He calls to my attention that in view of my age and now being off the payroll, I can receive old-age insurance of $80 per month. But good.

Lars, I have received $80 for months I was 75 or over and can continue to work and draw old-age benefits. I, like other employed persons, have had no money deducted from my pay check since 1937, but I gave no attention, believing that the amount received would be insignificant. But considering how quickly the months speed by as we get older, $80 coming so often looks pretty good.

But the above is not the best of it. This $80 per month which an eligible person receives is not taxable. If he happens to be in the 30% tax bracket, this is equivalent to a check every month which certainly is not to be sneezed at. When the depression forced our pay checks were increased Jan. 1, 1930, we were kind of sure about it. We forgot about the Social Security benefits were likewise increased. Under workers' amendments a family can receive as much as $1,020, which is as opposed to the old maximum of $1,050.

Speaking of Taxation

In giving this column to my accountant friend to read over, he suggested that I add “When a person reaches 65 and becomes eligible for old-age insurance benefits, he is entitled to two-thirds of his insurance benefits. This is not taxable.”

I have been looking up also the taxable feature of life insurance. According to the old laws, the out-of-pocket costs, as a young man, $40,000 worth of life insurance, the agent told me that this year $40,000 was exempt from taxation. I now find that if I pay the premium and own the policies completely, my life insurance policy will be subject to the Federal Estate Tax at the same as stocks or bonds.

The Revenue Act of 1940 does not make an exception for a married man to this extent: If the proceeds of the insurance are payable to your (or to a trust under certain conditions) within 13 months of your death, it is not taxable. The money in such a case, however, must be subject to her sole control. The above means that you should immediately take their insurance over with you in your own name. There are other technicalities here. I cannot cover in this column. The main thing to remember is that if you give your wife your life insurance, you are in the same situation as to do as she wishes with it, but if you leave it to her, you are subject to all duties on it up to $40,000; but if you try to be too specific and state how the money is to be used, or give it to other beneficiaries, it may be subject to taxation.

A brokerage house in action will be shown to 10,000 educators during the next two weeks by means of an exhibit of Bache & Co., members of the New York Stock Exchange, at Columbia University’s 27th annual summer session educational exhibit. The Bache exhibit, located in the Main Gymnasium at Columbia’s University Hall, utilizes a live New York Stock Exchange ticker and a live business news wire to dramatize the story of brokerage activities.

The exhibit, which has “Mobilizing for Defense” as a theme, is part of a campaign to explain Wall Street to the general public. Columbia’s educational exhibit was chosen by Bache officials as an ideal place to reach a good cross-section of this group. Beneficiaries of Bache & Co. will be on hand at all times during the next two weeks of the exhibit to explain the so-called mysteries of the securities industry. Charts, diagrams and photographs are utilized to show yields of securities and explain how they are purchased and sold. Typical yields of various selected companies are covered in the exhibit.

The Summer Session Educational Exhibit is held annually by Columbia University to show the latest educational methods and techniques to educators. About 10,000 teachers from all parts of the United States and many foreign countries are expected to attend this year’s session which will continue through July 20.

Continued from page 8

Bache & Co. Exhibit Shows Brokerage House in Action

of education in stock ownership. We feel that the program we are now introducing can help materially in filling this need.”

Trustees of the Institute of Fiscal and Political Education are Dr. Wilson M. Compton, President Washington State College; Dr. John Lee Coulter, former President N. D. and A. M. College; Economists Forrest Davis; Author, former Washington Editor, “Saturday Evening Post”; Roger Faherty, Vice-President Irish-American Historical Society; John Temple Graves, Lecturer, Col- umnist, Editorial Staff, Birmingham “Post Herald”; Horace A. Hildreth, President Bucknell University; J. Hugh Jackson, Dean, Graduate School of Business, Stanford University; Dr. Forrest H. Kirkpatrick, Dean of Students, Bethany College; Arthur Rillin, President of Haverford College; Author; W. Royce Powell, Vice-President; Dr. Richard R. Richardson, Lawyer and Author; Berkeley A. Thomas, Executive Vice-President; Gill Robb Wilson, Author and Columnist.

Security Traders Association of New York

The Security Traders Association of New York will hold their annual meeting on Sept. 7, at the New York Athletic Club.

HUNTER GOODRICH WITH MERRILL LYNCH, CHICAGO

The firm name now is Renz, Field & Co.

The firm name of Corporate Leader Sales Company, Inc. has been changed to Renz, Field & Co., Minneapolis, Minn., and there will be no other change in the firm which is located at 527 Fifth Avenue, New York City.

Robert J. Henderson Is With Daniel Reeves Co.,

(Special To The Financial Chronicle)

Merrill Lynch, Chicago

HUNTER GOODRICH WITH MERRILL LYNCH, CHICAGO

The firm name now is Renz, Field & Co.

The firm name of Corporate Leader Sales Company, Inc. has been changed to Renz, Field & Co., 398 South Beverly Drive, members of the New York and Los Angeles Stock Exchanges. Mr. Henderson was an officer of Edward J. Bourbeau & Co.

Donald W. Green With Piper, Jaffray & Hopwood

Continued from page 8

$1,950,000

New York, Chicago and St. Louis Railroad Equipment Trust of 1951

3% Equipment Trust Certificates

To mature $65,000 each January 15 and July 15, 1952 to 1966, inclusive

To be guaranteed unconditionally as to payment of par sales and dividends by The New York, Chicago and St. Louis Railroad Company

Priced to yield 2.25% to 3.10%, according to maturity


July 8, 1951

The Commercial and Financial Chronicle. — Thursday, July 12, 1951

Bache & Co. Exhibit Shows Brokerage House in Action

The exhibit, which has “Mobilizing for Defense” as a theme, is part of a campaign to explain Wall Street to the general public. Columbia’s educational exhibit was chosen by Bache officials as an ideal place to reach a good cross-section of this group. Beneficiaries of Bache & Co. will be on hand at all times during the next two weeks of the exhibit to explain the so-called mysteries of the securities industry. Charts, diagrams and photographs are utilized to show yields of securities and explain how they are purchased and sold. Typical yields of various selected companies are covered in the exhibit.

The Summer Session Educational Exhibit is held annually by Columbia University to show the latest educational methods and techniques to educators. About 10,000 teachers from all parts of the United States and many foreign countries are expected to attend this year’s session which will continue through July 20.

Continued from page 8

of education in stock ownership. We feel that the program we are now introducing can help materially in filling this need.”

Trustees of the Institute of Fiscal and Political Education are Dr. Wilson M. Compton, President Washington State College; Dr. John Lee Coulter, former President N. D. and A. M. College; Economists Forrest Davis; Author, former Washington Editor, “Saturday Evening Post”; Roger Faherty, Vice-President Irish-American Historical Society; John Temple Graves, Lecturer, Columnist, Editorial Staff, Birmingham “Post Herald”; Horace A. Hildreth, President Bucknell University; J. Hugh Jackson, Dean, Graduate School of Business, Stanford University; Dr. Forrest H. Kirkpatrick, Dean of Students, Bethany College; Arthur Rillin, President of Haverford College; Author; W. Royce Powell, Vice-President; Dr. Richard R. Richardson, Lawyer and Author; Berkeley A. Thomas, Executive Vice-President; Gill Robb Wilson, Author and Columnist.

Security Traders Association of New York

The Security Traders Association of New York will hold their annual meeting on Sept. 7, at the New York Athletic Club.

HUNTER GOODRICH WITH MERRILL LYNCH, CHICAGO

The firm name now is Renz, Field & Co.

The firm name of Corporate Leader Sales Company, Inc. has been changed to Renz, Field & Co., Minneapolis, Minn., and there will be no other change in the firm which is located at 527 Fifth Avenue, New York City.

Robert J. Henderson Is With Daniel Reeves Co.,

(Special To The Financial Chronicle)

Merrill Lynch, Chicago

HUNTER GOODRICH WITH MERRILL LYNCH, CHICAGO

The firm name now is Renz, Field & Co.

The firm name of Corporate Leader Sales Company, Inc. has been changed to Renz, Field & Co., 398 South Beverly Drive, members of the New York and Los Angeles Stock Exchanges. Mr. Henderson was an officer of Edward J. Bourbeau & Co.

Donald W. Green With Piper, Jaffray & Hopwood

Continued from page 8

$1,950,000

New York, Chicago and St. Louis Railroad Equipment Trust of 1951

3% Equipment Trust Certificates

To mature $65,000 each January 15 and July 15, 1952 to 1966, inclusive

To be guaranteed unconditionally as to payment of par sales and dividends by The New York, Chicago and St. Louis Railroad Company

Priced to yield 2.25% to 3.10%, according to maturity


July 8, 1951

The Commercial and Financial Chronicle. — Thursday, July 12, 1951
In pointing out the likelihood of a considerably larger financial outlay on capital investment in Britain in 1951, due to higher costs and rearmament expenditure, Dr. Einzig expresses the view that total investment will exceed savings, therefore, the result will be an increase in the current inflationary gap. See need of longer working hours and greater output to offset this trend.

LONDON, England.—Ever since 1948 the British Treasury published a detailed program of capital investment, in which the amount of public works and of private construction of capital goods was forecast. Since building operations in Britain are subject to license the government was in a position to ensure that there was a sufficient capital expenditure to conform to the program. This year, however, no capital investment program was presented to the Exchequer, nor was a free state of building operations explained that owing to uncertainties created by rearmament and raw material shortages no attempt would be made to rely on any reliable detailed estimates. He gave the broad outlines of the government’s intentions in respect of various types of capital investment. Although the total of investments is expected to be roughly $5,000,000,000 in 1951, it was in 1950, the total of capital investments will be substantially lower, for rearmament requirements will absorb a large part of the resources available for the purpose. The amounts involved were calculated on the basis of prices prevailing at the end of 1950. In the meantime prices have increased considerably and are expected to increase further during the second half of the year. As a result the financial outlay on capital investment is expected to be considerably larger in 1951 than in 1950. This means the creation of a corresponding additional amount of additional purchasing power. At the same time the volume of consumer goods will decline, not only owing to the income in the amount of capital investment—which is relatively moderate—but also owing to switching over of production from civilian goods to war materials.

To the extent to which this year’s capital investment exceeds that of 1950 the inflationary gap will widen, for there is no hope to cover the additional investment by additional not savings. On the contrary, dis-saving is proceeding on a fairly substantial scale. This is not at all surprising, since we are in a period of price inflation. If the rise in prices has been due to an expansion of purchasing power there might be no decline in net savings. Since, however, prices have risen without any corresponding previous rise in income, the consumption has to draw on their old savings in order to be able to pay the higher prices. Thus, in addition to the inflationary resources available to investors in Britain, there is the inflationary effect of dis-saving.

At a time of over-full employment an excess of investment over savings is liable to produce a particularly strong inflationary effect. Apart from the increase of purchasing power and the decline in the volume of consumer goods, the additional competition for the labor resources available tends to strengthen the foregoing power of workers. This is liable to lead to an acceleration of the rise in wages. Already there are symptoms of an accentuation of competition by bidding for labor. This British railroads have been losing many thousands of skilled and unskilled hands because industrial firms are in a position to offer higher wages. The additional competition to induce the railroad employees to relinquish their permanent jobs and the pension benefits they enjoy, is an added pressure on the railroad workers. The result of this pressure on the demand for railroad workers is an increasing call upon the labor market. A solution would be a restoration of prewar working conditions. Even now the number of workers employed by the railroads exceeds the figure of 1946. But short working hours, holidays, etc., made it necessary to employ many more men than before the war. The result of the over-full employment would be that even more men would want to leave the railroads. In the circumstances the only practicable solution will be a further increase of wages, which would necessitate higher fares and freight rates, resulting in an all-round increase of the cost of living and the cost of production.

Yet even now the government appears to have failed to see the danger signal. A realistic government would have ruthlessly cut down the capital investment program in spite of the additional requirements for rearmament purposes. As it is, some kinds of investments such as the construction of power stations cannot be curtailed without grave disadvantages. But there are many kinds of other investments which are known to have been cut down much more drastically than they have been cut down. Nor is a reduction of capital investment the only method of deflation or of restraining further inflation. Under the influence of Keynes’ theory, Brit- ish economists have tended to take a very one-sided view of this subject. In a recent article R. F. Harrod argued that credit restriction would not be disinflationary except in so far as they would curtail capital investment. In reality restrictions of consumer’s credits would produce an even more directly disinflationary effect than cuts in capital investment.

The government remains reluctant to take active steps to raise interest rates or to curtail credits to any considerable degree. In spite of the growing evidence of over-full employment the fears that any drastic disinflationary measures might create unemployment continue to depress effective action. Yet the authorities are in a position to go a very long way towards deflation without even removing over-full employment, at any rate as far as the present position is concerned. The danger is very great that, while in Britain as a whole the number of vacancies would continue to exceed the number of unemployed, in particular regions there might develop large-scale unemployment. Owing to housing difficulties labor in Britain is very immobile. It is almost impossible to move from one district to another, for lack of housing accommodation. This is one of the reasons why drastic disinflationary measures were avoided, for fear that, as a result, unemployment and over-full employment would run concurrently.

Swiss Cor. For Swiss Bank Corporation, Baile, the agent of the Swiss commercial banks, announced yesterday the incorporation of a new company with the title “Swiss Corporation For Swiss Capital,” Ltd. The new company will have an authorized share capital of $2,000,000 (Canadian) and will start operations Aug. 1. The corporation is authorized to act as dealers in investments and as financial general agents.

H. G. Gunther, senior New York agent of Swiss Bank Corporation, has been elected President of the new corporation. J. W. Kraft has been elected Vice-President and A. Engelbert, Secretary and Treasurer. The board of directors comprises Messrs. G ubuntu, Kraft and J. A. Nosan.

The corporation’s headquarters will be located in The Royal Bank Building, 360 St. James Street, West, Montreal, Canada. Swiss Bank Corporation maintains foreign offices in both New York and London. The new venture is the outcome of careful investigation by Swiss Bank Corporation, Baile. Without entering the field of commercial banking in Canada, The Swiss Bank Corporation feels that there is scope for expansion within the frame-work of the Canadian economy.

Since Switzerland is one of the few countries able to export hard currency capital, this may be considered as an important move in strengthening the ties between the old world and the expanding economy of Canada, the bank said.

Dr. Paul Einzig

[Image of a document with text]

This announcement is not an offer to sell or a solicitation of an offer to buy these securities. The offering is made only by the Prospectus.

$10,000,000

Minnesota Power & Light Company
First Mortgage Bonds, 3½% Series due 1981

Dated July 1, 1951
Due July 1, 1981

Price 101.749% and accrued interest

The Prospectus may be obtained in any State in which this announcement is circulated from only such of the undersigned and other dealers as may legally offer these securities in that State.

HALSEY, STUART & CO. INC.

DICK & MERLE-SMITH

SCHOLEKOPF, HUTTON & POMEROY, INC.

GREGORY & SON

HIRSCH & CO.

NEW YORK HANSEATIC CORPORATION

WEEDEN & CO. INCORPORATED

GREEN, ELLIS & ANDERSON

M. E. POLLOCK & CO. INC.

THE ROBINSON-HUMPHREY COMPANY, INC.

JULIEN COLLINS & CO. INC.

THOMAS & COMPANY

HELLER, BRUCE & CO.

MULLANEY, WELLS & COMPANY

ASPDEN, ROBINSON & CO.

BYRD BROTHERS

A. M. KIDDER & CO.

SHANGNESSY & COMPANY, INC.

July 12, 1951

This announcement is not an offer to sell or a solicitation of an offer to buy these securities. The offering is made only by the Prospectus.

$5,000,000

Iowa Public Service Company
First Mortgage Bonds, 3½% Series due 1981

Dated July 1, 1951
Due July 1, 1981

Price 100.57% and accrued interest

Copies of the Prospectus may be obtained from the undersigned.

HALSEY, STUART & CO. INC.

July 11, 1951
Urges Higher Interest Rates on Savings Bonds

American Federal of Labor President, William Green, says it would encourage savings and be effective anti-inflation move.

President William Green of the American Federation of Labor on July 5 made public a letter to Secretary Snyder urging a new savings bond program with a higher interest rate to attract greater savings as part of the anti-inflation program.

The text of the letter to Secretary Snyder follows:

"I am writing to express the interest of the American Federation of Labor in the development of an effective program to persuade the American people to save a larger part of their income.

"Since the start of the Korean War, the A. F. of L. has argued for a comprehensive, well-planned anti-inflation program. We have supported direct price controls as absolutely essential to restrain the mounting cost of living and excise-profit profit-taking. However, we have always maintained that direct controls over our economy must be supplemented by other measures including an adaptable tax program, credit controls, and an effective savings program.

"The importance of a savings program becomes clear when we realize that from present indications the tax program which Congress is planning to pass will not be adequate for meeting the requirements of the current inflationary situation. This highlights the need for an effective savings program which, by transferring to the government dollars that would otherwise be spent at the stores, will substantially reduce the inflationary pressures throughout the American economy.

"We are convinced that the American people would respond eagerly to the proper type of savings program. However, it is to this response, substantial changes would be made in the current U. S. savings bond program. The current Series E bonds prove too small, too semiskilled and unattractively attractive to workers and their families in the moderate income groups.

"For each year, beginning in 1946, reemissions of $25 and $50 savings bonds (the type these small income families can afford) have far exceeded sales. Since the Korean War this trend has not changed toward.

"Moreover, studies by the Federal Reserve Board show that a substantial majority of families with income lower than $5,000 do not possess any U. S. savings bonds. This percentage has been increasing every year since 1940. Sixty-seven per cent of unskilled and semiskilled workers and 91% of clerical and sales workers do not possess any savings bonds at all.

"The law must be found to persuade these families to make a determined effort to set aside a savings bond at least annually. The new law designed to handle the new bond of $25 and $50 E bonds that began maturing on July 1, 1951 is very unsatisfactory since the interest rate set for these bonds is very unsatisfactory.

"Partial fulfillment of the U. S. savings program, it has become quite clear that interest at even 1% has been rising. Under the arrangement between the Federal Reserve Board and the Treasury Department the long-term interest rate on government bonds has increased from 2% to 2½%. Rates on other government obligations have also risen. In view of this fact, any government savings program may pay interest at a rate considerably higher than that paid by the E bond program.

"If we have considered opinion that the Treasury Department should issue a new type of savings bond program. This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of maturity dates to appeal to a variety of moderate income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.

"This new type of savings bond should have the same characteristics of the current Series E bonds. It should be non-negotiable and non-transferable. A definite limit should be placed on the amount of savings bonds that can be held by any one individual.

"These bonds should carry a variety of maturity dates to appeal to a variety of income groups and could, at the same time, determine the income base of interest on the basis of the "war." We have never known an interest rate above the 2½% of the present E bond. We suggest that this rate of interest be approximately 2½%.
1950 is stated by the President to be less than $10 million. Significant improvements in diesel units on the Consolidated Mortgage as of June 1, 1951, was $13,690,000 bearing fixed interest, and evidence of the need for further reduction of about $2,467,000 face amount of this mortgage in five months of 1951. To accomplish this heavy reduction in bonded debt in so short a time, the Company has been aided by the receipt of two substantial cash payments—

(A) a settlement of the losses suffered in the Black Tom explosion in World War I; and

(2) A refund of income tax applied to the years 1940-1944 in December 1949, amounting to $3,986,153.

Both payments were instrumental in effecting the purchase of bonds and were deducted as seen from the table, approximately pro rata to the several issues.

**NEW POWER AND EQUIPMENT**

The Lehigh Valley will complete in September a definite program of substituting diesel power for steam. It has reduced passenger train mileage and increased the tonnage of freight trains to the point where it is now ranked as fourth in the number of gross tons moved per freight train hour.

From 1948 through line, engine and equipment obligations have risen to $25,448,237, an increase of about $15 million net. Currently, the annual maturities of such obligations are $3 million while the accretions through depreciation charged to Maintenance of Equipment in the last year were $2 million. This has required putting up cash from other sources to meet maturities but as bookings for the most part are on a 15 year basis, the high hurdle of maturities should be passed in a year or two.

The President, Mr. Major, and the Vice-President and General Manager, Mr. Patterson, discussed this and other matters at a meeting of the New York Society of Security Analysts last month. Not only did the Lehigh Valley acquire 45 diesel units in 1950 and 28 units in the first half of 1951, but 17 more are on order for early delivery: four new diesel tugs were acquired as well as 2,120 freight cars, while over 2,000 such cars were rebuilt or supplemented.

Diesel locomotives to eliminate other service during 1951 and the performance record of diesel power for the past two years have been—

<table>
<thead>
<tr>
<th>Year</th>
<th>Passenger Train Miles</th>
<th>Freight Train Miles</th>
<th>Yard Switching Miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>1,958,000</td>
<td>20,760,000</td>
<td>23,210,000</td>
</tr>
<tr>
<td>1949</td>
<td>1,826,000</td>
<td>20,545,000</td>
<td>22,850,000</td>
</tr>
</tbody>
</table>

Improvements have been made in some of the Erie yards and while a diesel switcher cannot handle more cars per hour than a steam unit, the former costs less to operate and more importantly, in service, reduces the number of men employed. diesel switchers handle two to three times the freight as can a single 50 foot car. whereas in 1948, a five steam units were required for a one way trip in 7 hours with 60 cars.

The Lehigh Valley has traffic composed of 56% products of mines and 38% manufacturers and miscellaneous—on the main line, Buffalo to New York, the east bound movement predominates, hence the large amount of export shipments noted by the New Jersey commuters. Diesel locomotives in the main line service draw as heavy loads and make as good time as competing lines.

Heavy industry located along Lehigh Valley lines includes the home plant of Bethlehem Steel. During 1950, a total of 47 new industries were located in Lehigh Valley territory while 16 industries had长大了 in expanded capacity.

The cumulative effect of a complete change-over from steam to diesel motors has been variously estimated by the executives of major railroads and in general, they divide the assumptions into three premises:

1. First and third, all of total diesel power purchased is usually put to full utilization and in either road work or switching affords a high return on the investment.
2. The second, one third is usually acquired while a considerable amount of steampower is still being utilized; hence it is necessary to maintain service for both classes of power and coal stations etc. so that the second step cannot be expected to afford the same average return as the first.
3. Finally, one third is in no way utilized: the elimination of coal and water stations, the sole or dominating of some locomotive facilities and a rearrangement of schedules and assignments. The effect is found in the reduction of Cost of Conductor Transportation—one of the classifications for railroads where the results of true management will show, and where the outlook is not distorted by depreciation or other non-cash charges.

On the record we find therefore that in 1950 while the operating ratio of Lehigh Valley dropped 5 percentage points or from 81.2% to 78.6%, it does not tell the whole story. It is more important to observe the growth from $2,100,000 in 1930 even 1949, and that in the same period $1,705,000 was saved in transportation costs out of a total reduction in expense of $1,855,000. The balance of the saving coming from "by-passed" routes.

In the same year gross tons per train mile increased nearly 15% or 7,356,000 to 55,197,377.

Volume pays. At present costs volume plus expenditures handled every week, are equivalent to approximately $1,790,000, in gross to a gain of over $25 million in the amount available for fixed charges.

**HOW THE MONEY IS USED**

The readjustment plan contains provision for the application of net income and dividends, and the use of funds for fixed and contingent charges and sinking funds. The Company has published two tables as follows—in 1949 contingent charges started Aug. 1.

<table>
<thead>
<tr>
<th>Year</th>
<th>Income Available for Fixed Charges</th>
<th>Fixed Charges</th>
<th>Fixed Charges Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1939</td>
<td>$1,047,000</td>
<td>$5,199,000</td>
<td></td>
</tr>
<tr>
<td>1948</td>
<td>$6,421,000</td>
<td>$9,019,000</td>
<td></td>
</tr>
<tr>
<td>1949</td>
<td>$6,421,000</td>
<td>$9,019,000</td>
<td>$1,470,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Income Available for Fixed Charges</th>
<th>Fixed Charges</th>
<th>Fixed Charges Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>$6,421,000</td>
<td>$9,019,000</td>
<td>$1,470,000</td>
</tr>
</tbody>
</table>

**Adjustments Under Plan**

<table>
<thead>
<tr>
<th>Year</th>
<th>Retirements etc. Restored to Income</th>
<th>Tax Credits</th>
<th>Total</th>
<th>Available</th>
<th>Prior Lien Sinking Fund</th>
<th>Contingent Interest</th>
<th>Deductions</th>
<th>Total Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>$2,100,000</td>
<td>$3,986,153</td>
<td>6,086,153</td>
<td>3,986,153</td>
<td>101,000</td>
<td>973,000</td>
<td>954,000</td>
<td>$17,464,000</td>
</tr>
</tbody>
</table>

**Bought in 1950 to Anticipate Sinking Fund**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Interest Bonds</td>
<td>$5,912,000</td>
</tr>
<tr>
<td>Contingent Interest Bonds</td>
<td>11,052,000</td>
</tr>
</tbody>
</table>

**Gartman, Matz With Lewis D. McDowell With L. F. Rothschild & Co. Chas. A. Day & Co.**

This advertisement is neither an offer to sell nor a solicitation of offers to buy any of these securities. The offering is made only by the Prospectus.

Frank B. Hutchinson Joins Weeden & Co. (Special to The Financial Chronicle) CHICAGO, I11.—Frank B. Hutchinson has become associated with Weeden & Co., 135 South La Salle Street. Mr. Hutchinson was previously with McMaster Hutchinson & Co. in the municipal department and prior thereto was with Brauntz, Brauntz & Co. and Harris Trust & Savings Bank.

**324,000 Shares**

**The Victoren Instrument Company**

**Common Stock** ($1 Par Value)

Price $4 Per Share

Copies of the Prospectus may not be obtained from the undersigned only in loans in which the undersigned may legally distribute it.

<table>
<thead>
<tr>
<th>Name</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>George R. Cooley &amp; Co., Inc.</td>
<td>H. L. Emerson &amp; Co.</td>
</tr>
<tr>
<td>Mason Brothers</td>
<td>Saunders, Silver &amp; Co.</td>
</tr>
<tr>
<td>H. L. Emerson &amp; Co.</td>
<td>Inc.</td>
</tr>
<tr>
<td>H. L. Emerson &amp; Co.</td>
<td>Inc.</td>
</tr>
<tr>
<td>Hanford &amp; Talbot</td>
<td>Frank Knowton &amp; Co.</td>
</tr>
<tr>
<td>Nelson, Browning &amp; Co.</td>
<td>Jenks, Kirkland &amp; Grubbs</td>
</tr>
<tr>
<td>Boening &amp; Co.</td>
<td>Hancock, Blackstock &amp; Co.</td>
</tr>
</tbody>
</table>

**25,000,000 Bonds of State of California Offered to Investors**

Bank of America, N. T. & S. A. and associates of 500,000 State of California 4%, 1% and 1% Veterans bonds. Act of 1949, series B due Aug. 1, 1953 and 1972, inclusive. The bonds are priced to yield from 1% to 2% above to maturity. Bonds maturing from 1960 to 1972 are subject to call at par on Aug. 1, 1967.

Security Traders Association of Detroit and Michigan

Paul I. Moreland, Moreland & Co.; Ross Keier, Collin, Norton & Co., Toledo; Clarence Horn, First of Michigan Corporation; Lee Woff, A. G. Becker & Co., Chicago

Howard Dorr, Detroit Stock Exchange; George A. McDowell, Geo. A. McDowell & Co.; M. C. Baird, Geo. A. McDowell & Co.; John Cominser, National Bank of Detroit; Andy Reid, Andrew C. Reid & Co.


Leslie Mischetta, First of Michigan Corporation; John Nunnely, guest; Al Lomak, Manufacturers National Bank; Howard Parker, Manley, Bennett & Co.


Annual Outing June 26th at Plum Hollow Golf Club


Victor Dhongs, Manley, Bennett & Co.; Jack Kennew, Kennew, MacArthur & Co.;


Securities Salesmen’s Corner

By JOHN DUTTON

Prospecting

(Article 3)

You can obtain prospects from the people you try to sell simply by asking for them. There are times when you make the sale but you have gained the goodwill and confidence of your prospect. When this happens you can safely ask for names of people who might be interested in doing business with you, or who might lead you to those who can do so. You must however make it easier for your prospect to help you than to refuse.

Obtaining Names

After you have finished your discussion and before you leave say: “Mr. Smith, does it pay you in your business to widen your acquaintance, if you do it in the right way?” (Of course.)

“You know someone Mr. Smith whom I would like to meet.”

(“Who is that?”)

“I don’t know his name Mr. Smith, but I can describe him to you. He is someone who is interested in saving money, or in making his present assets do a better job for him, or he is retired and interested in a sound investment program such as we have been discussing. Who among your acquaintances best fits that description Mr. Smith?”

Getting Introductions

The following ideas have been used successfully by life insurance men in obtaining favorable introductions:

Ask your “center of influence” to write the name of the prospect, and also your name on his personal or business card. You can then hand the prospect a card with three names on it. Or you might prepare a letter along the following lines, have your “center of influence” copy it on his letterhead and sign it.

“Dear Bill,

“This will introduce Tom Jones, a nice guy whom I think you’ll like. He wants to meet you, and I think he has some such design as to try to sell you securities.

“Don’t let that scare you though. He sold me on an investment program that I am pretty enthusiastic about, and he knows his stuff. Throw him out right away if you want to, but he has a darned good plan to tell you about, and I think you may want to hear it.

“Sincerely,

“Tom Jones.

“You can also ask your cooperators to telephone the prospect and say that you are O.K.

“Or, you can write a note addressed to your “center of influence” asking for an introduction to the prospect and request that your e. i. merely write at the bottom, “This fellow is O. K.” and sign his name.

Cultivate Your Influence Centers

Since goodwill must be nourished the same as anything else that you want to stay alive and grow, see to it that you show your appreciation for any help that is given to you. Report back and let him know if your cooperater has helped you to a sale. He will like it and will continue to take an interest in you. Also try and return a favor with a favor when you can. Keep prospecting in mind. If you can’t sell them all you can make good friends of some. Some will come along later.

Some will help you to meet others that can assist you in building an endless chain of people with whom you can do business. We don’t live alone, and in the last analysis it is the help we give and get that smooths our way in business, and in life. Being a cooperater begets friendship and that brings success.

Lily-Tulip Stock Issue Underwritten by Blyth

The Lily-Tulip Corp. is offering 75,000 shares of additional common stock at $50 per share and is granting holders of its common stock rights to subscribe at the rate of one share for each five shares held of record on July 5, 1951. Rights to subscribe will expire at 3 p.m. on July 18, 1951. Blyth & Co., Inc. heads an investment group which has agreed to purchase the unsubscribed shares.

Proceeds from the sale of the stock, together with a portion of the proceeds from proposed borrowings and other funds will be applied principally to additional operating facilities and to a new plant being constructed at Springfield, Mo.

Lily-Tulip Cup Corp. is primarily engaged in the manufacture and sale of paper cups and nested containers which are used in the serving and packaging of food and beverages. The company produces approximately 500 different sizes, types and styles of such products, substantially all of which are marketed under the company-owned trademarks “Lily”, “Tulip”, “Neatrise”, “Vee-cup”, “Mixrite” and combinations of these names.

NYSE Members Vote Against Year Round Saturday Closings

Result of recent poll shows 700 against proposal and 571 in favor

The membership of the New York Stock Exchange in a recent referendum have voted against a proposal to close the Exchange on Saturdays throughout the year. The vote was 700 against the proposal and 571 in favor. One ballot was blank. The vote was the largest ever cast by the Exchange membership.

The question was submitted to the membership in the form of a constitutional amendment after the Board received a petition from 339 members on May 24, 1951. The petition, which the Board was required to submit to the membership under terms of the constitution, provided for closing the Exchange on all Saturdays except under unusual circumstances.

On April 12, 1953, the Board of Governors of the Exchange rejected against all Saturday after considering the results of a poll of membership opinion on the subject.

The vote did not affect the present policy of closing the Exchange on Saturdays during the summer months of June, July, August and September.

With J. Barth Co.

(San Francisco, California) James E. Kramer is now with J. Barth & Co., 404 Montgomery Street, members of the New York and San Francisco Stock Exchanges.
Security Traders Association of Los Angeles Spring Party

NEWS ABOUT BANKS AND BANKERS

The election of Wilmer S. Wrench as an Assistant Vice-President of the Marine Midland Trust Company of New York was announced on July 3 by James G. Blake, President of the bank. Mr. Wrench, formerly Assistant Treasurer, has been with the Marine Midland Trust Company of New York and its predecessor organizations since 1913 when he started his career. It is stated that he has maintained an association with the Comptroller's Department.

Promotion of T. Clyde McCarroll, formerly Trust Officer, to be a Vice-President of the bank, was announced by Guarantee Trust Company of New York. He continues with the Trust Department, with the investment work which he has been identified during the 20 years with the company. Newly appointed Second Vice-President of the company are Joseph C. Buttrick and G. Tewes, both Trust Department officers, and Walter H. Zulauf, Foreign Department. John P. Kocsis, Assistant Treasurer, David B. Betz, Jr., Assistant Treasurer, Banking Department; Ernest J. Koczis, Assistant Treasurer, Trust Investment; and James H. Dreyer, Assistant Comptroller.

Swiss Bank Corporation, Basel, the largest of the Swiss commercial banks, has announced incorporation of a Canadian company directly related to the Swiss company. For Canadian Investments, Ltd., the new corporation will have an authorized share capital of $2,000,000 (Canadian) and will start operations Aug. 1. The Corporation is authorized to act as dealers in investments and as general financial agents. Frank H. Gundrum, former New York agent of Swiss Bank Corporation, has been elected President of the new corporation. J. W. Kraft has been elected Vice-President and A. Engelbert, Treasurer. The Board of directors comprises: Gundrum, Kraft, and J. A. Nooner. The Corporation's headquarters will be located in The Royal Bank Building, No. 500, James Street, West, Montreal, Canada. Swiss Bank Corporation maintains foreign offices in both New York and London. Without entering the field of commercial banking in Canada, The Swiss Bank Corporation, it is stated, is making the move "in an effort to expand the framework of the Canadian economy."

The First National Bank of Atlanta, N. Y., announces its capital effective June 22, from $65,000 to $81,250, by the sale of new stock to the amount of $16,125.

It was announced on July 5 that stockholders of Girard Trust Core Exchange Bank of Philadelphia subscribed to $134,265, or 92.2% of the 136,975 new shares of the bank offered at a price of $35 a share. The offer was made on a basis of one new share for each five shares held with subscription privileges expiring on July 2. The heavy stockholder subscriptions left only 2,312 shares to be taken up by the underwriters, headed by Smith, Barney & Co. Upon settlement with the underwriters, the capital funds of the bank increased to $30,549,000, capital stock being $21,250 shares of a par value of $15 per share or $123,375 and surplus $25,650,220. A recent item regarding the issuance of the new shares appeared in our June 18 page, page 960.

It is made known in the "Bulletin" (July 21 of the First National Bank of Chicago, Ill., that the Kent County Savings Bank of Kentstows, a State banking institution, effective June 18, 1951.

The capital of the Citizens National Bank & Trust Company of Mansfield, Ohio, was increased from $200,000 to $600,000, effective June 12; $300,000 of the increase was brought about by a stock dividend, while the further $200,000 increase resulted from the sale of new stock.

SOCIETY FOR SAVINGS IN THE CITY OF CLEVELAND, OHIO

The Fifth Third Union Trust Co., Cincinnati, announces the election of Philip B. Clark as Chairman of the Board of Directors, A. R. Florence as Vice-Chairman of the Board of Directors, and Charles E. Reid, as President. These advances follow the resignation of Mrs. G. Dawes, Chairman of the Board, whose death in April was noted in our May 17 issue, page 950.

The First National Bank of St. Louis, Mo., announces that both deposits and cash and deposits from banks, increased to $141,117,068, and undivided profits to $6,640,281.

A booklet commemorating its 75th anniversary had been issued in attractive form by the First National Bank of Columbus, Ga. In the Foreword to the brochure, it is stated that "the general idea is our building of architectural beauty which was erected at the time of the Civil War. The metal exterior, which was fabricated in France and shipped from New York to Columbus entirely by river transportation." It is further stated that "it is our desire in this book to show the building and the people who have lived and worked and women behind it, as it is today. No attempt is being made to review its historical record of service to the community." Harbin K. Park is President of the bank, William B. Langdon, Vice-President and Cashier, and Ford Peare, Vice-President and Trust Officer. The bank has a capital stock of $300,000, surplus of $460,000 and an undivided surplus of $138,732. Deposits total $13,076,667 while total assets are shown as $18,103,566.

The capital structure of the Citizens National Bank in Waco, Texas, has been increased from $500,000 to $1,000,000, effective June 12, following its approval by the Comptroller of the Currency. According to the local paper, it was explained by Robert A. Vineyard, Executive Vice-President of the bank, that expansion of the capital structure from $400,000 to $500,000 was accomplished through the sale of 1,250 shares of stock of $35,000 par value for $75,000, which was oversubscribed by the bank's shareholders and by the transfer of $25,000 from the earnings account of the bank. It is stated that capital funds of the bank have more than tripled during the 20-year period from 1931 to 1951, while deposits are up to six times as great as they were at the beginning of the 20-year period, when they totaled $235,000. At that time the capital structure was $150,000. In 1941 the capital funds amounted to $300,000, with deposits at $1,200,000. The April 9, 1951, statement, it is stated, showed that deposits had grown to an amount in excess of $6,000,000 and today the capital structure has grown to over one-half million dollars. M. E. Slinkton Jr., President of the bank.

The Anglo California National Bank of San Francisco, Cal., opened its new Parkmerced office on July 2, Allard A. Caulkins, President.

REPORT OF THE CORPORATION TRUST COMPANY

of 120 Broadway, New York, N. Y, at the close of business on June 30, 1951, published in accordance with a rule made by the Board of Directors of the First National Bank of New York, and in accordance with the provisions of the Banking Law of the State of New York.

ASSETS

Cash, balances with other banks and Federal Reserve Banks, and in vault, $1,253,782.44.

Merchandise inventories held for others, $2,132,130.00.

Reserves for deposit insurance, $4,136.55.

May deposits on certificates of deposit, $40,312.00.

Cash on hand, cash in vault, and cash due from banks, $14,060,735.74.

Net deposits, $15,456,346.43.

OTHER ASSETS

Unliquidated, $1,955,732.00.

TOTAL ASSETS

$16,412,079.47.

LIABILITIES

Demand deposits of individuals, partnerships, and corporations

$6,345,653.64.

Other liabilities

$1,955,732.00.

TOTAL LIABILITIES

$8,301,385.64.

CAPITAL ACCOUNTS

Capital

$1,057,689.00.

Undivided profits

$542,666.66.

TOTAL CAPITAL ACCOUNTS

$1,600,355.66.

MEMORANDA

Assets pledged or assigned to secure obligations and other purposes

$109,049.50.

Securities as collateral for other purposes

$7,256.35.

1. CHARLES J. SKINNER, Treasurer of the Corporation Trust Company, states that the above statement is true to the best of his knowledge and belief.

2. CHARLES J. SKINNER,

Controller

OAKLEIGH L. THORPE

R. J. LORING

R. H. MOUNT

G. S. MONTGOMERY

WALTER & HARRY

The Commercial and Financial Chronicle ... Thursday, July 12, 1951
President, has announced. Located at 35 Camion Drive, in the new experimental shopping center (El Cerrito) and designed in con- formity with the latest addition to the Anglo system in Anglo’s 12th office in San Francisco and its other branches in the Bay area of California. Ralph V. Johnson, As- sistant Cashier in the late board, is Manager and Charles D. Kennedy, Assist- ant Manager.

The United States National Bank of New York, has elected three new staff members at the June meeting of the board of directors. W. D. Beebe was named Assistant Cashier and B. H. Butter was named Assistant Trust Officers. Mr. Beebe has been with the United States National since August, 1927. During World War II, he served three years in the U. S. Army Air Corps finance division. Mr. Bird joined the bank in 1856. Both have been with the bank continuously since that time except for war service. Mr. Bird served with the U. S. Navy for 31 years and Mr. Butter spent more than four years in the U. S. Army Air Corps. The appointments became effective July 1, according to Edward E. Sammons, President of the bank.

Barclays Bank (Dominion, Colonial and Overseas) announced on June 12th that Mr. Arthur Stephen Aiken has been elected a Vice- Chairman of the Board.

**Judge Clancy Rules Against Otis & Co. in Kaiser-Frazer Suit**

Statement issued by Otis & Co. says decision will be appealed to a higher court.

Judge John W. Clancy of the Federal Court, on July 2 rendered a decision in favor of the Kaiser-Frazer Corporation in the suit for breach of contract against Otis & Co. and resolved that the parties, on the refusal of the latter to complete a contract of Otis & Co. for the delivery of 100,000 units of the Kaiser-Frazer Corporation in the suit for breach of contract against Otis & Co. for the delivery of 100,000 units of the Kaiser-Frazer Corporation

Orvis Brothers Opens Jackson Heights Branch

Orvis Brothers & Co. has announced the opening of its new office at 404, Jackson Heights, N. Y. affording residents, both business and personal, to the first time, complete facilities for the transaction of securities and commodity business. Connected to the firm’s main office in downtown New York City, the new branch will be staffed by John C. Cronin, Robert W. Terry and George M. Corning, each of whom has been engaged in the securities business for many years.

Even at their best, price controls are a temporary and superficial expedient. They deal with symptoms, not causes, of inflation. If inflationary pressure is allowed to accumulate beneath them, that pressure will eventually break through the controls.

From the Guaranty Survey

**Guaranty Trust Company of New York**

<table>
<thead>
<tr>
<th>MAIN OFFICE</th>
<th>FIFTH AVE. OFFICE</th>
<th>MADISON AVE. OFFICE</th>
<th>ROCKEFELLER CENTER OFFICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>340 Broadway</td>
<td>Fifth Ave. at 44th St.</td>
<td>Madison Ave. at 86th St.</td>
<td>Rockefeller Plaza at 50th St.</td>
</tr>
<tr>
<td>LONDON</td>
<td></td>
<td></td>
<td>BRUSSELS</td>
</tr>
</tbody>
</table>

**J. LUTHER CLEVELAND**
President

**WILLIAM E. KLEITZ**
Vice-President

**THOMAS J. HURMAN**
Assistant Cashier

**DIRECTORS**

**GEORGE G. ALLEN**
Chairman of the Board, Dade Furniture Corporation in the suit for breach of contract against Otis & Co. for the delivery of 100,000 units of the Kaiser-Frazer Corporation

**W. H. CHALSKY**
Chairman, Pacific Railroad Corporation

**LUTHER CLEVELAND**
Chairman of the Board, The Columbus Gas & Electric Co.

**W. PALEN CONWAY**
Secretary, The Providence Hospital of New York City

**CHARLES F. JERMAN**
President, The Berkshire Corporation

**STUART M. CRANE, JR.**
Chairman of the Board, The Columbia Gas System, Inc.

**W. H. WARDWELL**
Chairman of the Board, The New York Company

**CHARLES F. JERMAN**
President, The Berkshire Corporation

**RICHMOND W. KLEITZ**
President, Dresdner, Bank for International Commerce

**WILLIAM E. KLEITZ**
President, Dresdner, Bank for International Commerce

**LEWIS G. CROCKETT**
Chairman, Board of Directors

**WALTER S. FRANKLIN**
President, The Fellows University Corporation

**RAYMOND G. GUGLER**
President, American Commercial Corporation

**LEWIS G. CROCKETT**
Chairman, Board of Directors

**G. H. W. KLEITZ**
President, The Fellows University Corporation

**WALTER S. FRANKLIN**
President, Dresdner, Bank for International Commerce

**WILLIAM E. KLEITZ**
President, Dresdner, Bank for International Commerce

**GEORGE E. ROSEBY**
Chairman, Board of Directors

**CARLOS H. SHANKS**
President, The Fellows University Corporation

**LEWIS C. TIPPETT**
President, Dresdner, Bank for International Commerce

**ROBERT W. WOODFORD**
Chairman, Executive Committee

**THOMAS J. WATSON**
Chairman, Board of Directors, International Banking Corporation

**JULIUS W. WATSON**
Chairman, Board of Directors, J. W. W. Corporation

**RESOURCES**

Cash on hand, in Federal Reserve Bank, and Due from Banks and Bankers

U. S. Government Obligations

Loans and Bills Purchased

Public Securities

Stock of Federal Reserve Bank

Other Securities and Obligations

Accrued Interest and Accounts Receivable

Real Estate Bonds and Mortgages

Bank Premises

Other Real Estate

Total Resources

**LIABILITIES**

Capital

Surplus Funds

Undivided Profits

Total Capital Funds

Deposits

Foreign Funds Borrowed

Acceptances

Loss or Unenforced Acceptances for

Investment

Dividend Payable July 16, 1951

Items in Transit with Foreign Branches

Accounts Payable, Reserve for

Expenses

Total Liabilities

$$3,095,303,082.52$$

**Condensed Statement of Condition, June 30, 1951**

<table>
<thead>
<tr>
<th>Capital &amp; Surplus Funds</th>
<th>$657,873,094.08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans and Bills Purchased</td>
<td>$1,625,061,786.33</td>
</tr>
<tr>
<td>Public Securities</td>
<td>$84,653,129.86</td>
</tr>
<tr>
<td>Stock of Federal Reserve Bank</td>
<td>9,000,000.00</td>
</tr>
<tr>
<td>Other Securities and Obligations</td>
<td>32,009,763.84</td>
</tr>
<tr>
<td>Accrued Interest and Accounts Receivable</td>
<td>15,107,345.26</td>
</tr>
<tr>
<td>Real Estate Bonds and Mortgages</td>
<td>19,582,361.19</td>
</tr>
<tr>
<td>Bank Premises</td>
<td>5,002,929.63</td>
</tr>
<tr>
<td>Other Real Estate</td>
<td>16,379.99</td>
</tr>
<tr>
<td>Total Resources</td>
<td>$3,095,303,082.52</td>
</tr>
</tbody>
</table>

**Bankers Offer RR. Equip. Trust Gts.**

Halsey, Stuart & Co., Inc. and McMaster Hutchinson & Co. on July 5 publicly offered $1,000,000 New York, Chicago & St. Louis RR. 3% equipment trust certificates to mature $85,000 each Jan. 15 and July 15, 1962 to 1966, in- clusive. The certificates will be issued under the Philadelphia Plan and were priced to yield 2.25% to 3.10%, according to maturities. The certificates were offered in subject to approval of the Interstate Commerce Commission and are secured by new standard -gauge railroad equipment -costed to total $2,446,433.

Dressdner, Thropp Co. Formed in Trenton

TRENTON, N. J. — Dressdner, Thropp & Co., Inc. has formed with offices in the Trenton Trust Building to engage in the securities business. Officers are: Karl P. Dressdner, President; P. D. Thropp, III, Vice-President, and G. A. Phillips, Secretary-Treasurer. Mr. Dressdner was formerly with Hemphill, Noyes, Graham, Parsons & Co.

Security rates are at $50.75 to $50.64 in the above statement are pledged to qualify for fiduciary powers, to assure public moneys as required by law, for other purposes.

Member Federal Deposit Insurance Corporation
Quinby Merges Two Stock Purchase Plans

ROCHESTER, N. Y. — H. Dean Quinby, President of Quinby & Co., Inc., sponsor of The Quinby Plan for Accumulation of Common Stock of the Du Pont Co., announced the completion of applicable tax rulings. This makes it possible for others who are interested to enter into the plan.

Our Reporter on Governments

BY JOHN T. CHIFFENDALE, JR.

The Korean cease-fire and armistice could have far-reaching implications. A number of observers have observed that in the period not too long a time this should be reflected in the money markets and the government security market. Although no official statement has been made for the moment that the monetary authorities are concerned, it is believed a gradual lifting of the monetary restrictions in both the national income and the monetary markets is nearing. A part of what we would be bound to have a salutary effect in time upon the government market.

Although the underwriting in the government market is considered one of the more important government market operations, we are not expected now in these securities. Backing and filling within recent weeks have been what we pointed out last week in the government markets are looking for. Nonetheless, investors seem to be taking considerable risk in the underwriting market for short-term development. Although short-term rages are bouncing around there is still a lively demand for the so-called liquidity issues. Maturity appearing to be gaining stability in the market, especially in the eligibles.

The continued offering of $200,000,000 additional each week of Treasury bills indicates the government is expecting heavy demands on its position, because of enlarged defense expenditures. The market supply of these issues, being in comparatively low levels, because the large institutions, which have been sellers, but buyers, have been heavy purchasers of Government Bills and Treausres in order to get funds for other investments. So far this financial crisis has been alleviated and the market has stepped up if buyers were inclined to make larger commitments. Liquidation of this type matter must be done, and it is of a continuing nature, as what tends to temper the feelings of certain followers of the money markets. On the other hand, the news that the buying of government bonds and notes will be unduly depressed by the anticipated liquidation. An order book in the government market 1,250,000,000 is what is being looked for, with a mixture of professionalism, investment buying and official support making this possible.

Market Views Vary

There appears to be a myriads of opinions as far as the govern¬ ment market is concerned. Some hold the belief that there is likely to be a Mr. Market move to the scene, because of lower levels, because the large institutions, which have been sellers, but buyers, have been heavy purchasers of Government Bills and Treausres in order to get funds for other investments. So far this financial crisis has been alleviated and the market has stepped up if buyers were inclined to make larger commitments. Liquidation of this type matter must be done, and it is of a continuing nature, as what tends to temper the feelings of certain followers of the money markets. On the other hand, the news that the buying of government bonds and notes will be unduly depressed by the anticipated liquidation. An order book in the government market 1,250,000,000 is what is being looked for, with a mixture of professionalism, investment buying and official support making this possible.

The U. S. Treasury investment market is a firm under tone because of increased hardship and in the social, which is gradually improved quotations in a market which should be less on the defensive, with the passing of time. This idea seems to apply more to the eligibles than to the restricted obligations, but at the same time a firmer market is also looked for in certain of the one-bank instruments and especially the ones that will be available for purchase by the commercial banks next year. It is expected, with the possibility of the new one-bank eligibility, especially in the 1956/80, the 1956/98, the September, 1967/72 and the longer paritals should do better-market-wise. It is reported that certain large banks have been buyers of the eligible one-bank instruments and even though these have been borrowings in order to acquire these securities, they have been made at a rate of interest that was expected in the longer Treasuries. Those that are able to do so continue to acquire the 1956 eligible tap bonds, and, according to reports, a number of the eligible one-bank purchases some time ago have begun to come "about through switches." Although the 1962-67 is still the bellwether or the near-eligible restricted group, there has been an increased interest in the area, and the intermediate maturity, in the 1962-67, has been sold at a price of $105.50. The partially-exception, the last three maturities, have been making a not unsatisfactory showing, with the larger long-term issues, because of the uncertain of the mid-west institutions, according to reports, have been very much interested in the 2½s, and the 1965/85. State and municipal securities, although publishing the Wall Street financing, have been buying in trust accounts.

Wilson Pleads for More Controls

Continued from page 4

John T. Chiffendale, Jr.

commodities that had lagged
behind the general advance.

Since then, there has been a general leveling-off of prices.
But this is contrary to the present trend and some rising
and succeeding price orders, and to the end of the panic buying
that occurred in the first of the invasion began.

But let us now entering a pe¬

period when inflation safeguards
will get their severest test. Up
until now, the government has
orders for defense production that have been
Our defense industries have been
and the contracts will be in full production while,
the same time, the production of civilian goods will be

Meantime, people will have
and the defense industry pay checks and
will have fewer articles to

What will it profit America to
build up its mighty only to
go bankrupt? What will it profit
America to stray to the
Korea only to fall asleep, when
the fighting there is over?

My feeling is that there is
more worried than ever before in my life except to that moment in
and in that life I have witnessed a
time, because there was a
time, because there was a
in the middle of the World War.

We have seen Communists at
tempt to overthrow the govern-
ments of the Western world,
to blockade Berlin, to win "political victories" in China, to
seize Malaya and Indo-China.

We know that Russia did not really declare war in 1939-40
in World War. In the 1944 proportion of the Soviet nation, the
army's military expenditures was twice as high as that of the
United States. In the following years, the Soviet Union was
spending over 300 billion in national security, in national security
in national security, in national security, in national security, in national security, in national security.

Just to give you an idea of what inflation has already done to our
defense program, I will repeat a statement by General Marshall.
He said that the $35 billion au-
thorized for defense in the past
fiscal year alone was not adequate
and was lost in higher prices.

This is just a sum for the
mind to grasp, but the added costs
are easier to understand when we
see the cost of the past fiscal year of $5,800,000,000 as $11.85 for
now. Wool shirts have gone up to $10.35 in the last few months.
The cost of blankets has risen
from $9 to $14. The Germand rifle
from $49 to $69. The Garand rifle
from $160 to $250,000. Metal
from $100 to $250,000. Metal
from $100 to $250,000. Metal
from $100 to $250,000. Metal

The two tax increases voted by
Congress have been virtually
nullified by the increases in costs.
The further tax increase
would have been swallowed up by the rising prices.

Let us consider all these facts
when we start a discussion
and relax as a result of the possi-
ble Korean truth. They spell
trouble in the future—perhaps in the

The Commercial and Financial Chronicle . . . Thursday, July 12, 1951
Bank and Insurance Stocks

This Week — Bank Stocks

The higher net earnings of member banks shown for 1950 resulted primarily from the increase in earnings on loans. This information together with a detailed analysis of member bank operations for last year was recently published in the May Federal Reserve Bulletin. Net profits for 1950, after adjustments for recoveries and profits, losses and charge-offs and additions to valuation reserves amounted to $781 million for the 6,873 member banks of the Federal Reserve System as compared with $698 million for 1949 for these banks a year earlier.

An increase of 23.4% in outstanding loans and a higher rate of return on these loans was the principal reason for the larger earnings this year. Other factors contributing to the gain in net profits for the year are shown in the following tabulation taken from the article in the Federal Reserve Bulletin.

<table>
<thead>
<tr>
<th>Item</th>
<th>1949</th>
<th>1950</th>
<th>Change from 1949</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in net profits</td>
<td>$95,000,000</td>
<td>$235,000,000</td>
<td>$140,000,000</td>
</tr>
<tr>
<td>Factors increasing net profits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in earnings on loans</td>
<td>207,000,000</td>
<td>618,000,000</td>
<td>411,000,000</td>
</tr>
<tr>
<td>Increase in other earnings</td>
<td>72,000,000</td>
<td>101,000,000</td>
<td>29,000,000</td>
</tr>
<tr>
<td>Increase in profits on securities sold</td>
<td>18,000,000</td>
<td>48,000,000</td>
<td>30,000,000</td>
</tr>
<tr>
<td>Decreases in net losses on loans</td>
<td>24,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decreases in net additions to valuation reserves</td>
<td>4,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$325,000,000</td>
<td>$629,000,000</td>
<td>$304,000,000</td>
</tr>
</tbody>
</table>

While all operating costs increased during the year, most of the increase in expenses resulted from wage and salary payments. This reflected both a larger number of employees and an increase in the average salary paid.

The higher taxes were also an important factor in limiting the gain in earnings. Only a few of the member banks were affected by the excess profit tax. The higher tax liability resulted primarily from a higher taxable income and an increase in the corporate tax rates.

These same general factors affected the operations of New York and Chicago member banks. The following table shows the earnings of the member banks in these two cities and those of all member banks for the past two years.

<table>
<thead>
<tr>
<th>Item</th>
<th>New York</th>
<th>Chicago</th>
<th>All Member Banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On U. S. Govt. securities</td>
<td>$145,000</td>
<td>$148,000</td>
<td>$293,000</td>
</tr>
<tr>
<td>On other securities</td>
<td>31,000</td>
<td>32,000</td>
<td>63,000</td>
</tr>
<tr>
<td>On loans</td>
<td>215,000</td>
<td>285,000</td>
<td>500,000</td>
</tr>
<tr>
<td>All other</td>
<td>121,114</td>
<td>224,211</td>
<td>345,325</td>
</tr>
<tr>
<td>Total</td>
<td>$352,116</td>
<td>$556,211</td>
<td>$908,325</td>
</tr>
<tr>
<td>Expenses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>170,626</td>
<td>221,676</td>
<td>392,302</td>
</tr>
<tr>
<td>Interest on deposits</td>
<td>10,811</td>
<td>11,111</td>
<td>21,922</td>
</tr>
<tr>
<td>All others</td>
<td>118,140</td>
<td>203,194</td>
<td>321,334</td>
</tr>
<tr>
<td>Total</td>
<td>$299,577</td>
<td>$536,974</td>
<td>$836,551</td>
</tr>
<tr>
<td>Net current earnings, before income taxes</td>
<td>$214,004</td>
<td>$260,030</td>
<td>$474,034</td>
</tr>
<tr>
<td>Recoveries and profits</td>
<td>$76,325</td>
<td>$104,835</td>
<td>$181,160</td>
</tr>
<tr>
<td>Losses and charge-offs</td>
<td>28,000</td>
<td>32,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Net addition to valuation reserves</td>
<td>7,533</td>
<td>12,325</td>
<td>19,858</td>
</tr>
<tr>
<td>Profits before income taxes</td>
<td>$214,004</td>
<td>$260,030</td>
<td>$474,034</td>
</tr>
<tr>
<td>Taxes on income</td>
<td>33,453</td>
<td>37,693</td>
<td>71,146</td>
</tr>
<tr>
<td>Net profits</td>
<td>$180,551</td>
<td>$222,337</td>
<td>$402,888</td>
</tr>
<tr>
<td>Cash dividends declared</td>
<td>76,552</td>
<td>101,337</td>
<td>177,889</td>
</tr>
<tr>
<td>Ratios (percent):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net current earnings, before income taxes to average total capital accounts</td>
<td>10.92</td>
<td>13.20</td>
<td>13.20</td>
</tr>
<tr>
<td>Net income</td>
<td>9.20</td>
<td>11.30</td>
<td>11.30</td>
</tr>
<tr>
<td>Avg. total capital acts.</td>
<td>6.20</td>
<td>7.40</td>
<td>7.90</td>
</tr>
<tr>
<td>Average total assets</td>
<td>0.54</td>
<td>0.49</td>
<td>0.57</td>
</tr>
<tr>
<td>Earnings on loans due to bond holdings</td>
<td>2.62</td>
<td>2.60</td>
<td>4.04</td>
</tr>
</tbody>
</table>
| Net current earnings before income taxes increased in all instances. While recoveries and profits were sufficient to offset other charges against earnings in the case of the New York banks, a substantial increase in addition to valuation reserves was the principal factor in reducing the taxable income of the Chicago banks. In both central reserve cities cash dividends were higher.

The ratios shown in the above table also illustrate some of the foregoing changes. With a higher rate of return on loans, the percentage earned on capital accounts has increased.

These same general trends should continue into the current year. As a result higher earnings from loans and investments should move them offset increases in expenses, and net profits for the year should show a further gain.

With Baron G. Helbig

Gerrard J. Jackman has joined Baron G. Helbig & Co., 60 Broad Street, New York City, specializing in mutual funds.

L. L. Born Opens

The Chase National Bank

OF THE CITY OF NEW YORK

STATEMENT OF CONDITION, JUNE 30, 1951

RESOURCES

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Due from Banks</td>
<td>$1,359,189,822.86</td>
</tr>
<tr>
<td>U. S. Government Obligations</td>
<td>1,380,413,671.13</td>
</tr>
<tr>
<td>State and Municipal Securities</td>
<td>192,736,502.02</td>
</tr>
<tr>
<td>Other Securities</td>
<td>249,577,266.11</td>
</tr>
<tr>
<td>Mortgages</td>
<td>50,842,286.37</td>
</tr>
<tr>
<td>Loans</td>
<td>1,892,132,154.45</td>
</tr>
<tr>
<td>Accrued Interest Receivable</td>
<td>9,839,383.98</td>
</tr>
<tr>
<td>Customers' Acceptance Liability</td>
<td>34,963,268.80</td>
</tr>
<tr>
<td>Banking Houses</td>
<td>28,495,426.26</td>
</tr>
<tr>
<td>Other Assets</td>
<td>9,705,902.60</td>
</tr>
</tbody>
</table>

$5,227,895,684.58

 LIABILITIES

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>$4,793,337,782.27</td>
</tr>
<tr>
<td>Dividend Payable August 1, 1951</td>
<td>2,960,000.00</td>
</tr>
<tr>
<td>Reserves—Taxes and Expenses</td>
<td>20,233,497.94</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>18,116,396.28</td>
</tr>
<tr>
<td>Acceptances Outstanding</td>
<td>42,775,933.95</td>
</tr>
<tr>
<td>Less In Portfolio</td>
<td>6,715,812.00</td>
</tr>
</tbody>
</table>

Capital Funds:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Stock</td>
<td>$111,000,000.00 (7,800,000 Shares—$15 Par)</td>
</tr>
<tr>
<td>Surplus</td>
<td>189,000,000.00</td>
</tr>
<tr>
<td>Undivided Profits</td>
<td>57,187,886.14</td>
</tr>
</tbody>
</table>

$5,227,895,684.58

United States Government and other securities carried at $581,119,173.00 were pledged to secure public and trust deposits and for other purposes as required or permitted by law.
Robert D. Savage, Crouse & Co.

Bond Club of Detroit
Annual Golf Party

DETOIT, Mich. — Reginald MacArthur, Kenesaw, MacArthur & Co. President of the Bond Club of Detroit, announces the Annual Bond Club annual par 72 to be held at the Essex Golf and Country Club, beginning July 20, 1951.

The program will start at 9 a.m. and will include golf, with all the usual prizes for winners, a dinner at which prizes for the various events will be awarded.

Arrangements are under the direction of Victor P. Dhooge, Chairman, Mondley, Bennett & Co.; Horatio N. Cannon, McDonald & Moore; & T. Norris Hilton, Jr., of the Bank of America.

Banning Partner in Sherborn, Hammill Co.

Announcement is made today by Sherborn, Hammill & Co., members of New Stock Exchange, that William P. Banning has been named the new partner of the firm in their Los Angeles office.

Mr. Banning joined Sherborn, Hammill & Co. in 1939 when he left the Los Angeles office of the firm to manage the firm's affairs in Byglands, Fost & Banning.

A member of a pioneer California family, he has been associated with the investment banking firm for 25 years and has been Regional Manager for Sherborn, Hammill & Co.'s Los Angeles, Beverly Hills and Pasadena offices.

Gold, Friedman, Co.
Formed in N. Y. C.

Max Friedman, formerly partner in the firm of Ernest Smith & Co., and Leo Gold, member of the New York Stock Exchange, have announced the formation of the firm of Friedman & Co., Wall Street, N. Y. C.

Mr. Friedman, an associate of Chas. Weinstein & Co., has been the firm's name, and members of the firm have already been invited to the firm's formation.

The firm is a general partnership in the firm of Friedman & Co., New York City.

Friedman & Co.

Specialists in Railroad Securities

 Selected Situations at All Times

B. M. Pizzini & Co.

25 Broadway, New York 4, N. Y.

Telephone 5600 Green 3-6100

Members N.Y. Stock Exchange, Inc.
As We See It

housdays daily. But it is also true that they are for the most part merely "harping on my daughter." They are saying just what they have been saying since the out-break in Korea caught them flat-footed a year or more ago, and, unfortunately for them, events have not to this time supported the situation. It is found in substantial part because of all this sort of preaching dur-
ing the past 12 months that the rank and file find it extraordinarily difficult to arrive at definite and realistic conclusions at this time.

Past Blunders

It is now generally recognized that the United States and the other countries with which this country is now closely associated blundered in supposing that Soviet rep-
resentations at the war's end were in good faith. It is evident enough that Mr. Stalin is no more to be trusted than Hitler was. Equally clear is it that the Kremlin has, and always has, had, designs on much of the world's surface. What Mr. Churchill's warning in June 1940 did was to open the Axis of World War II. No one would claim that all will be sweetness and light in international relations from this time forward—quite regardless of the outcome of the true difference now in process in Korea. We have been plunged—or have plunged ourselves—into the whirl-
pool of what is known as power politics, and we cannot afford to forget that fact for one moment.

We claim, and we keep reasserting, that we have no territorial ambitions and no designs on any other land. Generally speaking there is doubtless substance in these disclaimers. The fact remains, however, that a good deal of our foreign policy easily takes on the appearance of the behavior of countries in the past which did have very real ambitions and very significant designs on others and other peoples. More than that, we have repeatedly announced to the world—and our action in Korea supports our statements—that we intend to fight for the status quo in all really important sections of the world. We prefer to call it a "restoring of aggression" or something of the sort, of course, but it is hardly distinguishable from a general defense of status quo in most instances.

None of these carry very important implications. We should certainly be silly not to face this fact. Those implications, if we really mean what we say, are certainly not free from serious hazards to this country. Throughout all history, the world at large has been no more or less respectful of the status quo. What we now call aggression and imperialism has been the order of the day since the dawn of recorded history. It may well be questioned whether there are more than a very few important countries which at the bottom of their hearts are determined that this new doctrine of ours shall generally prevail. The lack of support from other United Nations members in Korea is sig-
nificant.

A Real Job

To put the matter briefly and bluntly, we have cut out a real job for ourselves as world powers determined to put an end to what we are pleased to term "aggression." There are those who are now very proud of the fact that we acted in such a capacity in Korea. They keep saying that we have now proved to the world that we are willing to go to war if necessary to maintain the status quo in some instances at least. They seem to suppose that this is a long, long step toward enduring world peace. They call it realization of the Wilsonian dream of a war to end all wars, the League of Nations concept and all the rest.

We are obliged to confess a little skepticism about all this, but that is only because we undertook on our part the implied necessity of being prepared to do what we are constantly shouting that we intend to do. We can- not ignore this aspect of the case after World War II. We could scarcely have been less prepared when "invas-
sion" broke out in Korea last summer. We are really not even now sufficiently armed to do some of the things we have been saying we would do. There can be no doubt that in all these things our position is dif-
ferent from what it has ever been in the past — dif-
ferent, that is, because we have made it so. The fact is that we have gone so far now it would be difficult to change our course quickly in the face of any one of a dozen situations which the Kremlin could easily create for our benefit.

What Is Needed?

But just what is required of us in order to meet such a situation adequately and effectively? That is the real question. It is obvious enough that there has been a good
Public Utility Securities

BY OWEN ELY

Minnesota Power & Light

Minnesota Power & Light serves a substantial part of the central and northeastern part of the state—about 7,500 square miles and a population of 270,000—and a small subsidiary in the city of Superior, Wisconsin, near Duluth. The company's electric system and that of its subsidiary are interconnected and integrated. The major industry in this area is iron ore, about two-thirds of which is mined in the area, and a large portion of the iron ore is shipped through Duluth, Minnesota Power & Light's home port.

The company is largely hydro and last year obtained 60% of its output from water power and 40% from steam. Water conditions have been generally favorable this year and reserves are currently about 95% full.

American Power & Light Company, which formerly owned 84.6% of the company's common stock, distributed its holdings to its own stockholders in February, 1950. The earnings and dividend record has been as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Consolidated Share Earnings</th>
<th>Dividends Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>1940</td>
<td>$3.32</td>
<td>$2.20</td>
</tr>
<tr>
<td>1941</td>
<td>3.91</td>
<td>2.30</td>
</tr>
<tr>
<td>1942</td>
<td>3.12</td>
<td>2.01</td>
</tr>
<tr>
<td>1943</td>
<td>5.20</td>
<td>3.50</td>
</tr>
<tr>
<td>1944</td>
<td>2.58</td>
<td>1.75</td>
</tr>
<tr>
<td>1945</td>
<td>1.97</td>
<td>1.25</td>
</tr>
<tr>
<td>1946</td>
<td>1.97</td>
<td>1.25</td>
</tr>
</tbody>
</table>

*Based on shares outstanding Dec. 31, 1945.

Earnings for the 12 months ended May 31, were $3,490, a much larger increase than the calendar year 1949. Higher taxes and increased costs had reduced the Minnesota Power & Light common stock's service on the New York Stock Exchange to a regularly high price level. Since the company's heavy concentration of sales to mining companies, and the opinion held in some quarters that the high-grade iron ore reserves of Minnesota are being rapidly depleted. This conclusion has perhaps been exaggerated.

The Utility Outlook

There are still about 1.3 billion tons of high-grade ore, enough to last about sixteen years if no new reserves are brought in. However, about 800 of these ore bodies are not as good as the others, and during the last two years every three tons used. Moreover, the amount of reserves reported are usual is held to a minimum, and the trend is upward.

There are also, of course, billions of tons of taconite or low-grade ore. This ore is crushed to a powder, and the grains of iron ore are then removed by patented process, called sintering, in which the pellets are heated in a furnace. A great deal of development work is being done. In one sintering plant, 200,000 tons of ore, are being treated at a rate of 3,000 tons an hour. Sintering is a process which removes the impurities, and the ROC, that amount of electricity per ton of ore to operate a sintering plant as a high-grade mine, and also the mining of high-grade iron ore. In 1949, this plant was producing almost 30% of the iron ore mined in Minnesota.

It is probable that the taconite plants (sponsored by the large percentage of the large percentage mining companies) will be built under some sort of arrangement with Minnesota Power & Light. The company would furnish the power (which in the future will be needed) and perhaps obtain some of the power (although operation of the mines and crushers would have to be on a continuous basis). The company's primary industrial and commercial building development is adjacent to the new plants.

American Power & Light has enjoyed consistent and steady growth—about 7% per annum compounded since 1933, and 10% since 1945. The total of $270 million in Minnesota, mostly in the company's area, and lumbering produces about $139 million a year. Manufacturing activities are diversifying, and many large firms have established branches in Minnesota, finding labor conditions and labor legislation very favorable. This result of a result. New factories and six are being built to handle oil brought in from the new pipe line from Canada to people's homes. Wholesale and retail residential and commercial building activity is adjacent to the new plants.

The company's rate schedules are protected as to about 80% of its revenues by the State, and the remaining 20% is protected against sales taxes. There is no State Commission in Minnesota with jurisdiction over electric and gas rates.

Continued from page 5

The Commercial and Financial Chronicle... Thursday, July 12, 1951

The present law, if normal and surtax rates are increased to $25%, will produce 25% of the present tax revenues. The surtax of $2 will permit the utility to carry through as an element of the base.

The present situation is thus satisfactory. As very recent date authorizes the suggestion that during 1947 there has been an increase in the rate actions of these, 200,000 deposits for industrial use, in 21, still were pending, and four were denied, and four were withdrawn. As a result, the utilities earned last year approximately 3.5% of the rate year.

Gas utilities were much harder hit by rising costs during the past year. Electric and gas utilities and, consequently, the utilities' earnings are substantially more affected than their earnings on electric utility earnings are higher, and 9.5%. To finance guaranteed the $4.50 of 9.5% on the same amount of $1,984, its $45,000 of 9.5%, to finance its rate actions. The utilities earn less in the number of rates outstanding. The increase in taxation conditions and the $4,700,000 in the larger amount of $202 million for the first quarter of 1951, and $105,000,000 for the first quarter of 1951. The plant had increased to 13,245 billion.

During the one year period, the net incomes of last year are reflected in the situation and the plant had increased. The outlook was positive, and the outlook for the future. The utilities were $54,000,000 of 9.5%. To finance their rate actions.

In 1947, the utilities' earnings were higher, and 9.5%. To finance guaranteed the $4.50 of 9.5%, to finance its rate actions. The utilities earn less in the number of rates outstanding. The increase in taxation conditions and the $4,700,000 in the larger amount of $202 million for the first quarter of 1951, and $105,000,000 for the first quarter of 1951. The plant had increased to 13,245 billion.

The utilities' earnings are based on the rate increases of the expanded group. Upper is the levels of the siting interest. If the published statements of various commissions are the carrying out of a series of statements, equitable decisions may be anticipated. Furthermore, expansion of cash flow might be required.

If corporate taxes are increased to 97%, the utility industry with no ability to apply for rate relief. Contacts with managements appear to indicate that they are general alert to the possibility of rate increases. If published statements of various commissions are the carrying out of a series of statements, equitable decisions may be anticipated. Furthermore, expansion of cash flow might be required.

The Federal Power Commission has just published a revised schedule for gas and electric utilities for the year 1951 and a comparison with the previous year. The Commission has also indicated that the industry has accounted for it.

As the outlook is for 1952, the net income for the period was $35,000,000, compared with $25,000,000 in 1951, and this gain was made despite an increase of $480,500 in operating supplies and services.

A breakdown of the composite tax bill for the industry indicates that the utilities commonly adjusted into prices and protection against sales taxes. There is no State Commission in Minnesota with jurisdiction over electric and gas rates.
Drugs on the Market

with sales zooming from $551 million in 1930 to an annual rate of about $100 million in 1943. It kept plugging away at the "$50,000,000,000" mark to 1949 when it reached $55,486,000 to $16,332,000 for 1950. While small in relation to the leaders like Parke Davis and Merck (above the $100,000,000 annual sales level) Searle makes up in velocity of growth. Right now its current percentage increase in sales probably leads the field.

Searle's ability to reduce costs and reallocate labors has been the subject of many articles in the press, and will not be repeated here. In 1950 the company was given a public opportunity to subscribe to common shares of D. S. Searle & Co. at $33. Now, July 1, 1951, this stock having been split 2 for 1, is about $60. So 100 shares, requiring $5,900 paid on the list, will now cost $12,100 today. Not bad, eh?

well, done. The old story, research — and fabulous new products.

Searle brought out in 1930 "bangarolle," remarkably effective in the treatment of ulcers, a mildly affecting at least 1% of our entire population (and Stalin is doing nothing to abate their growth) Then Searle also brought along "Pro-Famine, a big boon to the seafarers.

Now, 1945 Searle sales have gone from $5,806,00 to $16,332,00 for 1950. While small in relation to the leaders like Parke Davis and Merck (above the $100,000,000 annual sales level) Searle makes up in velocity of growth. Right now its current percentage increase in sales probably leads the field.

FEDERAL DEPOSIT INSURANCE CORPORATION

T. R. Alcock Co. Is Formed in New York

The Cleveland graphite Bronze Co.

Robert E. Black
President, Cleveland Construction Co.

Robert T. Black
President, White Motor Company

Irving C. Bolton
Vice President, The Warner & Swasey Co.

Harold T. Clark, Attorney

David B. Goble
Director, Cleveland Electric Illuminating Co.

T. J. Conway
President, Fisher Brothers Co.

Frederick C. Crawford
President, Thompson Products Company

John S. Grider

Ernest C. Dempsey
Attorney, Sayre, Melders & Cyclopedia

George Durham
Attorney, Durum & Lake Erie Company

Randolph Efe
President, The Ohio Bell Telephone Company

Mervin B. Foss
President

Elbert F. Joyce
President, The Golden Company

Fred C. Lowman
Chairman of the Board, Richmond Brothers Company

James L. Myers
President, The Cleveland Graphite Bronze Co.

Laurence J. Sullivan
Director, Columbus Transportation Company

Donald H. Wilkins
Trustee for President and Secretary, Harshaw Chemical Co.

Henry S. Sherman
Chairman of the Board

Herman L. Veil, Attorney, Veil, Veil & Veil

J. S. W. Coats
President, Cleveland Irons Company

Arthur P. Williamson
President, Cleveland Manufacturing Co.

Security and Uninterrupted Dividends to Five Generations of Savers

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

LIABILITIES

Surplus $13,000,000.00

Reserve for Contingencies 1,827,414.73

Reserve for Taxes and Expenses 948,159.36

Savings Deposits 217,529,862.71

Other Deposits 4,866,252.71

Deferred Credits and Other Liabilities 2,586,476.19

Total $239,758,159.70

LIABILITIES

Volume 174 Number 5028 The Commercial and Financial Chronicle (171) 23

Society for Savings in the City of Cleveland

Founded 1849

Irene Alcock, Jr., Secretary. Mr. Alcock was formerly associated with Schwinn & Co. and prior thereto was with Bendix, Litweiler & Co., Byrne and Phelps and in the past was in business in Boston.

Owens Investment Service

KILMATH FALLS, Oreg.—This company has been formed with offices in the Medical Dental Building to engage in the securities business.
Manufacturers' Profits Lower in First Quarter

Profits of U. S. manufacturing corporations were down although sales reached an all time peak in the first quarter of 1951, according to a quarterly estimates by the Securities and Exchange Commission and the Federal Trade Commission.

Net profits after taxes in the first quarter amounted to $3,311,819, less than the $3,500,000 in the first quarter 1950. These profits, however, were bettered only in the last two quarters of 1950 and were 38% above the first quarter of 1950.

The decline in profits in the first quarter 1951 occurred, according to the face of the rise in the net sales of manufacturing corporations to a new record of $53.0 billion. Costs and expenses increased somewhat more than sales, and as a result net operating profit declined about 1%. The relatively large profit in profits after taxes reflected lower non-operating income in the first quarter of 1950.

According to the report, after taxes, the rate of return on stockholders' equity in the first quarter of 1951 is estimated at 14.8% on an average of $219 billion compared with 16.4% in the preceding quarter and 17.7% in the first quarter of 1950. In making comparison, however, the early part of last year was period of some unusual depressed business activity, with the recovery beginning in the second quarter and increasing

<table>
<thead>
<tr>
<th>Industry Group</th>
<th>Profits After Taxes</th>
<th>Profits After Taxes Includes Revisions Due to Retirement of Sales, Adjustments Under the Provisions of the Bankruptcy Act, Section 731-51</th>
<th>Total Net Sales</th>
<th>Total Net Sales Includes Revisions Due to Retirement of Sales, Adjustments Under the Provisions of the Bankruptcy Act, Section 731-51</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>$522,461</td>
<td>$251,290</td>
<td>$3,211,411</td>
<td>$1,541,801</td>
</tr>
<tr>
<td>Textiles</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Apparel &amp; finished textiles</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Furniture &amp; fixtures</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Paper</td>
<td>$17,126</td>
<td>$17,126</td>
<td>$17,126</td>
<td>$17,126</td>
</tr>
<tr>
<td>Printing &amp; publishing</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Chemicals</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Petroleum &amp; coal</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Rubber</td>
<td>$14,375</td>
<td>$14,375</td>
<td>$14,375</td>
<td>$14,375</td>
</tr>
<tr>
<td>Leather</td>
<td>$39,741</td>
<td>$39,741</td>
<td>$39,741</td>
<td>$39,741</td>
</tr>
<tr>
<td>Stone, clay &amp; glass</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Primary metals &amp; alloys</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Furniture &amp; fixtures</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Fabricated metal</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Machinery &amp; equipment</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Electrical machinery</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Transportation equipment</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Motor vehicles &amp; parts</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Industrial appliances</td>
<td>$395,096</td>
<td>$322,005</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$10,142</td>
<td>$14,242</td>
<td>$2,419,245</td>
<td>$2,419,245</td>
</tr>
<tr>
<td>Total manufacturing</td>
<td>$2,826,794</td>
<td>$1,941,341</td>
<td>$10,931,960</td>
<td>$10,931,960</td>
</tr>
</tbody>
</table>

Halsey, Stuart Offers Iowa Pub. Serv. Bonds

Halsey, Stuart & Co. Inc. is offering $5,000,000 Iowa Public Service Co. bonds ranging from $5,208,670.61 to $4,484.87 at the end of the quarter's rise of 19.5% in the first quarter of 1951 compared with a rise of 18.4% in the first quarter of last year. For a large extent this sharp increase may be a reflection of a changein accounting adjustments made in the fourth quarter reports of some companies.

Of the 22 different manufacturing industries classified in the report, only five showed an increase in profits after taxes. In the first quarter of 1951 compared with 1950, and the amounts involved were small. Industries showing increases were printing and publishing, motor vehicles and parts, chemicals, fabricated metal, and non-electrical machinery.

Relatively small profits after taxes in the first quarter 1951 ranged from 19.2 cents per dollar of sales to 3.6 cents for the food group. In the preceding quarter the range was from 7.3 cents to 13.9 cents with the same industries.

Total assets at the end of March 1951 were $77.6 billion, or 112.1 billion. Current assets amounted to $77.3 billion. Current liabilities were $7,352,670,982.

Halsey, Stuart, Co. Inc. is offering $5,000,000 Iowa Public Service Co. bonds on behalf of the company. The bonds were made at competitive rates and include an offer to buy 103.2% of the bonds at competitive rates to pay off $4,484.87 at the end of the quarter's rise of 19.5% in the first quarter of 1951 compared with the rise of 18.4% in the first quarter of last year.

The report on profits and losses in manufacturing industries are published annually by the Federal Reserve Bank of St. Louis. The report includes detailed figures for various industries and shows the percentage of profits and losses relative to total net sales.

The Iron Age and the Associated Press have included the report in their weekly publication, "The Iron Age," which focuses on the steel industry and related sectors. The report is widely read by industry professionals and is considered a valuable source of information on the steel industry's performance.

The report also includes data on the steel industry's production, sales, and inventory levels, as well as information on the steel industry's economic conditions, which can be used to gauge the industry's competitiveness and future outlook.

The information in the report can also be used to compare the performance of individual steel companies and assess the impact of changes in the steel industry on the economy as a whole.
Manganese Mining Stk. Offered at 25 Cents
Weber-Millican Co., members of the National Association of Securities Dealers, are offering "as a speculation" 1,200,000 shares of common stock (par 10 cents) of Magma King Manganese Mining Co. (an Arizona corporation) at 25, or 75 cents.
The net proceeds are to be used for the development of manganese ore and other deposits, and for general corporate purposes.

With Consolidated Inv.

NATIONAL BANK OF DETROIT
COMPLETE BANKING AND TRUST SERVICE

STATEMENT OF CONDITION, JUNE 30, 1951

RESOURCES
Cash on Hand and Due from Other Banks. $ 410,738,406.46
United States Government Securities 706,732,358.61
Other Securities 119,611,647.44
Loans:
Loans and Discounts $ 272,850,646.59
Real Estate Mortgages 63,988,758.05
Acquired Income and Other Resources 3,285,403.66
Branch Buildings and Leasehold Improvements 2,467,019.85
Customers' Liability on Acceptances and Letters of Credit 7,703,287.65
$ 1,590,053,809.21

LIABILITIES
Deposits:
Commercial, Bank and Savings $1,397,283,971.82
United States Government 172,518,791.12
Federal Reserve Bank of Detroit Deposits 35,601,192.57
$1,563,056,885.41

Acceptances and Other Liabilities 7,847,138.82
Dividend Payable August 1, 1951 750,000
Acceptances and Letters of Credit 7,703,287.65
Capital Funds:
Common Stock ($10.00 Par Value) $15,000,000.00
Surplus 40,000,000.00
Undivided Profits 7,940,499.33
76,847,499.33
$1,590,053,809.21

United States Government Securities carried at $800,259,385.65 is the foregoing statement is pledged to many public deposits, inclusive of deposits of $405,166,667 of the Treasurer-State of Michigan, and for other purposes required by law.

BOARD OF DIRECTORS

HENRY E. BODMAN
ROBERT J. BOWMAN
PRENTICE M. BROWN
CHARLES T. FISHER, JR.
JOHN B. FORD, JR.

B. H. HUTCHINSON
BERNARD MARSH
WALTER E. MCCUTCHEON
W. REID ROBINSON
NATE S. SHAPERO
J. PERRY SHORTS

GEORGE A. STAPLES
DONALD F. VALLEY
JAMES S. WEBSTER, JR.
C. E. WILLIAMS
BEN E. YOUNG

32 OFFICES IN DETROIT

MAIN OFFICE—WOODWARD AT CADILLAC SQUARE—DETROIT 32, MICHIGAN
Member Federal Deposit Insurance Corporation

Digitized by FRASER
(172)

Volume 174 Number 0208 . . . The Commercial and Financial Chronicle

weeks of those years, they were down sharply, 38%, from the previous week.
 Failures with liabilities of $5,000 or more accounted prin-
cipally for. The decline was in line with the pro-
ceding weeks and 11% a year ago. Small casualties under $5,000
dipped mildly during the week.

Food Price Index Hits New-Six-Month Low
A further decline in the Dun & Bradstreet wholesale food price index brought the July 3 figure to a new six-month low of
$7. This represented a decline of 4.2% from the 1951 high of
$7. Although it remained below the July 14 level of
1800 index of $6.19. 

The index represents the sum total of the price per pound of
31 items, and its primary function is to show the gen-
tal trend of food prices at the wholesale level.

Wholesale Commodity Price Index Registers Sharp
Decline at Close of Week
The daily wholesale commodity price index, compiled by Dun & Bradstreet, Inc., held in a narrow range during most of
the week but dropped sharply toward the close, largely reflecting the downward adjustment in the government selling price for
rubber. The index finished at 311.70 on July 3, compared with 312.80 a week earlier and with 327.81 on the like date a year ago.

Leading grain markets continued to be unsettled, influenced
by the prospect of an early cessation of hostilities in Korea.
Prices recovered from the sharp declines registered early in
the period and for the most part, closed above those of a week
ago. Cash wheat was week. The more distant futures struck
new lows for the season but strengthened in late trading, influ-
enced by the appreciation of a higher loan rate for the 1951
wheat crop and by adverse harvestings conditions in the Southwest
and the absence of usually heavy market receipts at this time.
With current prices below the respective loan rates, it is expected
that growers will put much 1951 wheat into the loan and thus
further curtail the amount of market.

Corn developed a firmer tone and prices turned upward in
closing sessions. Trade volume in grain futures on the Chicago
Board of Trade increased sharply last week to a daily average
of 44,000,000 bushels, from 35,200,000 the week before.

Domestic flour bookings failed to show any seasonal expan-
sion as flour bids showed little change during the last
week, and record early--the start of the new crop movement. Export flour business remained
weak, with the market being a weak start and finished slightly higher than a week ago, aided by the Bra-
Zilian Government's policy to support export prices. Corn values
moved sharply lower as the result of liquidation and, selling in-
duced by reports of European offerings or West African cocoa to
this market.

Both the domestic and world raw sugar markets recorded
substantial declines last week largely influenced by the prospects
for an early peace.

Land and vegetable oils developed a firmer price tone toward
the close of the week. Hogs advanced moderately for the week.
Steers were steady and lambs finished slightly lower.

Prices in spot cotton markets continued unchanged at or close
to existing levels last week. Futures were irregular and showed
moderate losses for the period despite an upward spurt in late dealings.
Early weakness stemmed from selling induced by peace
proposals and uncertainties surrounding the international situ-
ation. Other factors in the essential included continuing favorable weather and the comparable
conditions in the cotton and grain markets, and indications that the acreage planted to the new
crop will be less than the 1950 acreage. Receipts for the week were
comparatively light while reported sales in the ten spot markets declined to 99,606 bales last week,
from 42,700 the week before and 73,200 a year ago.

Trade Volume Declines in Holiday-Shortened Week
National consumer spending dipped slightly in the hol-
day-shortened period ended on Wednesday of last week with
over-all retail dollar volume moderately below the unusually high level for the corresponding week a year ago, states Dun & Brad-
street, Inc., in its latest summary of retail trade.

Uncertainty arising from peace prospects in the Far East was
responsible for some of the reluctance on the part of

shoppers. While there was a general decline in retail purchases buying
last week, some lines, notably sports clothing and decoration, were
increasingly popular. The demand for dresses dipped, except for some
moderate 20-30% advances in these fashion lines. There was an increase in the purchase of haberdashery and other men's furnishings in scattered
volumes in practically all lines, in general, in somewhat reduced

demand, however.

There was no appreciable change in the consumer demand for
edibles in the week with dollar volume slightly above that for a
year ago. There was sustained hesitancy among housewives in regard to meat buying: a generally increased index for fresh
produce raised the unit volume of many items of vegetables and fruits.

The loss of one shopping day was reflected last week in a
minor dip in the selling of house-furnishings.

Copper gorged dollar sales were somewhat below those of a year
ago, when "scarce-buying" prevailed throughout much of the
country.

The increases among the more abundantly bought were summer
furniture and small housewares. Floor-coverings were in
adequate demand in scattered areas.

Total retail dollar volume in the period ended on Wednesday
of last week was estimated to be from 27% to 30% below the level of
a year ago. Regional estimates varied from a year ago by these percentages:

New England, East and Pacific Coast — 2 to 6; South and Southwest — 3 to 7; Midwest and Northwest — 1 to 5.

The start of the summer vacation period and the expected
cease-fire in Korea helped to account for a slight loss of interest
in wholesale ordering during the past week. The total dollar
volume of orders was virtually unchanged from the level
for the comparable week in 1950. While the number of buyers attending
various wholesale centers dipped considerably last week, it was
noteworthy that a little over the level of a year ago.

Department store sales on a country-wide basis, as taken
from the Federal Reserve Board's index for the week ended June 30,
1951, declined in the period of 9%. This comparison
with an increase of 6% in the previous week, and an increase
of 3% for the four weeks ended June 30, 1951. For the
year to date department store sales registered an advance of 9%.

Retail trade volume in New York last week advanced sharply
over the previous week, with the increase placed by trade
observers, at close to 20%.

According to the Federal Reserve Board's index, department
store sales in New York City for the weekly period of June 30, 1951,
advanced 8% from the like period of last year. In the pre-
ceding week an increase of 14% was recorded above the similar week of 1950. For the four weeks ended June 30, 1951,
the month registered above that of a year ago, and for the
year to date, volume advanced 11% from the like period
of last year.

Statement of condition, June 30, 1951

...
The FATE OF State legislation vital to mutual funds' interests has been in trouble at the Pennsylvania State capital of Harrisburg, with controversy and strongly contested legislative action. This is on the basis of a report by the Philadelphia Post said. "Prudent Man" bills are scheduled for their second reading on Monday, July 19, and the Senate debate on the bill is held over for the third and final reading, July 17, on which they will be presented for the Governor's signature.

Both "Prudent Man" bills are identical except that the Snowden bill specifies securities of investment companies as legal for investment by the state, whereas the Chester bill does not. The efforts of elements of the mutual fund industry, strongly opposed to the mutual funds' movement and the lines of controversy between these men who, in principle, believe in the validity of the investment company shares as an investment, have already been supported by a tax and those who do not.

At one point, L. M. Campbell, Secretary of Banking for the State of Pennsylvania, wrote, in a letter to Mr. Welch, Secretary Campbell further stated, "I attempted to give you some good advice at our conference and I am still decided that the whole industry is de¬cidedly against making your shares eligible . . . I believe that if you pursue your present course, you will eventually find the same kind of opposition from banks generally as has now developed before mutual funds industry in Pennsylvania, Federal building and loan associations.

The Snowden Bill was passed in the House on June 24, 2, one less; the Bill passed the House of Representatives, 49 to 5, one absent; the Bill passed the Pennsylvania Senate 27, 24, 1 after the Senate amendment is de¬cidedly against making your shares eligible . . .

The Snowden Bill passed the House of Representatives, 49 to 2, 1 absent; the Bill passed the House of Representatives, 27, 5, 1 after the Senate amendment is de¬cidedly against making your shares eligible . . .

The Snowden Bill passed the House of Representatives, 49 to 2, 1 absent; the Bill passed the House of Representatives, 27, 5, 1 after the Senate amendment is de¬cidedly against making your shares eligible . . .
Spain Highlights Difficulties in U. S. Foreign Aid Policies

important, as France and Italy, or whose anti—Moscow stand is more likely to be translated into blackmail—or at least to be a factor in any compromise that might be worked out by the West. The anti-Communist strategy of Japan, South Korea and Turkey is not so well understood, and their deterrent value is not so easily assessed. It is not clear how much weight the United States attaches to these countries. But it is clear that the United States is becoming more conscious of the need for a comprehensive approach to the provision of foreign aid.

What Free Nations?

Nor is President Truman's reiteration of the aid's purpose as support for "free" countries likely to have much effect. In fact, the United States is becoming increasingly conscious of the need for a comprehensive approach to the provision of foreign aid. It is not clear how much weight the United States attaches to these countries. But it is clear that the United States is becoming more conscious of the need for a comprehensive approach to the provision of foreign aid.

Again, the NATO situation is much more complex than it appears. The United States is becoming increasingly conscious of the need for a comprehensive approach to the provision of foreign aid. It is not clear how much weight the United States attaches to these countries. But it is clear that the United States is becoming more conscious of the need for a comprehensive approach to the provision of foreign aid.

The above cited incitements to resentment stem from deep-rooted and complex political considerations, that are partly the result of past actions, and partly the result of present approaches. The United States is becoming increasingly conscious of the need for a comprehensive approach to the provision of foreign aid. It is not clear how much weight the United States attaches to these countries. But it is clear that the United States is becoming more conscious of the need for a comprehensive approach to the provision of foreign aid.

TABLE

Spain's Foreign Trade

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Exports (in million dollars)</th>
<th>Total Imports (in million dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1931</td>
<td>708,575</td>
<td>113,825</td>
</tr>
<tr>
<td>1932</td>
<td>724,369</td>
<td>99,573</td>
</tr>
<tr>
<td>1933</td>
<td>712,954</td>
<td>106,653</td>
</tr>
<tr>
<td>1934</td>
<td>724,369</td>
<td>106,653</td>
</tr>
<tr>
<td>1935</td>
<td>712,954</td>
<td>106,653</td>
</tr>
<tr>
<td>1936</td>
<td>724,369</td>
<td>106,653</td>
</tr>
<tr>
<td>1937</td>
<td>712,954</td>
<td>106,653</td>
</tr>
<tr>
<td>1938</td>
<td>724,369</td>
<td>106,653</td>
</tr>
<tr>
<td>1939</td>
<td>712,954</td>
<td>106,653</td>
</tr>
</tbody>
</table>

Gold Reserves Held by the Bank of Spain (in million dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Exports (in million dollars)</th>
<th>Total Imports (in million dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1931</td>
<td>708,575</td>
<td>113,825</td>
</tr>
<tr>
<td>1932</td>
<td>724,369</td>
<td>99,573</td>
</tr>
<tr>
<td>1933</td>
<td>712,954</td>
<td>106,653</td>
</tr>
<tr>
<td>1934</td>
<td>724,369</td>
<td>106,653</td>
</tr>
<tr>
<td>1935</td>
<td>712,954</td>
<td>106,653</td>
</tr>
<tr>
<td>1936</td>
<td>724,369</td>
<td>106,653</td>
</tr>
<tr>
<td>1937</td>
<td>712,954</td>
<td>106,653</td>
</tr>
<tr>
<td>1938</td>
<td>724,369</td>
<td>106,653</td>
</tr>
<tr>
<td>1939</td>
<td>712,954</td>
<td>106,653</td>
</tr>
</tbody>
</table>

Mid-Year Survey of Municipal Bond Market

Halsey, Stuart & Co. Inc. survey notes relieve of six-year trend, indicates in first half of current year shows substantial decline from 1950.

An upward trend in new munici- pal bond financing that dated back to the first half of 1951 as estimated by Halsey, Stuart & Co. Inc. fell below last year's pace by over one-half billion dollars. This is a $5.3 billion decline from the first half of 1951 as estimated by Halsey, Stuart & Co. Inc. in its mid-year survey of the Municipal Bond Market.

At the same time, the survey notes, the number of issues which municipal bonds have been pouring for several years seems to have reached a peak. Large issues of high-crad bor- rowers have shrunken to a smaller market, but smaller issues of smaller borrowers have remained fairly large. The credit rating services have been slow in reporting downgraded credit ratings in many instances.

Finally, and in any event, our credit is small wonder that municipal prices declined. The credit rating services have been slow in reporting downgraded credit ratings in many instances.

One of the unusual developments in the last few months is the refi nancing of the spread between the prices of new and old bonds. This was due to a number of factors in the past two years, including the falling interest rates, the coming higher tax rates, and the fact that the Treasury Department has been actively pursuing a policy of promoting interest rate parity. As a result, the spread between the prices of new and old bonds has narrowed, which has had a positive impact on the municipal bond market.
The market rallied a bit more this week, apparently taking the view that prices have fallen on an accomplished fact. The bears that the end of hostilities in that area of the world would mean an end to the rearmament program and cancellation of the billion dollar orders were offset by statements of Washington officials.

Nevertheless, the first response from last week’s break is in my opinion, about over. Ahead of us now is what tech nicians call a small period of selective buying,” which in essence means that your stock will do nothing while the others will go up.

This of course brings up the interesting problem of which stocks to buy. Has there been any new traders and investors ever since they began swapping things under the bull market. I don’t doubt continue to become headline breeders so long as we have markets.

A few weeks back I wrote here that the amusement stocks looked like the ones that would back away grudgingly in a reactionary period and would most likely jump ahead in a bull moved period. So far I’ve seen little to change my mind. There are, of course, groups of stocks that will always move together and will depend in the main on the rest of the market. The latter group will usually move in the heavy industries, stocks, etc.

Among the amusement issues that are in the hands of writing is Loew’s. If you take a look at balance sheets and earnings statements you will see little to encourage you. The company hasn’t earned its dividend and the chances are that its next quarter statement will not make any better reading. From a market viewpoint, Loew’s is probably worth more than many others. So much for Loew’s. Now back to the general market.

In last week’s column I wrote that the picture I saw was a rally followed by another. The dullness that would probably last most of the summer. You’ve seen the rally. Now be prepared for another reaction. It is quite likely that such a reaction will carry some stocks under their last week’s lows. This means that if you haven’t bought anything yet, don’t be too quick about selling. The opportunities will come.

I’ve been asked if this is a bull or a bear market. Frankly I don’t know. A strict interpretation of the Dow theory leans toward a bear market. But if you examine some of the underlying currents of the past few weeks’ markets you’ll come to a different conclusion.

The fact is if you have the right ones, the terms bull or bear will only be relative.

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

Continued from page 28

MUTUAL FUNDS

search Corporation announced on July 5 that it would discontinue, disposing as well as the number of beneficial interests of the program on high on June 30, last, according to W. Linton Nelson, President.

The THEORY of most mutual funds at a glance is told in a style that even the most unphilosophical investor can understand. One of the largest in the world, the $600,000,000 Wellington Fund—has just published a folder that demonstrates this theory in vivid fashion. "Saving Your Money. . . . But What Can It Do for You?" is the title of the folder of its kind to be written in what might be called "shirt-sleeve English." Or better still "shirt-sleeve American"?

A characteristic of "shirt-sleeve American" is its last part. Here’s a sample.

"It’s a shock to realize it . . . but money that once spent on an American home. It was after dinner, as I was reading the paper. In the background, I could hear my wife’s voice, softly and security for some people is just an interesting notion. Nobody expects it to happen here, but here’s something that happened in American life."

The report that appeared Dec. 31, 1950, the company reported sales of $131,915,516 and net income of $13,084,949. For the months ended April 30 sales were $124,745,076, a decrease of $7,170,437. Except for 1932 and 1933 cash dividends have paid, in the past to the holders of the company in each year since 1923. Payments were previously made in March and June of this year.

Victoren Instrument
Com. Stock Offered

An issue of 324,000 shares of Victoren Instrument Co., commonly known as "per" being sold public offering through the New York and would approximate the Stock Exchange. The company is incorporated in 1969, manufactures and sells a wide line of electrical and carbon instruments, gauges, and other equipment for the radio, television and electronics industries. The company also sells its products to manufacturers in the metal, steel, electrical, automotive, aviation, industrial, and other fields.

The company, incorporated in 1919, manufactures and sells a wide line of electrical and carbon instruments, gauges, and other equipment for the radio, television and electronics industries. The company also sells its products to manufacturers in the metal, steel, electrical, automotive, aviation, industrial, and other fields.

The company, incorporated in 1919, manufactures and sells a wide line of electrical and carbon instruments, gauges, and other equipment for the radio, television and electronics industries. The company also sells its products to manufacturers in the metal, steel, electrical, automotive, aviation, industrial, and other fields.

The company, incorporated in 1919, manufactures and sells a wide line of electrical and carbon instruments, gauges, and other equipment for the radio, television and electronics industries. The company also sells its products to manufacturers in the metal, steel, electrical, automotive, aviation, industrial, and other fields.

The company, incorporated in 1919, manufactures and sells a wide line of electrical and carbon instruments, gauges, and other equipment for the radio, television and electronics industries. The company also sells its products to manufacturers in the metal, steel, electrical, automotive, aviation, industrial, and other fields.

The company, incorporated in 1919, manufactures and sells a wide line of electrical and carbon instruments, gauges, and other equipment for the radio, television and electronics industries. The company also sells its products to manufacturers in the metal, steel, electrical, automotive, aviation, industrial, and other fields.

The company, incorporated in 1919, manufactures and sells a wide line of electrical and carbon instruments, gauges, and other equipment for the radio, television and electronics industries. The company also sells its products to manufacturers in the metal, steel, electrical, automotive, aviation, industrial, and other fields.

The company, incorporated in 1919, manufactures and sells a wide line of electrical and carbon instruments, gauges, and other equipment for the radio, television and electronics industries. The company also sells its products to manufacturers in the metal, steel, electrical, automotive, aviation, industrial, and other fields.
### Indications of Current Business Activity

**AMERICAN IRON AND STEEL INSTITUTE:**

<table>
<thead>
<tr>
<th>Latest Weekly Report</th>
<th>Previous Week</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>101.3</td>
<td>100.4</td>
<td>100.3</td>
<td>94.1</td>
</tr>
</tbody>
</table>

**AMERICAN PETROLEUM INSTITUTE:**

- Crude oil and condensate output—daily average (bbls. of 42 gallon barrels)
- Crude runs to stills—daily average (bbls.)
- Gas plant output (bbls.)
- Gas, oil, and distillate fuel oil output (bbls.)
- Kerosene, benzol, and gasoline output (bbls.)
- Stocks of refinery inputs, at both terminals, in transit and in pipe lines (bbls.)
- Stocks of refinery inputs, both terminals (bbls.)
- Kerosene (bbls.)
- Benzol (bbls.)
- Distillate fuel oil (bbls.)
- Petroleum coke output (bbls.)
- Refined gasoline output (bbls.)
- Refineries closed (bbls.)

**AMERICAN RAILROADS:**

- Revenue freight (received from companies (number of cars)
- Revenue freight (received from merchants)

**CITIZEN ENGINEERING CONSTRUCTION — ENGINEERING NEWS- RECORD:**

- Private construction
- Public construction
- State and municipal
- Federal

**COAL OUTPUT (U. S. BUREAU OF MINES):**

- Bituminous coal and lignite (tons)
- Peat (tons)
- Allied materials

**DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM:**

- Total
- Department
- Women's
- Men's

**EDISON ELECTRIC INSTITUTE:**

- Electric output (in kw. bhp)

**FAILURES (COMMERCIAL AND INDUSTRIAL)—DUN & BRADstreet:**

- Total

**IRON AGE COMPOSITE PRICES:**

- Price of pig iron (Bessemer)
- Price of pig iron (open hearth)
- Scrap (per gross ton)

**METAL PRICES (E & M. J. QUOTATIONS):**

- Copper (per pound)
- Lead (per pound)
- Silver (per ounce)
- Gold (per ounce)

**MOODY'S BOND PRICES DAILY AVERAGES:**

- U. S. Government Bonds
- Average
- Treasury
- 5% 30-year
- 5% 20-year
- 4% 15-year
- 3% 10-year
- 2% 5-year
- 1% 3-month

**MOODY'S BOND YIELD DAILY AVERAGES:**

- U. S. Government Bond
- Average
- Treasury
- 5% 30-year
- 5% 20-year
- 4% 15-year
- 3% 10-year
- 2% 5-year

**MOODY'S COMMODITY INDEX:**

- December 2023

**NATIONAL PAPERBOARD ASSOCIATION:**

- White paper (tons)
- Newsprint (tons)
- Permanents (tons)
- Pulp and paper (tons)

**OIL, PAINT AND DRUG REPORTER PRICE INDEX—INDEC-16 AVERAGE—1990:**

- 150.0
- 150.3
- 150.5
- 120.1

**STOCKS TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF O. D. LEITZERS AND SPECIALISTS ON THE N. Y. STOCK EXCHANGE—SECURITIES EXCHANGE COMMISSION:**

<table>
<thead>
<tr>
<th>Number of sales</th>
<th>Number of buyers</th>
<th>Number of dealers</th>
</tr>
</thead>
<tbody>
<tr>
<td>27,320</td>
<td>27,318</td>
<td>27,320</td>
</tr>
</tbody>
</table>

**WHOLESALE PRICES NEW SERIES—U. S. DEPT. OF LABOR:**

<table>
<thead>
<tr>
<th>Date</th>
<th>All commodities</th>
<th>Food</th>
<th>Industrial materials</th>
<th>Textiles</th>
<th>Travel goods</th>
<th>Metals and metal products</th>
<th>Drugs and medicines</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 3</td>
<td>105.5</td>
<td>106.5</td>
<td>106.5</td>
<td>106.5</td>
<td>106.5</td>
<td>106.5</td>
<td>106.5</td>
</tr>
<tr>
<td>June 23</td>
<td>105.4</td>
<td>106.4</td>
<td>106.4</td>
<td>106.4</td>
<td>106.4</td>
<td>106.4</td>
<td>106.4</td>
</tr>
<tr>
<td>May 22</td>
<td>105.3</td>
<td>106.3</td>
<td>106.3</td>
<td>106.3</td>
<td>106.3</td>
<td>106.3</td>
<td>106.3</td>
</tr>
<tr>
<td>April 21</td>
<td>105.2</td>
<td>106.2</td>
<td>106.2</td>
<td>106.2</td>
<td>106.2</td>
<td>106.2</td>
<td>106.2</td>
</tr>
</tbody>
</table>

---

*The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date.*

**ALUMINUM (BUREAU OF MINES):**

<table>
<thead>
<tr>
<th>Latest Weekly Report</th>
<th>Previous Week</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>101.3</td>
<td>100.4</td>
<td>100.3</td>
<td>94.1</td>
</tr>
</tbody>
</table>

**BUILDING CONSTRUCTION PERMITS VALIDATED—U. S. B. (in short units)—Month of May:**

- Residential building

**BUREAU OF LABOR STATISTICS—MONTH OF MAY:**

- Production

**BUSINESS INCORPORATIONS (NEW YORK):**

- Number of incorporations

**DOMESTIC VACUUM CLOSET—STANDARD AND SIZE VACUUM CLOSET MANUFACTURERS:**

- Factory sales (number of units)

**LIFE INSURANCE—BENEFIT PAYMENTS TO POLICIEEES—INSTITUTE OF LIFE ASSURANCE:**

- Total

**METAL PRICES (E. & M. J. QUOTATIONS):**

- Average for month

**MOTOR VEHICLE FACTORY SALES:**

- Sales in U. S. (automobile manufacturer)

**PORTLAND CEMENT (BUREAU OF MINES):**

- Month of May

**SELECTED ITEMS OF U. S. CLASS B:**

- Net railroad operating expense

---

*Figures received from “B. M. I.”—NUMBER—U. S. DEPT. OF AGRICULTURE—MONTHS OF—April 19 to April 19**
New Registrations and Filings

July 9 (letter of notification) 14,000 shares of common stock, (par $1). Price—$29 per share. Proceeds—For corporate purposes.

Big Horn-Powder River Corp., Buffalo, Mont.
July 5 (letter of notification) 6,000 shares of common stock capital. Price—At par ($1 per share). Underwriter—None. Proceeds—For general corporate purposes.

Central Electric & Gas Co., Lincoln, Neb.
July 5 (letter of notification) 7,000 shares of common stock (par $3.50). To be offered to employees pursuant to a stock purchase plan. Proceeds—For working capital. Price—Approximately $9.50 to $10.50 per share. Underwriter—None. Proceeds—To be added to general funds. Statement effective July 6.

Century Geophysical Corp., Tulsa, Okla.

Continental Sulphate & Phosphate Corp.,

Dakota Petroleum Co., Ashley, N. D.
June 29 (letter of notification) 10,000 shares of class A stock (no par) and 40,000 shares of class B stock (no par). Price—$20 per share each. Proceeds—For working capital. Price—$20 per share. Underwriter—None. Proceeds—To drill wells and secure additional acreage.


Film Mining Co., Seattle, Wash.

Gas Installations Inc., Utica, N. Y.
July 8 (letter of notification) 694,600 of serial notes and 8,000 shares of common stock (par 10 cents) to be offered in units viz: (a) $45,000 of senior notes due Sept. 15, 1981, at 4% interest, and 1,000 shares of stock to First York Corp., at a price of $45,100; (b) 50 units, each consisting of $100 junior notes and 10 shares of stock at $101 per unit to stockholders of Household Services Inc., and 15,000 shares of a $1,000 junior note and 80 shares of stock to directors and larger stockholders of Household Services Inc.; and (c) 12 units consisting of a $1,000 junior note and 10 shares of stock to directors and larger stockholders of Household Services Inc. Proceeds—To purchase gas installations in Boonville, N. Y., formerly owned by Air Fuel Co.

General Finance Corp., Chicago, Ill.

Gulf Aluminum Corp., New Orleans, La.
June 25 (letter of notification) 10,000 shares of class "A" non-voting common stock and 10,000 shares of class "B" voting common stock. Price—At par ($10 per share). Underwriter—None. Proceeds—For equipment and working capital. Address—P. O. Box 198, 204 Perdido St., New Orleans, La.

J. D. Myers, Davenport, Iowa.
June 27 (letter of notification) 6,000 shares of 5% cumulative perpetual preferred stock (par $100). Price—$130 per share. Underwriter—Florida Securities Co., St. Petersburg, Fla. Proceeds—For general corporate purposes.

Morgan Investments Co., Fort Myers, Fla.
June 26 (letter of registration) 24,000 shares of common stock, $1 par. Price—At par ($1 per share). Proceeds—For general corporate purposes.

Michigan Consolidated Gas Co., (8/7)
NEW ISSUE CALENDAR

July 12, 1951
Texas & Pacific Ry. (note)......Eq. Tr. Cifs.

July 16, 1951
Washington Gas Light Co. 4 p.m. (a.m.) (EDT) Bonds

July 17, 1951
Glass Fibers, Inc. Common
Marquette Cement Manufacturing Co. Common
New York Shipbuilding Corp. 5% Bonds
Scranston Electric Co. Preferred

July 18, 1951
General Telephone & Electronics Co. Common
Green River Steel Corp. Debts, & Common

July 19, 1951
Texas Gas Transmission Corp. Preferred

July 20, 1951
Meridian & Bigbee Counties 2:30 p.m. (a.m.) (EDT) Bonds
Montana-Dakota Utilities Co. Common

July 23, 1951
Done Exploration (Western Ltd.)......Common
Lehman Corp. Preferred
Mississippi Power Co. 11 a.m. (EDT.) (Bonds)
St. Louis-San Antonio Ry. noon (EDT)......Equip. Tr. Cifs.

July 24, 1951
Checker Cab Manufacturing Co. Common
Pacific Power & Light Co. Preferred
United Gas Co. 11:30 a.m. (EDT)......Bonds

July 25, 1951
El Paso Natural Gas Co. Preferred

July 31, 1951
Central Vermont Public Service Corp. Preferred

August 7, 1951
Michigan Consolidated Gas Co. 10:30 a.m. (EDT)......Bonds

August 31, 1951
Southern California Gas Co. of California......Bonds

September 11, 1951
Alabama Power Co., Common

---

IDAHO CENTER MINES, Inc., Wallace, Idaho
June 8 (letter of notification) 2,000,000 shares of non-
assemble common stock (par $1) to be offered for
stockholders of record on June 30, 1951. The offer will
be made by the offeror who at the time of the offer will
be holder of a majority of the common stock of the
company. Stockholders of record at the close of busi-
ness on the above date will be entitled to subscribe for
their pro-rata share of the stock on the terms
announced. Offeror—Wallace, Idaho. Proceeds—For
working capital. Offering—Postponed indefinitely.

June 20 (letter of notification) 1,500 shares of common
stock (par $1) to be offered for stockholders of record

JERSEY CENTRAL POWER & LIGHT Co.
Feb. 21 filed $1,600,000 first mortgage bonds due in 1981.
Proceeds for expansion purposes. Only one bid was
received by company on March 27, from Halsey,
Burlington, N. J., who offered to purchase the
bonds for $1,590,000. Proceeds—For working capital.

JERSEY CENTRAL POWER & LIGHT Co.
Feb. 21 filed 40,000 shares of cumulative preferred stock
(par $5) to be offered for stockholders of record on
February 22. Proceeds—For working capital. Offer-
ing—Postponed indefinitely. Effective March 29.

LEHMAN Corp., New York City
June 25 (letter of notification) $100,000 of 6% promis-
working capital. Offerings—For investment purposes.

LINDSBERG INSTITUTION Co., Berkeley, Calif.
June 25 (letter of notification) $20,000 of 6% promis-
working capital. Offerings—For investment purposes.

LUMBERMEN OF CALIFORNIA
June 15 (letter of notification) $10,000 of 6% promis-
working capital. Offerings—For investment purposes.

MAYFAIR MARKETS, Los Angeles, Calif.
May 16 (letter of notification) 1,000 shares of preferred stock
(par $5) and 5,000 shares of common stock (par $1) to be
offered for subscription by company of record on May 16,

MONTANA-DAKOTA UTILITIES Co., Billings, Mont.
May 17 100,000 shares of common stock (par $5) to be
offered for sale of stockholders of record on May 22.
Proceeds—For working capital. Offering—For public.

MERCANTILE ACCEPTANCE CORP. of California
May 18 (letter of notification) 5,000 shares of preferred
stock (par $50) to be offered for subscription by company of
record on May 19, 1951. Offerings—For investment

MID-CONTINENT AIRLINES, Inc., Kansas City, Mo.
May 18 (letter of notification) 100,000 shares of common
stock (par $1) to be offered for sale of stockholders of
record on May 21, 1951. Offerings—For investment

MISSISSIPPI POWER Co., Gulfport, Miss.
July 23 June 26 filed $1,400,000 of first mortgage bonds
due in 1981. The offer will be made to the holders of a
majority of the common stock of the company. The
offer will be made by the offeror who at the time of the
offer will be holder of a majority of the common stock of
the company. Stockholders will be entitled to subscribe
for their pro-rata share of the bonds on terms
announced. Offeror—Wallace, Idaho. Proceeds—For
working capital. Offering—Not to be made to the

MONTANA-DAKOTA UTILITIES Co., Billings, Mont.
June 27 filed 163,328 shares of common stock (par $5) to be
offered by holders of stock of record on June 27. Proceeds—For working capital. Offering—For public.

Continued on page 32
Philadelphia Suburban Transportation Co.  
June 11 (letter of notification) $300,000 of 4½% convertible first mortgage bonds. To be offered for sale to each of one share of common stock. Price—At par. Underwriter—None. Proceeds—For working capital.

Pittsburgh Plate Glass Co.  
June 27 filed 450,000 shares of common stock (par $100) to be offered to certain employees of the company at par. Proceeds will be used to purchase 85% of the market price on the New York Stock Exchange. Underwriter—None. Proceeds—For working capital.

Pittsburgh Steel Co.  
June 29 filed first series of 5½% preferred stock (par $100) and 27,495 shares of common stock (par $20). Proceeds from preferred stock will be used for 200,000 shares of outstanding A cumulative and participating preferred stock, and 2,000 shares of common stock for each Thomas Steel Preferred stock (unregistered). Price—At par. Underwriter—None.

Point Yards, Inc., Spokane, Wash.  
May 22 (letter of notification) 20,000 shares of common stock (par $5). Price—$13 per share. Underwriter—None. Proceeds—For general corporate purposes. Office—309 W. Spokane Avenue, Spokane.

Reading Tubing Corp., Long Island City  
June 2 filed 5,829,256 of 5½% floating sink debentures due July 1, 1971, and 66,496 shares of class B stock (par $100). Proceeds will be used for 305,600 shares of outstanding A cumulative and participating preferred stock, and one-fourth of a share of class B stock for each $1,000 of debentures. Price—To be determined at time of sale. Underwriter—None.

Reality Building Corp., New York, N. Y.  
June 7 (letter of notification) 2,000 shares of preferred stock (par $100). Price—$13 per share. Underwriter—Michael Investment Inc., Providence, R. I. Proceeds—For working capital.

Staats, Rauscher & Co., New York, N. Y.  

Sona-Vacum Oil Co., Inc.  

Southern California Edison Co.  
June 19 filed 9,000,000 of selling bonds (no par). Price—To be determined at a later date. Underwriter—Lomas & Schuster Corp. and Dean Witter & Co., New York, N. Y. Proceeds—To finance retail bank and equipment loans. Office—410 S. Main Street, Elkhart, Ind.

Southern Pacific Mines Ltd. (Canada)  
April 9 filed by amendment 394,000 shares of common stock. Price—$5 per share. Underwriter—Option—Robert Irvin Martin of Toronto. Proceeds—For commissions, exploration and development expenses, working capital, and for general corporate purposes.

Southern New England Telephone Co.  

Southwestern Associated Telephone Co.  
June 15, filed 17,500 shares of $5.30 cumulative preferred stock (par $100). To be sold at an effective price of $100 per share. Underwriters—Paine, Webber, Jackson & Curtis, Inc., Price—At par. Proceeds—For general corporate purposes.

Texas Gas Transmission Co.  
June 27 filed 100,000 shares of preferred stock (par $100). Price—$100 per share. Underwriter—Dillon, Read & Co., Inc., New York, N. Y. Proceeds—For expansion program.

Texas Southeastern Gas Co., Bellville, Tex.  
May 16 (letter of notification) 19,434 shares of common stock (par $100) to be offered at par. Proceeds—For the purchase of the property necessary to construct and operate pipeline, for capital improvements, and for working capital. Underwriters—None. Proceeds—For working capital.

United Gas Corp.  
May 23 filed 1,065,330 shares of common stock (par $10) for the purpose of obtaining additional working capital for the development of the gas systems in the states of Ohio, Pennsylvania, New York, and Delaware. Underwriter—None. Proceeds—For working capital.

United Gas Corp.  

Van Lake Uranium Mining Co., Van Dyke, Mich.  

May 21 filed 3,000,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Statement effective June 11, 1971.

Wells Fargo & Co., New York, N. Y.  

Western Osage Oil Co., Inc., Las Vegas, Nev.  
June 21 (letter of notification) 3,000 shares of common stock (no par). Price—To be supplied by amendment. Underwriter—None. Proceeds—To retire $10,000,000 of 6½% bonds due 1980. Office—150 Fifth Avenue, Seattle, Wash.

Western Reserve Life Insurance Co.  
June 12 (letter of notification) 10,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For new building program. Office—1108 Lavaca Street, Austin, Tex.

May 23 (letter of notification) 7,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For new building program. Office—1108 Lavaca Street, Austin, Tex.

Prospective Offerings

Alabama Power Co. (9/11)  
July 1 (letter of notification) 10,000,000 shares of common stock (no par). Underwriter—To be determined. Price—At par ($1 per share). Proceeds—For general corporate purposes. Underwriter—None. Proceeds—For general corporate purposes.

American President Lines, Ltd.  
May 28 (letter of notification) 300,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Office—Phillips Avenue, Seattle, Wash.

Applied Mathematics Co.  
May 27 (letter of notification) 6,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Office—Phillips Avenue, Seattle, Wash.

Applied Physics Corp.  
May 27 (letter of notification) 2,000,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Office—Phillips Avenue, Seattle, Wash.

May 28 (letter of notification) 500,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Office—Phillips Avenue, Seattle, Wash.

Applied Technology Co.  
May 28 (letter of notification) 2,000,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Office—Phillips Avenue, Seattle, Wash.

Applied Technology Co.  
May 28 (letter of notification) 2,000,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Office—Phillips Avenue, Seattle, Wash.

Applied Technology Co.  
May 28 (letter of notification) 2,000,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Office—Phillips Avenue, Seattle, Wash.

American Telephone & Telegraph Co.  
May 28 (letter of notification) 2,000,000 shares of common stock (no par) to be offered to employees at par ($1 per share) with an incentive plan. Price—At market (no par) at a later date. Underwriter—None. Proceeds—For general corporate purposes. Office—Phillips Avenue, Seattle, Wash.
Alaska Telephone Co. April 22 it was announced company may soon file a lawsuit against the state for an additional $6,000,000 of 5% convertible bond, $2,000,000 of 5% convertible bonds, price—At par in unsold units of $100 each. Proceeds—For new equipment and for expansion.

• Associated Telephone Co., Ltd. (Caitl.) July 22 it was announced company plans to call the mortgage bonds for the sale later this year of $8,000,000 additional first mortgage bonds. Underwriters—To be determined by company. Bondholders: Halley, Stuart & Co.; Peabody & Co.; Keeler, Jackson & Shields, Ltd. Proceeds—For new equipment and for expansion.

Benault Mills, Inc. June 16 it was announced approved issuance and sale of 100,000 shares of 5% preferred stock (no par). Underwriters—Kidder, Peabody & Co., Weld & Co., Kidder, Peabody & Co. Proceeds—For refunding and for new construction. Bondholders—Halley, Stuart & Co.; Peabody & Co.; Peabody & Co. With $15,000,000 from bank loans and $3,000,000 from other sources, to be used to finance construction of a $3,000,000 addition and for working capital.

Bell Aircraft Corp. May 29 stockholders approved a proposal to borrow $23,000,000 on bonds to mature. The amount and conditions of the financing are not known. Bond financing in May 1931.

British Columbia (Province of), Canada June 23 it was reported that early registration is expected for the Canadian Pacific Railway. Proceeds—To be used to underwrite the auspices of the Canadian Government.

Colorado Natural Gas Corp., Charlotte, N. C. For May 22 it was announced company has about $48,000,000 of 4% guaranteed mortgage gold bonds coming due on Jun 23 and Jun 25. Proceeds—To be used to underwrite the security of the Canadian Government.

Consolidated Gas Co. of New York. May 20 it was announced company announced the proceeds of $50,000,000 in stockholders approved a proposal to sell $50,000,000 in stockholders' stock. Proceeds—To be used for the construction of a fleet of new power plants.

Denver & Rio Grande Western RR. April 12, Wilson, McCarthy, President, stated that the SEC was investigating the company's securities. Probable Underwriters: Halley, Sturbridge & Co.; Morgan Stanley & Co.; Kuhn, Loeb & Co. and Bear, Stearns & Co. Proceeds—To be used for the construction of a new power plant.

Derby Bank & Trust Co. June 22 corporation applied to SEC for authority to sell stock for the purpose of increasing the company's resources. Proceeds—To be used for the construction of a new power plant.

Diamond Reclaiming Co. April 5, Leland I. Doan, President, stated that the company has approximately $65,000,000 on plant expansion in the pipeline. The company expects to spend more in the following fiscal year, in the amount of $8,000,000, for new equipment on any possible financing in this connection. Traditional underwriters: Smith, Barney, & Co., New York.

Fort Worth Power Co. May 17 stockholders of Colorado & Southern Ry. approved the construction of a new power plant for the company's corporate structure and for the refunding of the indebtedness of the company and subsidiaries. Proceeds—To be used for the construction of a new power plant.

Glenmore Distilleries Co. April 23 it was announced company expects shortly to file a registration for the purpose of increasing its capital stock of $50 per share preferred stock. Proceeds—To be used for the construction of a new power plant.

Hahn Aviation Products, Inc., Phila. June 7, it was announced company in addition to sale of $50,000,000 in preferred stock, will offer another 50,000,000 shares of common stock. Proceeds—To be used for the construction of a new power plant.

Iowa Power Co. June 27 W. K. Kahler, President, announced that the company one million shares of $100 par value, to 15,000,000 shares, par $5. It was also announced company will sell 50,000 shares of preferred stock (par $100), none of which had been issued. May 24, 1931, the company announced for the purpose of increasing its capital stock of $20,000,000 of preferred stock, $20,000,000 of preferred stock, and $20,000,000 of preferred stock, and $20,000,000 of preferred stock, and $20,000,000 of preferred stock. Proceeds—To be used for the construction of a new power plant.

Iowa Power & Light Co. June 19 it was reported company expects to file a registration for the purpose of increasing its capital stock of $50,000,000 in shares of stock. Proceeds—To be used for the construction of a new power plant.
Continued from page 23

Benno, Kidder, Peabody & Co. and White, Weld & Co. (jointly); Morgan Stanley & Co.

Nuclear Instrument & Chemical Corp., Chicago, Ill.

June 18, it was announced company expects to offer in July 178,500,000 shares of common stock, par $5, to be determined later. Underwriter—Lowell & Co., Milwaukee, Wis. Proceeds—for working capital.

May 15 it was stated that this company, a subsidiary of the National Grid Co., will need to raise additional finance to meet its requirements. The securities issue includes $50,000,000 worth of preferred stock, of which $25,000,000 is to be offered to the public, and $25,000,000 to be offered to the public and to issue 65,000 additional shares of common stock to stockholders of record on July 25 for $107.50 per share. The proceeds of the offering will be used for the purpose of repaying in part the outstanding bonds of the company. The securities will be offered for sale by the company's underwriters, Bankers Trust Co., of New York, and J.P. Morgan & Co., Inc. of San Francisco.

* Pacific Power & Light Co.

June 16, it was announced that the company has completed a public offering of $10,000,000 worth of preferred stock, of which $5,000,000 is to be offered to the public. The securities issue includes $25,000,000 worth of preferred stock, of which $12,500,000 is to be offered to the public and $12,500,000 to be offered to the public and to issue 65,000 additional shares of common stock to stockholders of record on July 25 for $107.50 per share. The proceeds of the offering will be used for the purpose of repaying in part the outstanding bonds of the company. The securities will be offered for sale by the company's underwriters, Bankers Trust Co., of New York, and J.P. Morgan & Co., Inc. of San Francisco.

Panhandle Eastern Pipe Line Co.

May 28 John A. Wall, President, announced stockholders would be asked to examine a price increasing it in the company's charter provisions which would permit the issuance of an additional 10,500 preferred shares at a par value of $100. These shares are now worth at par value. Company now has a $25,000,000 expansion program, financed with $10,000,000 in new preferred stock and $15,000,000 in new common stock, 33,000 shares at $90 each.

Public Service Co. of Indiana, Inc.

June 25 it was reported that company may do some public offering of new common stock under certain conditions, as announced by the company's President, Robert L. Blyth. Earlier this year arrangement were made with eight banks for borrowing up to $90,000,000 under an agreement that the bank would receive a share of the company's stock under certain conditions. The company's charters permit the issuance of an additional 18,000,000 shares of common stock at $50 per share, and 2,000,000 shares at $150 per share. The public offering would result in the issuance of 10,000,000 shares of new common stock at $75 per share.

Texas Illinois Natural Gas Pipeline Co.

May 28, it was announced that the company intends to issue $3,000,000 worth of preferred stock, of which $1,500,000 is to be offered to the public. The securities issue includes $6,000,000 worth of preferred stock, of which $3,000,000 is to be offered to the public and $3,000,000 to be offered to the public and to issue 65,000 additional shares of common stock to stockholders of record on July 25 for $107.50 per share. The proceeds of the offering will be used for the purpose of repaying in part the outstanding bonds of the company. The securities will be offered for sale by the company's underwriters, Bankers Trust Co., of New York, and J.P. Morgan & Co., Inc. of San Francisco.

Texas Pacific Ry. (7/12)

Bids will be received up to noon (EDT) on July 12 for the purchase of 10,000,000 shares of preferred stock, par $100, including 3,000,000 shares of preferred stock, par $100, in series A, and 7,000,000 shares of preferred stock, par $100, in series B. The company's charter permits the issuance of an additional 25,000,000 shares of preferred stock, par $100, and 25,000,000 shares of common stock, par $50.

Staying Down

After several recent successes in the bond market, it is believed that the company is ready to take advantage of the favorable conditions for a public offering of new common stock. The company's charter permits the issuance of an additional 10,000,000 shares of common stock, par $50, and 5,000,000 shares of preferred stock, par $100.

Slowly at a Glance

The recent success of the company in the bond market has given the company a renewed confidence in its ability to raise capital in the public market. The company's charter permits the issuance of an additional 10,000,000 shares of common stock, par $50, and 5,000,000 shares of preferred stock, par $100.

Weinergang (J., Inc.)

June 8, it was announced that the company reported $2,000,000 of preferred stock, par value $25,000,000, to be sold to the public at a price of $90 per share, with an option to the underwriters to buy an additional 25% of the issue at the same price. The proceeds of the issue will be used for working capital, expansion of the company's business, and the payment of dividends. The company's charter permits the issuance of an additional 10,000,000 shares of common stock, par $50, and 5,000,000 shares of preferred stock, par $100.
How Federal Reserve Can Contract Credit

Dr. Walter E. Spahr, Executive Vice-President of the Economists' National Committee on Monetary Policy, advocates the "float," which is the excess of uncollected cash items over deferred liabilities in Federal Reserve Bank statements.

The Federal Reserve authorities can achieve a contraction in bank reserves by reducing the "float," which is the excess of uncollected cash items over deferred liabilities in Federal Reserve Bank statements.

The "float," which is the excess of uncollected cash items over deferred liabilities in Federal Reserve Bank statements, is a barrier to the expansion of bank credit and other credit facilities. But the Reserve authorities are not using or, in the proper direction the powers they now have.

DIVIDEND CUSTOMERS

COLUMBIA PICTURES CORPORATION

The Board of Directors at a meeting held July 31, 1951, declared a quarterly dividend of 1.50 per share on the outstanding 15% Cumulative Stock of the company, payable August 15, 1951, to stockholders of record on August 1st.

A. SCHNEIDER, Chairman

Raymond Concrete Pile Co.

The Board of Directors has declared a dividend of 50 cents (10%) on a share of the Capital Stock of the Corporation.

Burroughs

28th CONSECUTIVE CASH DIVIDEND

A dividend of twenty cents (20c) per share has been declared upon the shares of BURROUGHS ADDING MACHINE COMPANY.

DIVIDENDS

P. R. Fournier

Secretary

Gould National Batteries, Inc.

The Board of Directors of National Airlines, Incorporated, in a regular quarterly meeting at Miami, Florida on June 26, 1951, declared an extra dividend of $0.05 per share on the outstanding 25% cumulative preferred stock of the Corporation, to be paid July 20, 1951, to stockholders of record on July 10, 1951.

A. H. DAGGETT, President

The Board of Directors of National Airlines, Incorporated, in a regular quarterly meeting at Miami, Florida on June 26, 1951, declared an extra dividend of $0.05 per share on the outstanding 25% cumulative preferred stock of the Corporation, to be paid July 20, 1951, to stockholders of record on July 10, 1951.

R. P. Foreman

Secretary

NOW! DOUBLED NON-STOP SERVICE BETWEEN NEW YORK AND MIAMI

Airline of the Stars —

James L. Peters, Writer

Peters, Writer & Co.

242 Seventeenth Street

Two with James Ebert (Special to The Commercial and Financial Chronicle) BAKERSFIELD, Calif.—James L. Kaull and James L. Potter have become affiliated with J. Mene Ebert at 1229 Chester Ave.

Douglas Co. adds

BEVERLY HILLS, Calif.—Arthur W. Douglass and Co., 133 North Robertson Boulevard.

Joinfs First California

(Moderated by the First Federal Reserve Bank of San Francisco) 103 & 105 South La Salle Street, Chicago, Illinois

July 5, 1951

Vincent T. Miles

Secretary
Despite hostile comments last week by members of the Senate Finance Committee to the effect that the members of that committee are far from opposed to a general Federal surplus program, the Senate seems to have come to an informal understanding that such a tax bill will be given the committee's most serious consideration in 1952.

Hostile comments came when the National Manufacturers, at the tax hearings last week, again pursued the idea. The committee's attitude is a two-part thing.

In the first place, their present plans are to raise not more than $6 billion of tax revenue, and perhaps considerably less. This does not mean that they are not seeking to achieve by a broader extension of the excise tax a more vigorous application of the individual income tax, and some additional taxation of corporation income.

The time to advance a sales tax, the committee members now insist, is in 1952, assuming that Mr. Truman brings forth the customary re-election campaign hand to raise the money to spend. Such a sales tax could easily fill the bill in 1952. If the revenue committee would be better able to consider the tax and the committee has no doubts that Mr. Truman, election year or otherwise, is still interested in his Administration's hand outstretched, perhaps.

This is the present informal interest of Finance Committee members, however. It must not be taken as even a moderately sure promise. It is an interest, privately voiced by the Finance committee is a legislating body. The Senate, which is a legislature, is perfectly capable of ignoring popular sentiment in favor of some measure, like the Federal surplus program, or Treasury.

In the second place, it is the relationship, connection it is noted to the finance committee. That body has been seen to have a very private preference with the idea of a sweeping Federal tax program. It has been in the air, no doubt. Senate Finance Committee is a committee of a Senate, which is the second possible way, the Senate Finance Committee and the Treasury.

By one of those delusive combinations of circumstances, the public-owned electric utility industry will be relieved in the Federal tax bill (in the House bill) of the burden of the excise tax on the use of fossil fuels. This is, enacted in 1953, is something that helps to hold him back to Missouri.

With Daniel F. Rice

With Shillinglaw Bolger

For Large Appreciation Potential WE SUGGEST

RIVERSIDE CEMENT CO.
CLASS B (common) STOKO
A leading producer of cement in Southern California.Authorized by this Company and a review of the Cement Indus-

John W. Snyder

LERNER & CO.
Investment Securities
10 Past Office Square, Boston 5, Mass.
Tel. 263-79-89

Allied Electric Products
Prospectus on request

Hill, Thompson & Co., Inc.
Trading Department
70 WALL STREET, N.Y. 5
Tel. Whitting 4-4559