"Government planning, or any central economic planning, is necessarily a difficult and notoriously an imperfect art. The latest of a long line of experiments of its shortcomings is the present easing of metal supplies. The elaborate tabulations of the Defense Production Administration and the National Production Authority, purporting to demonstrate how shortages in basic supply or output should most effectively be allocated to different classes of 'claimants,' have gone badly awry. That Washington is slowly becoming a bit concerned is evident even to those who cannot read between the lines.

"Partly reflecting the military production program, a few metals and chemicals have eased, but there is little movement in other groups. Thus the DPA characterizes the general materials picture. What the first clause means is distressingly obscure; if it refers to the 'stretch-out' of the military program, then it is implied that the planning agency, as little as a few months ago, had no knowledge that it was coming. Otherwise, they could have relaxed their restrictions on civilian consumption accordingly. On the contrary, until very recently, the responsible agencies were ringing of deeper cuts to come and issuing orders to 'prove' it. This performance is quite discouraging because it once again demonstrates the inflexibility of the planning machine. We are led to conclude that before corrective action is taken, the oversupply situation will have to get much less manageable.

"... In the present instance, it is difficult to judge to what extent the surpluses are 'artificial' in the sense that normal demand has been

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International Price Stabilization—A Hoax

BY FELIX EDGAR WORMSER* Vice-President, St. Joseph Lead Company

Executive of leading lead producer condemns "stabilization mania" as aiding monopoly, creating cartels, and destroying liberty, incentive and progressive change. Condemns work of International Materials Conference and of U.S. Economic Stability Program. Advocates free markets as safeguard of our liberties, and concludes price controls merely postpone inflation, but do not prevent or cure it.

We have been infected with the twentieth century malady known as "stabilization," a disease difficult to describe because the economic doctors in Europe and elsewhere haven't apparently agreed on a definition, or where and how to stabilize. At whatever rate, it is a most appealing catchword which people tend to think about. Then you wonder if it is all it is cracked up to be, for, beneath the surface glitter, it is invariably the stern and repulsive face of government control, of government compulsion, and, lastly, of government imprisonment. And in my audience will disagree with me. They feel that such stabilizing instrumentalities as price fixing by the government, or by cartels, private or governmental, are good. They may point to Europe where cartels have operated and are operating at this very minute, ostensibly to stabilize something or other.

From what I have been told of European economics in action, there is little that I am anxious to see copied.

In the United States, we have an abhorrence of monopoly, which I share. Sixty-six years ago we adopted a law known as the Sherman Anti-Trust Act to prevent

Continued on page 36

*An address by Mr. Wormser before the Prospectors and Developers Association, Toronto, Canada, March 11, 1952.

Honorary Pallbearers!

Public hearings to be held on SEC proposal to implement Title V. Unfortunate forum. Has Commission stature to reverse itself? NASD opposes proposal. Other opposition. Decent burial sole solution.

As the torrent of opposition to the Securities and Exchange Commission proposal under Title V of the Independent Offices Appropriation bill keeps rushing on, and the tide of public displeasure mounts, there is a feeling in the air that Title V is doomed.

At a session of the Heller Subcommittee of the Interstate and Foreign Commerce Committee a resolution was introduced by Representative Leonard W. Hall of New York and seconded by Representative John A. McGuire of Connecticut calling on the SEC to hold public hearings on its proposal.

As a result, we are informed such hearings will be held at the Washington office of the Commission beginning March 14.

In one sense these public hearings may be of value. Should they last long enough the time consumed in holding them may afford an opportunity to repeal Title V in the interim.

However, let there be no illusion on the subject of the efficacy or lack of efficacy of such public hearings. To us it is not conceivable that any reasons will be urged there which have not already been emphasized abundantly in writing by individuals and associations, including the

Continued on page 29
The Security I Like Best

A continuous forum in which, each week, a different group of experts in the security field from the various regions of the country will 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.)

WILBUR FISHER KURTZ
Proprietor, Fisher & Co.,
Cleveland, Ohio

The First National Bank of Akron, Ohio

Probably all of us in the investment business at various times have the question asked of us, as to the advisability of buying or selling a particular barometer or some other less casual financial instrument. Consequently your choice has to be as nearly foolproof as possible.

It is most desirable, of course, to have a good return on the funds invested; have good possibilities of growth; and yet be speculative; have reasonable possibilities of increased income and dividends over the years; be moderately priced; have a relationship to actual present value and be something which 10 years from now, if it happens that you haven’t seen the person in that length of time, will probably be willing for substantially more than it was when you first recommended it.

The First National Bank of Akron in general very well meet the above requirements and it has a special claim to Ohio in particular on a standpoint of old age and seniority. This bank was organized in 1834 as a state bank with the same First Central Trust Company, a charter which had been a leading institution in Akron over 41 years to the “Great Depression.” In 1948 all the capital stock and $500,000 of capital debentures were owned by the Ohio Superintendent of Banks in connection with the liquidation of the old bank. Later the capital stock was marketed and in 1948 the debentures were paid off.

The new bank rapidly regained its old leadership and the growth has been outstanding as is shown by the accompanying table. In 1947 the bank, which was then operating as The First Central Trust Company, was converted into a national bank under the name of the First National Bank of Akron.

In April, 1947, the Bank issued 35,000 shares of additional stock, which were sold to shareholders at $100 per share. Subsequent proceeds of the stock sale were used to purchase the equity in the Bank’s Main Office building. The building at that time was subject to a $1,000,000 mortgage and, ever, was not a liability of the Bank but, rather, the equity had been paid off. The remaining capital debentures were retired Dec. 22, 1946. In 1947, a stock dividend of four was issued for every share. The par value of the shares was changed from $100 to $25 and a stock dividend paid to the shareholders. At the same time the board of directors declared a dividend of $100 per share to each of the two old holders.

Dividends on the capital stock were initiated in 1939 at the rate of $1,000,000 per annum. Which rate was continued through 1947. In 1948 the board of directors increased the dividends to $50 cents a share and the rate from 1949 on has been 1% per annum on convertible 25 cents quarterly. At the current market price of $17 this is about 4½%.

At this point, if one has had the patience to read this far, the normal reaction is—ho hum—what’s so remarkable about this? A good deal, I think, can be said in its favor.

Growth—from scratch in 1834 to about two million dollars' worth of other bank in the Akron district—of which this bank was the first in the State of Ohio and 35th in the nation.

Book value — cash and government: $111,000,000 a deposit of 136,000,000 or 705.

Average life of governments: one year, nine months, 10 days to maturity or 11 months, 24 days to call date and just about the same as a leading institution anywhere in the U. S. (And what a hidden asset this is in these days of erratic government bond truces.)

And now we come to the real meat:

On Dec. 31, 1951, the Bank carried the item of Bank Premises at its statement at $1,207,083.07 and furniture, fixtures and equipment which are owned in fee and which have substantial value nevertheless. But the main office is not the chief market in the heart of the Akron and the County and has an estimated replacement value in 1948 of $1,500,000 and you write your own figure as to the productive cost now.

Summer reading—All of the above: You pay about $22 a share and you pay $22.63 of at 12/31/51: Evaluation, Reserve, $2.10; Furniture and fixtures, $30,700; Buildings, 256,256; Real estate, 1/4,000,000; Option at 12/31/51 of 146,858,482.

In other words you can put your Blue Chip at $25 a share and get $5,500,000,000.

This Week’s Forum Participants and Their Selections

The First National Bank of Akron, Ohio — Wilbur Fisher Kurtz, proprietor, Fisher & Co., Cleveland, Ohio (Page 2)

Capture 60% of your capital investment costs when you recommend the capital stock of the First National Bank of Akron, Ohio.

W. WALLACE TURNBULL

Canadian Securities

The security I like best? In one-word—Canada.

But since that is a large piece of real estate, which miles of the average investor will inquire how he may obtain "a slice" commensurate with the size of his individual portfolio.

His first acquisition should be few bonds of the Canadian government (my choice would be the Canadian Series of 1946/61 which, payable just about current at around $94.5 to yield 3½% a year. This is a new Province bonds (select one of the New York payment—interest, issue, 25-year, Ohio’s yield of 3½%), meeting this demand for Manitoba, Ontario, Ontario, and Nova Scotia and the second issue of these in this group being Ca- nadian. First issue’s two issues of the 3½s of 1970, currently around 14½%, and the second issue of 1950s currently around 11½% of British America Company 2½ of 1950 issued, currently around 125.

and now that we have arrived, by easy stages, in the oil business—in our investor will surely not rest content unless he has a direct equity stake in Canada’s oil fields which have been so prominent in the financial listings in the past five years. Very good; why not then start with the leader? Imperial Oil at the same time gives a meager yield when weighed against last year’s dividend of 60 cents a share, is investing in the future, aren’t you? Of course, you are—if you are thinking in terms of Canada.

Riley & Hecht Opens

(Royal Trust Financial Corporation) HOLLWOOD, Calif. — B e n H e c h t and John F. Riley, of Los Angeles, Calif., have formed Riley & Hecht with offices at 129 North La Brea Avenue to engage in an investment business.

W. W. Smith Opens (Special in the Financial Corporation) LONG BEACH, Calif. — W. W. Smith is engaging in a securities business from offices at 6741 East Caron Boulevard. He was formerly associated with Douglas A. Hammond.

N. Q. B. OVER-THE-COUNTER NATIONAL Stock Index

JOHNSON & CRANSTON TO OPEN A Stock Exchange Office in Los Angeles, Calif.—Don J. Goventh has become connected with Samuel Johnson & Cranston Company, 215 West Seventh Street.

William S. Welch

William S. Welch, associated with Tucker, Anthony & Co., New York City, passed away March 8 at the age of 53.
LETTERS TO THE EDITOR:

Rep. Vinson Changes Mind
And Drafts New UMT Bill

Chairman of House Armed Services Committee is reported working on new measure designed to eliminate objections voiced in House debate. The "Chronicle" publishes more letters elicited by Dr. Neil Carothers' article in issue of Feb. 21.


As noted in the "Chronicle" of March 6, the House last week rejected the then pending UMT measure. Mr. Vinson then stated he would not ask the House to consider UMT again at this session. However, he reported now to be convinced that public indignation has forced many representatives and Congress to change their stand. Mr. Vinson's new bill, it is claimed, will eliminate many objections voiced in the House debate. Presumably, he will hold conventions and hearings and bring his UMT back for another House vote.

As in its two preceding issues, the "Chronicle" publishes below additional comments on Dr. Carothers' views in his article "UMT—Why It is a Mistake," which appeared in our issue of Feb. 21.

HON. ROBERT A. TAFT
U. S. Senator from Ohio

I have read with interest the article on UMT by Dr. Neil Carothers. I have always been of the idea that we should commit ourselves today to a proper defense policy.

NORMAN THOMAS
S. Judge, New York City

As you know, I very often have found myself in sharp disagreement with Dr. Neil Carothers. It is, however, with pleasure that I am able to critically endorse his article, "UMT—Why It is a Mistake." I have been arguing also that it would be a grave mistake and I am glad to see that he wrote this article and that you published it.

CHESTER B. LANG
Assistant Vice-President, General Electric Company, New York City

Relative to Dr. Carothers' article, I have an opinion, having been blown hot and cold on this question. Since certainly it may go through, it will be deader than a lot of the amendments which appeared in our issue of Feb. 21.

HON. JOHN W. SNYDER
Secretary of the Treasury

Dr. Carothers' article on Universal Military Training sets forth a good case against its adoption.

HON. WILLIAM H. AXEES
U. S. Congress
to readers of the Chronicle for the vote yesterday. [Congressman Axcen refers to House vote on March 4 to recommit the UMT bill back to the Armed Services Committee.—Ed.]

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Spring Income for Bondholders

By IRA U. COBLEIGH

Author of "Expanding Your Income"

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The effect of the war, the scarcity of new issues, and the general depression in stocks have made many people move from stocks to bonds as a more secure investment. This has led to a considerable increase in the demand for bonds, which, in turn, has caused bond prices to rise. The higher bond prices have made it possible for investors to earn a larger income from their bond investments.

In the past, bondholders have been able to earn a fixed income from their bonds, regardless of changes in the overall economy. This has made bonds a popular choice for investors who are looking for a steady source of income. However, the current economic climate has made it more important than ever for investors to choose bonds that are likely to perform well in the future.

The Federal Reserve Bank of St. Louis, which is responsible for setting monetary policy in the United States, has recently announced that it will be increasing interest rates. This move is likely to have a negative impact on bond prices, as higher interest rates make it less attractive for investors to hold bonds. However, this also means that bondholders will earn a higher rate of interest on their investments.

It is important for investors to choose bonds that are likely to perform well in the future. This can be done by carefully evaluating the creditworthiness of the issuer, the type of bond, and the overall economic environment. By doing so, bondholders can ensure that they are earning the highest possible income from their investments.
The State of Trade and Industry

The increase in total industrial production for the country-at-large last week was very slight, being the second consecutive week in which progress was reported. Compared with the previous week it was be about on a par with the high level of production which prevailed in the middle 1930's. Materials and armament were sufficient to counterbalance declines in soft goods.

Employment continues favorable in the latest week with total claims remaining in the present period. It is reported to have fallen 15% to the lowest level so far this year. However, they were recorded as being 15% above a year ago. With respect to initial claims, they declined 15% during the week.

In an address at Chicago, M. H. Gainsbrugh, chief economist of the National Industrial Conference Board recently stated that inflation has stopped temporarily and that no new round of spiraling prices now seems on the horizon. He declared this month marks the fiftieth anniversary of the country's inflationary "flow," adding that "virtually all business indicators outside of defense industries have turned downward." Mr. Gainsbrugh asserted, the "stretch-out of defense suggests that support for private business from this source may continue at high levels for at least two years."

Steel ingot production advanced to a new record level the past week, fractional in the previous peak of production. At 101.3% of capacity, it was about one-half a point above the previous week.

The current week steel production is scheduled to set a fresh historically high record level at 101.8% of capacity.

Steel ingot producers have a source of irritation: that become so constrictive that vital production is being lost, states "The Iron Age," national metalworking weekly. So far, losses aren't large enough to be shown in steel trade statistics, but steel producers believe that steel tonnage, if multiplied by officers in Washington don't move more quickly to relax their controls may prove serious.

Worried of all, the controls' noise is chocking small and non-integrated steel producers the hardest. Last week, says this trade publication, "it was found that a number of a declining order book. The company reported that the classified loss was due to a fairly steady decrease in domestic and export orders. The company was not able to maintain a price level for their products."

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Steel people feel that controls officials should make good on their pledge to lift controls, product by product, as soon as market conditions warrant.

The Administration will try to keep controls authority on the book as long as possible. Reason for, this, they will probably permit relaxation of restrictions on consumer use of easy-to-get products, but will not let them completely out of the Controlled Materials Plan, declares "The Iron Age."

The steel-wage controversy is another factor slowing down steel industry. Even to the extent that it may be said to reverse the easy trend of the market. This big question is not quite settled yet. If the two major steel companies declared a wage increase, the wage stabilization Board is hurrying its recommendations to the President. Steel is needed, the Board feels, to keep the White House can be reached before that date, trade authority notes.

As far, Washington's efforts to split the wage-price question into two parts have made no headway. Industry officials were angered last week by a trial balloon, believed to have emanated from Washington, to the effect that steel wages go up $1.50 while prices would be increased only $3 a ton. Such a price increase, this trade journal points out, would be less than half what the industry insists it would have to get to cover a wage increase of $1.50.

Steel officials are against a wage increase at this time and they are dead set against agreeing to one unless they are allowed a price increase to pretty well cover the higher costs. If the stabilizers squeeze too hard, they could force a shutdown of the steel industry. But "The Iron Age" says: "Steel production last week slipped to 84,350, down about 2% from the 95,450 last week and 38% below the 139,559 which left assembly lines in the like week last year, "Ward's Automotive Reports" discloses.

Two weeks ago "Ward's" reported G. M., Chrysler and Stude¬baker might avoid shutdown in March by a 70,000-car Federal permit, production "bonus," but later added that such an outcome might not be "suitable" and that the cars had not been said actually to go on the market.

Last week this agency stated that Studebaker—which had been operating a four-day week in February because of govern¬ment restrictions on production—would return to five—returning to normal production. Continuing, it stated, that it believes the industry will be allowed to carry into the second quarter and future quarters "any and all advances in production that it is allocated."

Car makers this month, this agency reports, are shooting at their highest monthly production since last October. It declared the industry is aiming to make at least 360,000 cars in March, the highest number since the 412,000 produced last October. Even with this greater March output, however, the

Continued on page 27

Observations... By A. WILFRED MAY

Short Selling De-Glamorized

During the past hundred years of Wall Street's history short selling has been one of the most intriguing of all its activities. It is recognized by the legendarv exploits of the Daniel Drews and the Henry Clews of the 1870s, dramatized in the famed Hill-Harriman Northern Pacific battle and corner of 1901, glamorized in the personage of the current manipulator of our booming, notorious Jesse Livermore, exorcized by "the police" in the post-1929 days, re-emergence from his past, by Congressmen Salathie and the others as the market's last hope for stability, it has been described as the market's last hope for stability, it has been described as the market's last hope for stability. Does it tend to demoralize the market, and accentuate its short- and long-term fluctuations? Or, conversely, does it further mark orderliness and actually reduce fluctuations?

Regardless of the current investigations and Congressional Heller Committee* will explore some of these phases of our investigation.

A New Flood of Light

Much needed light on the subject's specific questions as well as on its broader economic implications is furnished now by the issuance, for limited circulation, of a detailed study, of 66 pages plus tables, made under the aegis of the 20th Century Fund. Shortly after the studies made by New York Stock Exchange asked this research group to make an independent appraisal of the past data of the activity, with the object of throwing light on the short seller's responsibility for the preceding market break, as well as those which had occurred during the earlier years of the decade. The report stresses that it is now only a matter of the fund's experts Fred R. Macaulay and David Durand, in consultation with a number of leading experts, was laboriously compiled since its initiation in 1936.

Mention of the word "short" in the world's stock market, but particularly in the United States, brings to mind a host of individual traders.

Only a Snapcast Now

They have found that outbreaks of undesirable short selling occurred rather frequently in the early days, with attacks on the allegedly "vicious" market in the first half of the 1920s, when it was believed that the stock market would not be able to support the 70% price reaction in the comparatively tranquil post-1929 era of "50s." But does it tend to demoralize the market, and accentuate its short- and long-term fluctuations? Or, conversely, does it further mark orderliness and actually reduce fluctuations? Regardless of the current investigations and Congressional Heller Committee* will explore some of these phases of our investigation.

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The Business Temperature — Hot and Uncertain!

By VICTOR B. GERARD

Treasurer, Commonwealth & Southern Insurance Co., Louisville, Ky.

Answering the question, "Have we entered a new era of perpetual economic summer or is autumn approaching?", Mr. Gerard explains why business depression did not develop after the postwar period despite the wholesome financial conditions that prevailed. He advocates a recognition of the fact that the business temperature is rising, with a resultant increase in the spending ability of the middle and lower income groups, which leads to increased demand for consumer goods. The result is a rise in business activity, but also a need for careful planning and management to avoid overheating.

In effect, our newspapers have been warning of recessions for the past 60 days. Equally important, these items influencing the conditions are usually few in number, and so the outlook for the future remains relatively promising.

The Stock Market Outlook

By S. B. LURIE


Market analyst cites recent news items as pointing to following general conclusions: (1) we are in a period of distortions and contradictions; (2) economy is in throes of inventory adjustment, and (3) we are living in a New Era of research and development. Conditions have changed in market environments have changed into declining tendencies. As to market's future, Mr. Lurie maintains: it is sounding out bottoms. The fact that it is not the time to "bett the bangokld," outstandingly attractive situations should be bought.

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Canada's other words, the post-war period was far greater than the previous years and "grew up" to new plant capacity.

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By S. B. LURIE


Market analyst cites recent news items as pointing to following general conclusions: (1) we are in a period of distortions and contradictions; (2) economy is in throes of inventory adjustment, and (3) we are living in a New Era of research and development. Conditions have changed in market environments have changed into declining tendencies. As to market's future, Mr. Lurie maintains: it is sounding out bottoms. The fact that it is not the time to "bett the bangokld," outstandingly attractive situations should be bought.

In effect, our newspapers have been warning of recessions for the past 60 days. Equally important, these items influencing the conditions are usually few in number, and so the outlook for the future remains relatively promising.
From Washington
Ahead of the News

By CARLISLE BARGERON

After the Ohio Republican campaign for Presidential delegates in the spring of '48, in which Stassen picked up eight delegates at the expense of Taft, the latter called Governor Dewey on the phone and told him that if he expected to beat Stassen in the forthcoming Oregon campaign, he, Dewey, had better get out there and go to work. Stassen was running like a house afire at the time; his breaking into Taft's stronghold in Ohio had made a vivid impression upon the Senator. On the other hand, Dewey's stock was way down. Many political experts had counted him out of the race.

But he took Taft's advice, went out to Oregon and made a "whistle-stop" or rather, a "fan stop" campaign, defeated Stassen and captured the delegation. The Dewey campaign was revived and he went on to win the nomination at Philadelphia. Conversely, it was the end of Stassen's meteoric rise.

He has never forgiven Taft for having per¬runted Dewey to go out to Oregon and go to work. He thinks that had Taft kept quiet, Stassen would have been President today because, of course, he would have conducted a different kind of Presidential campaign and a successful one. Taft didn't gain anything because Dewey's victory in Oregon was such a shot in the arm that he got the nomination.

This explains more than any other one thing Stassen's activity in the present campaign. He is quite sincere when he says he is not a staking horse for Eisenhower or anyone else. His entrance in the New Hampshire campaign would prove this.

Undoubtedly, in his extreme excitement he thinks something may happen, perhaps a deadlock between Taft and Eisenhower, or something out of the sky that will bring the nomination to him. He feels that he is doing his best and the happy result is making Taft do to himself in the course of his having to com¬pete with Stassen for the votes of the "gutters," those who want the government to do something for them. In this respect he is attempting to pull Taft out of his character and to some extent, I am afraid, he is succeeding. I am one of those who know Taft, and knowing, I think, what his election would mean, would gladly excuse his getting votes in any way he can. As the old saying goes, a man can't be a statesman without being elected, and he has got to be a politician to get elected. The danger to Taft, himself, how¬ever, is his record is pulled enough out of character it will militate against his getting the nomination. It didn't do him the slightest good in 1946 to come out for Federal aid to housing, which he did after so many of his well wishers kept pouting for months to quit saying "no" all the time, to be at least a little liberal.

One of the funniest things I ever heard was at a reception on the eve of the Philadelphia Republican Convention when old Joe Grundy wiggled his finger in the face of another Republican leader and said squawkily:

"But, I tell you, Bob Taft is a Socialist!"

Grundy's attitude was responsible for Taft losing about two-thirds of the Pennsylvania delegation which went to Dewey.

Greater than the danger to the man himself, though, is that to the country as a whole, because if he has to get the nomination and be elected by outbidding a man like Stassen for votes, the effect is adverse upon all of us.

This spectacle of Stassen dogging Taft's tracks in the primaries will probably be lost upon those who are advocating that we should have even more Presidential primaries and more running once; also, those who want to do away with the electoral college and have the President elected directly by the people. It will be lost upon them because more demagoguery in the election of our Presidents is exactly what they want. Apparently, we don't have enough of it in the election of our Senators and Representatives. Let's extend it.

Phila. Inv. Women to Hold Spring Dinner

PHILADELPHIA, Pa.—The In¬
vestment Women's Club of Phili¬
delphia will hold their spring dinner meeting on Monday, March 17, at the Stony Brook Hotel at 6:15. The speaker for the evening will be Miss Audrey S. Armilage of Street, members of the New York and San Francisco Stock Ex¬
changes. Miss Armilage will supplement her changes Mr. Merrill was pro¬

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March 11, 1952

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Tucker, Anthony & Co.
Dealer-Broker Investment Recommendations and Literature

It is understood that the firms mentioned will be pleased to send interested parties the following literature:

Aircraft Industry—Brochure discussing the key role of the industry with particular reference to Beach Aircraft Corporation and the aircraft industry, both aircraft makers, manufacturers and dealers.


In the same issue there is also a brief discussion of the Hollinger companies.

Airlines—Analysis of outlook—Eastman, Dillon & Co., 15 Broad Street, New York, N.Y.

Cyclical Turn in Bank Stocks—Analysis—Geyer & Co., Inc., 43 Wall Street, New York, N.Y.

Earnings Squeeze—Bulletin—Francis, I. du Pont & Co., 1 Wall Street, New York, N.Y.

Expansion of Squeeze—Guide to picking stocks by Ira U. Cobleigh—David McKay Co., Inc., 225 Park Avenue, New York, N.Y.


Over-the-Counter Index—Booklet showing an up-to-date comparison between listed and unlisted industrial stocks used in the Dow-Jones Averages and the 25 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 13-year period—National Quotation Bureau Inc., 46 Front Street, New York 4, N.Y.

Railroad Income Bonds—Comparison—Vilas & Hickey, 42 Wall Street, New York, N.Y.

Stocks Down From Highs—List of stocks selling sharply below their Oct. 3 highs—Sutro Bros. & Co., 120 Broadway, New York, N.Y.

Affiliated Gas Equipment, Inc.—Bulletin—Gartley & Associates, 615 Wall Street, New York, N.Y. Also available is a bulletin on Harshaw Chemical Company.

American & Foreign Power—Review—Ira Haupt & Co., 11 Broad Street, N. Y.

American Metal Company, Ltd.—Brief analysis in current issue of "Market & Business Survey"—E. F. Hutton & Co., 61 Broadway, New York 6, N. Y. In the same issue is an evaluation of Coca-Cola and a list of regular dividend payers with sound yields.

Anconda Copper Mining Co.—Brief review—Freehling, Meyers, O'Neill & Co., 144 La Salle Street, Chicago 3, Ill. Also available are data on Citic Finance Corp., General American Transportation, Great Lakes & Cats., Socony-Vacuum Oil Co. and Sylvanite Electric Products, Inc.

Anglo Canadian Oil—Study—Kippen & Co., Inc., 607 St. James Street, West, Montreal, Que., Canada. Also available are studies of Calgery & Edmonton Corp., Hollinger Consolidated Gold Mines and Hudson's Bay Company.

Bank of America—Memorandum—First California Co., 300 Montgomery Street, San Francisco 20, Calif.

Bank of America, N. T. & S. A.—Analysis—The First Boston Corporation, 100 Broadway, New York 5, N. Y.

Canadian Pacific Railway Company—Analysis—Barclay Investment Co., 29 South La Salle Street, Chicago 3, Ill.

Central Vermont Public Service—Analysis—Ira Haupt & Co., 111 Broadway, New York 6, N. Y.

Continental National Bank & Trust Co. of Chicago—Bulletin—Laid, Bissell & Meeds, 120 Broadway, New York 5, N. Y.


Deacon Metals & Supply Co.—Analysis—Hill Richards & Co., 621 South Spring Street, Los Angeles 14, Calif. Also available is a special bulletin on Convertible Preferred Stocks.

Interstate Power—Memorandum—Josephphal & Co., 120 Broadway, New York 5, N. Y.

Kearney & Trecker Corp.—Memorandum—Fowle & Co., 453 South Spring Street, Los Angeles 13, Calif. Also available is a memorandum on Oil Industries.

Lane-Wells Company—Annual report—Lane-Wells Company, 5610 South Grand Avenue, Los Angeles 17, Calif.

P. Lorillard Company—Illustrated annual report—P. Lorillard Company, 119 West 40th Street, New York 18, N. Y.


Maine Turnpike—Memorandum—Tripp & Co., 40 Wall Street, New York, N. Y.

Morris & Essex Railroad Co.—Bulletin—C. Herbert Onderdonk Co., 165 Broadway, New York 6, N. Y.

Multim Leaf Manufacturing Corporation—Current review—Van Alstyne, Noel & Co., 52 Wall Street, New York 5, N. Y.

Placer Development, Ltd.—Analysis—John R. Lewis, Inc., 1006 Second Avenue, Seattle 4, Wash.


San Diego Gas & Electric Company—Memorandum—Paul H. Davis & Co., 10 South La Salle Street, Chicago 3, Ill. Also available is on Sperry Corporation.

Senea Oil Company—Analysis—Geneve Valley Securities Co., Powers Building, Rochester 14, N. Y.

Shawmut Association—Analysis—Brisle & Kliger, Stout & Co., 50 Broadway, New York 4, N. Y.

Skiles Oil Corporation—Analysis—Crutendten & Co., 209 South La Salle Street, Chicago 4, Ill.

Edward Schafer, Jr.
Edward Schafer, Jr., member of the New York Stock Exchange, passed away on March 7th.

With Ellis, Holyke
(Special in THE FINANCIAL CHRONICLE)

LINCOLN, Neb.—Warren A. Consolvo, member of the Real Estate & Finance Company, Stuart Building.

With Waddell & Reed
(Special in THE FINANCIAL CHRONICLE)

KANSAS CITY, Mo.—William R. Waddell, member of Waddell & Reed, 1012 Baltimore Avenue.

With Straus, Blasor
(Special in THE FINANCIAL CHRONICLE)

DETROIT, Mich.—Leah H. Hensley is with Straus, Blasor & McCowell, Buhi Building.

With Jobs Bar Inv.
(Special in THE FINANCIAL CHRONICLE)

ST. PETERSBURG, Fla.—Edw. C. Rebozo has joined the staff of Barrios Investments, Florida Theatre Building.

With Louis McClure
(Special in THE FINANCIAL CHRONICLE)

TAMPA, Fla.—William J. Prowse is now associated with Louis McClure & Company, 615 Madison Street.

With Howard, Well Firm
(Special in THE FINANCIAL CHRONICLE)

LA MESA, Calif.—La Mrs. Gertrude C. Martin has joined the staff of Howard, Well, Labouisse, Friedman & Co., Hibberland Bldg., members of the New Orleans and Midwest Stock Exchanges.

Three With Renyx, Field
(Special in THE FINANCIAL CHRONICLE)

ATLANTA, Ga.—Olive M. Pernal, Richard H. Harten and Clarence W. O'Brien have been connected with Renyx, Field & Company of New York.

Joins Lundborg Staff
(Special in THE FINANCIAL CHRONICLE)

SAN RAFAEL, Calif.—Earl T. Riley, Jr. has become affiliated with Irving & Lundborg, Inc., of San Francisco. Mr. Riley was formerly assistant manager for Raggio, Reed & Co.

With Merrill Lynch
(Special in THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—William F. Walls has become associated with Merrill Lynch, Pierce, Fenner & Beane, 301 Montgomery Street.

With Three Paul Rudolph
(Special in THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Raymond A. Drummond, Jr., Thomas J. Kolins and Donald A. Scofield are now associated with Paul C. Rudolph & Company, 127 Montgomery Street.

With Coburn, Middlebrook
(Special in THE FINANCIAL CHRONICLE)

BGSTON, Mass.—Donald J. Steele has rejoined the staff of Coburn & Middlebrook, 73 State Street. He has recently been with Gordon B. Hanlon & Co. and Joseph F. Jordan & Co.

Clement Evans Adds
(Special in THE FINANCIAL CHRONICLE)

ATLANTA, Ga.—James O. Drew has been joined by Clement A. Evans & Company, Inc., First National Bank Building.

March 14, 1952 (Toronto, Ont., Canada)
Toronto Bond Traders Association luncheon dinner at the King Edward Hotel.

March 17, 1952 (Philadelphia, Pa.)
Investment Women's Club of Philadelphia Spring meeting at the Sylvanola Hotel.

March 20, 1952 (N. Y. City)
Bond Club of New York annual dinner at the Waldorf Astoria.

April 17, 1952 (New York City)

April 18, 1952 (New York City)
Security Traders Association of New York annual dinner at the Waldorf Astoria.

May 1-2, 1952 (Galveston, Tex.)
Texas Bond Traders Association Spring Meeting at the Hotel Galvez.

May 4-8, 1952 (San Francisco, Cal.)
National Association of Financial Analysts Societies Fifth Annual Convention at the Fairmont Hotel.

May 9-10, 1952 (Los Angeles, Cal.)
National Federation of Financial Analysts Societies Fifth Annual Convention at the Ambassador Hotel.

May 14-17, 1952 (White Sulphur Springs, W. Va.)
Spring Meeting of the Board of Governors of the Investment Bankers Association.

June 6, 1952 (New York City)
Bond Club of New York eating at Sleepy Hollow Country Club.

June 16-13, 1952 (Canada)
Investment Dealers' Association of Canada annual convention at the Algonquin Hotel, St. Andrews-by-the-Sea, New Brunswick.

June 13, 1952 (Philadelphia, Pa.)
Texas Stock Traders Association meeting at the Hotel Pennsylvania.

June 17, 1952 (Detroit, Mich.)

June 17 at the Lochmoor Country Club.

June 18, 1952 (Minneapolis, Minn.)
Twins City Bond Club annual picnic at the White Bear Yacht Club.

June 29-32, 1952 (Minneapolis, Minn.)
Twins City Security Traders Association summer outing "Operation Fishbbie" at Grandview Lodge on Gull Lake.

Sept. 28-Oct. 1, 1952 (Atlantic City, N. J.)
American Bankers Association Annual Convention.

Oct. 15, 1952 (Miami, Fla.)
National Security Traders Association Annual Convention at the Boney Plaza Hotel.

Nov. 30-Dec. 5, 1952 (Hollywood, Fla.)
Investment Dealers' Association Annual Convention at the Hollywood Beach Hotel.

COMING EVENTS

In Investment Field

    The Commercial and Financial Chronicle ... Thursday, March 13, 1952
A Business View of Foreign Economic Policy

By GEORGE A. SLOAN*

Chairman, the United States Council of the International Chamber of Commerce

Proponents of a modest recovery fund and recommending future assistance to Western Europe be concentrated on military assistance. Mr. Sloan urges curtailment of the Marshall aid programs and the use of foreign economic solvency, currency convertibility, and increased importation of foreign goods into U. S. market. Maintains next post-armament transition must be cushioned by unprecedentedly large intergovernmental payments and gold and rapidly these resources can be harnessed.

Since end of World War II we have gone to the rescue of friendly nations when many of their cities were in ruins. The result has been substantial—greater in some countries than in others. But there has been a largeness of heart in all countries which could hardly have occurred without Marshall grants. Europe has done remarkably well with a substantial cut-out. The fight against inflation has been fairly successful in some countries such as Italy, but less successful in others such as France and Great Britain. Economic cooperation among nations has made progress, although not as rapid as we might have desired. Europe reduced its foreign trade deficit from $2.3 billion in 1948 to $3.8 billion in 1950. At the same time, Europe’s exports increased $1.9 billion in 1948 to $2.6 billion in 1951.

A continuation of aid would encourage insolvency, the primary objective of the Marshall Plan.

Continuation of Aid Would Encourage Insolvency

However, we must realize that such large-scale pump-priming cannot continue without long-range recovery programs in the countries receiving foreign economic aid from the United States.

To cut steps of a domestic economic nature which is necessary to cut our military expenditures and balance military requirements with the economic capacity of the free world. Rearmament does not merely pose the problem of raising the standard of living for all the people in all the free nations have pledged themselves to the task. It will cost billions to $200 billion for the seven years, and it will affect the lives of everyone in the United States. And should we fail to help in the temple to let our international obligations go for naught in this year of great de- cision, we would obviously possess a leadership among the free nations of the world.

Military Requirements and Civilian Needs

The recent session of the North Atlantic alliance, the council of defense, and the balance military requirements with the economic capacity of the free world. Rearmament does not merely pose the problem of raising the standard of living for all the people in all the free nations have pledged themselves to the task. It will cost billions to $200 billion for the seven years, and it will affect the lives of everyone in the United States. And should we fail to help in the temple to let our international obligations go for naught in this year of great de- cision, we would obviously possess a leadership among the free nations of the world.

Economically, speaking, the primary objective of rearmament is:

(1) To increase military budgets realistically; and

(2) To take steps of a domestic economic nature which is necessary to cut our military expenditures and balance military requirements with the economic capacity of the free world. Rearmament does not merely pose the problem of raising the standard of living for all the people in all the free nations have pledged themselves to the task. It will cost billions to $200 billion for the seven years, and it will affect the lives of everyone in the United States. And should we fail to help in the temple to let our international obligations go for naught in this year of great de- cision, we would obviously possess a leadership among the free nations of the world.

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Text of IBA Memorandum
Condemning SEC Fee Proposals

Joseph T. Johnson, President of the Investment Bankers Association of America, Inc., has submitted to Securities and Exchange Commission in response to invitation for comment on proposed new fees and charges to be imposed by the Commission, as follows:

The Investment Bankers Association of America, Inc., representing the interests of members and the larger public interest, submits this statement in response to the invitation of the SEC to comment on proposed new fees and charges to be imposed by the Commission. We believe that the fees and charges proposed by the SEC will have a harmful effect on the underwriting and distribution of securities, and we urge that the following recommendations be considered:

1. The SEC should not impose fees and charges which are not justified by the revenue necessary to operate the SEC.
2. The SEC should not impose fees and charges which will unfairly burden or discriminate against any particular group of SEC registrants.
3. The SEC should not impose fees and charges which will unduly burden or discriminate against any particular sector of the economy.
4. The SEC should not impose fees and charges which will unduly burden or discriminate against any particular segment of the public.

The above recommendations are based on the following considerations:

1. The SEC should be funded from general revenue sources.
2. The SEC should not impose fees and charges which are not applicable to all SEC registrants.
3. The SEC should not impose fees and charges which are not justified by the services provided.
4. The SEC should not impose fees and charges which are not consistent with the principles of fairness and equity.

We urge the SEC to carefully consider these recommendations and to adopt policies which will ensure that the fees and charges imposed are fair, reasonable, and consistent with the public interest.

Joseph T. Johnson
President, Investment Bankers
Association of America, Inc.
Mc Cormick Urges Easing Rules on Underwritings; Favors Frear Bill

Former SEC Commissioner makes following recommendations in testifying before Heller Committee: (1) removal of prohibitions against solicitation during registration period; (2) permission to use identifying statement in advance of official prospectus; (3) abolition of periodic provisions of Federal jurisdiction over securities transactions; (4) simplification of present prospectus; (5) exemption of bonds of investors association from registration. The view is that too many financial transactions are being shut out by public circular; (7) freeing of brokers or dealers from requirement to supply prospectus on unsolicited orders of new offers; and (9) reduction in period during which new offers may be made to any one investor. The想法 is that the Frear Bill, admitting it will mean more listings for exchanges. Advo-
cating shortening of holding period under capital gains tax.

Edward T. McCormick, President of the New York Stock Exchange, and a former member of the Securities and Exchange Commission, appeared March 10 before the Senate Committee on Interstate and Foreign Commerce, in support of his views with respect to the effect that the Securities Act of 1934 has on the New York Stock Exchange and other stock markets. He was also a member of the Subcommittee on Interstate and Foreign Commerce, for the purpose of expressing his views on the subject of the correctness of the regulations issued by the SEC. McCormick said that the SEC has made changes in the rules promulgated thereunder.

McCormick said that the SEC has made far too many such changes in the rules as have occurred in the rules of the SEC. There is no provision for appeal of the SEC's decision, and the SEC does not have the power to give specific notices to its members. The SEC has made too many changes in the rules and institute needed reforms, in addition to the many changes that are being made through the use of circulars, which are not useful to the public, and it does not bring them to the attention of the public. The statute is clear in its intent to provide a rational and logical basis for the protection of investors. The SEC has power to control, and the SEC should be able to give specific notices to its members.

McCormick also said that the SEC has failed to give specific notices to its members. The SEC has made far too many such changes in the rules as have occurred in the rules of the SEC. There is no provision for appeal of the SEC's decision, and the SEC does not have the power to give specific notices to its members. The SEC has made far too many changes in the rules and institute needed reforms, in addition to the many changes that are being made through the use of circulars, which are not useful to the public, and it does not bring them to the attention of the public. The statute is clear in its intent to provide a rational and logical basis for the protection of investors. The SEC has power to control, and the SEC should be able to give specific notices to its members.

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Stressing Income From Mutual Funds

By EUGENE J. HARAS*

Mr. Haras points out opportunity exists for mutual fund organi-

tations to build up business by broadcasting virtues of thrift

to a mass of consumers. He suggests ways to work to gain income.

Urges stressing value of extra income, while on social security during old age. Says actuarial tables and arithmetic can be tools of Mutual Funds' salesmen.

My thesis is that too many people are not realizing that their savings can accomplish for them; that we in the business can work to produce a market for mutual funds. The basis for our hopes is the consistently growing amount of money available with which to save.

Each year billions of dollars are put away in individual savings accounts. However, few persons become familiar with the value of this money, even though in the aggregate it amounts to a staggering amount. Many are aware of the fact that they need to save in order to meet contingencies, but few are aware of the importance of saving in order to accumulate substantial sums of money to be available later for use.

Many millions of people regard their savings as simply a store of purchasing power which can be spent at a later date. The extreme low rate of return paid by banks and other savings institutions is not conducive to this attitude. Certain interests are not made aware of how much interest on their savings can be obtained by the proper allocation of funds. Few are aware of the value of the money they save, and therefore fail to realize that by saving they are actually increasing the value of their income.

Our attempt to show that the public is not utilizing its savings in the most efficient manner is not only our responsibility, but our duty. We should strive to educate our fellow citizens to the importance of saving, and to show them the many advantages that can be derived from the practice of thrift.

Eugene J. Haras

America at the Cross-Roads

By THEODORE G. GRONZET

Chairman, Dept. of History, Washougal College, Crawfordsville, Ind.

Though not belittling Communist threats to our national life, Prof. Gronzet contends strength of Soviet Union is overestimated and Soviet leaders are counting on internal waste and instability to provide them with foreign policy opportunities. He contends, however, that we must prepare ourselves to meet the challenge of the United States with the example of collective safety and security. The nations of the world must work together to support the principles of freedom and democracy.

In a day of crowded highways and diverse instruments of cross-sectional policy, it has now come to be necessary that we face the fact that the annals of the diplomatic annals. The world of politics and the world of business are now inextricably intertwined.

The problems we face today are the problems of our fathers, but the solutions we devise must be new.

It has been said that the world is divided into two parts: the rich and the poor. In this world of affluence, the poor are becoming poorer, while the rich are growing richer.

The solution to this problem is not to be found in political violence, but in cooperation and understanding. We must work together to build a better world for all people.

To achieve this goal, we must first understand the problems we face. Only then can we begin to work toward solutions.

Our task is艰巨, but it is one that we must undertake if we are to preserve the principles of freedom and democracy.

The nations of the world must work together to support the principles of freedom and democracy.

*An address by Dr. Gronzet at First Central Bank of Crawfordsville, sponsored by Trust Division of First National Bank of Crawfordsville, Ind.

Continued on page 35

The Commercial and Financial Chronicle . . . Thursday, March 10, 1932
Savings in Today's Economy

ELLIOTT B. VELL.
Editor and Publisher of the "Business Week"

Mr. Bell asserts we have been experiencing a recession within a boom because people are choosing to save their extra income; the shift from spending to saving equaling 7% of all consumption. Maintains sudden drop in savings-rate could give enormous stimulus to current economic activity. Billions of Federal income tax on undistributed earnings of savings institutions as "a piece of monumenal stupidity ... worthily heretical in Federal laws.

One of the most significant developments of the past year has been the emergence of savings as a dynamic factor in the American economy. In our modern economic setting, the discussions of the business people of the United States look not like the studies of the Govenrment's role in the economy. The discussion is more general, the scope wider, the discussion on a scale, short-term, long-term. What materials needed for war, what mistakes in employment were to be corrected. The saving of the people, the call to the cost of living — have shown only a negligible rise in the past year.

Recession Within a Boom

Since early last spring, in the face of enormous inflationary pressures, we have been witnessing an economic phenomenon — a recession within a boom. While armament production has been rising and national savings has been soaring, many lines of business have been in the doldrums. The general level of prices, wages, and costs has either not increased or has been moderate in scope. And why has this happened? It has been traced in large, the breakdown in the index of OPS. Nor has it been because of anything else the government has done. Primarily, it has been because of the saving trend. The last year has not brought a rise in the saving rate, but to save it.

While personal incomes, changes in the decisions of people to spend or save will have a very sharp impact on business.

In the first quarter of 1951, the American people were saving about 10% more than they had in the two quarters that followed. After rising to the rate of 17.8 billion a year. By the last quarter of the year, they had raised the level of saving to the rate of 18.5 billion. But then the same time, incomes were rising so that savings at all levels were increasing the savings at the annual rate of 50 billion a year.

Just think what it is impact on business. It meant that the consumer goods dealers have been able to hold their spending at a level of $14 billion a year. Whether that saving was equal to 7% of all consumer outlays.

The纺织业, the textile business and the television business had a good year. The textile business was on labor's demands for higher pay, and here again the situation with the textile industry was relieved. The fact that the people of this country have a large proportion of their income instead of spending it is a matter of some long rage significance. It means that the levels of personal incomes is now such that the population can cut back on spending, at will, without suffering hardship. The American standard of living is today as high as that at 40% that is postable; that is, made up of things that we can go without for a shorter or longer period.

Actually, there was no great sacrifice of living standards in the sense of being made to bear up to the background of recent years.

Our "Age of Inflation"
The phrase has become somewhat loosely called the Age of Inflation. There is no currency anywhere in the world that has not depreciated at least 40% in purchasing power over the past decade. In most cases, the loss of value has been much greater; and in some, it runs as high as 90%.

During all this time, the thirsty demand for money has put into a savings bank or a government bond has had a negative return. It has been in the order of 5% or less. The earnings on the money have been less than the loss in value of the principal.

Actually, every saver or investor has been compelled to compound interest on his money. This year has been a year of negative returns.

In the course of experience to promote thrift. What then, persuaded the American people to cut back on saving last year? The answer is fairly clear. At the beginning of the year, all of the billions of dollars saved the past year went into savings institutions and investment of large a part went to pay off a large number of savings that has always proved a good thing to do.

The farmer who uses part of his income in large amounts that Reduced the level of spending, there is no way to prevent the farm is making no mistake, no matter what happens to the dollar.

Thrift Pays

Similarly, the home owner has always made his decision in the face of an age of inflation. The man and woman who have bought their home and who bought a mortgage should now be sitting pretty. They own their home outright and the chances are it has a market value that will rise and which is expected to go up by at least two times what they paid for it.

As for those savers who put their money into savings banks and their cash savings into "such large amounts last year, it must be presumed that most of them don't expect the dollar to lose its value at a rate of over 5% per annum. Whether or not that is an optimistic hope for the near future, the last year's experience shows that inflation can be halted by saving.

The sharp increase in savings in these last months is having an effect that is damping down the fires of inflation. Faced with a slowdown dealers have begun to clear their inventories. And December of last year to $2.3 billion. In January, this in turn brought a slowdown in consumer goods manufacturing, thereby lessening inflationary pressure on the economy for both labor and materials.

The higher savings of the past year, a main reason why the expected shortages in many lines of consumer goods, a main reason why the expected shortages in many lines of consumer goods. The leveling out of the rise in the cost of living had a moderating effect on labor's demands for higher pay, and here again the situation with the textile industry was relieved. The fact that the people of this country have a large proportion of their income instead of spending it is a matter of some long range significance. It means that the levels of personal incomes is now such that the population can cut back on spending, at will, without suffering hardship. The American standard of living is today as high as that at 40% that is postable; that is, made up of things that we can go without for a shorter or longer period.

Since the action of the Board has evoked strong opposition on the part of the financial community, the Board on the matter.

Little Attention to Dividends

For a good many years after the banking crisis of the early thirties, sizable dividends of the holders paid little attention to the rate of dividend paid them. Safety and convenience were the two most important considerations. Up until about the end of World War II, the most important single factor in attracting business to a savings institution was its location. Given a good location, the rate of dividend paid seemed to matter little.

Similarly, commercial banks were able to attract and hold a large volume of so-called thrift accounts even though they paid as a rule, substantially less than nearby savings banks and savings and loan associations.

Gradually the situation changed. During the war, full employment and a shortage of things to buy resulted in an abnormally high rate of savings — as high as one-fourth of income, in some cases. The banks that made savings made people interested in what these savings could earn for them. The War Bond issue, with its emphasis on rate heightened this desire for a better return. Savings institutions, particularly the federal savings and loan associations, began to give greater and greater stress to rates of interest and to the rate of dividend paid, which had most likely been a feature of each savings bank's movements in 1947; and within the next three years nearly all savings banks raised their rates to 3% maximum permitted by Bank Board regulations.

That was the situation last year when several developments brought the interest rate question once more to the fore. First there was the cumulative effect on savings banks earnings of the shifting out of government securities and into higher yielding mortgages, the process that had been going on for several years. At the end of 1947, the savings banks held only 28% of the earnings assets of savings banks. By the end of 1951, that proportion had dropped to 17%. The fall in income on mortgage investments was also the low point in savings banks with the rise in the mortage portfolio average earnings have been creeping steadily up, and the higher rates on the larger group of savings accounts, plus opening up the prospect of higher dividends.

Also, the action of the Federal Reserve Board in unpegging the government bond market a year ago. The resultant readjustments put in motion a strong trend of bond and mortgage yields. Money became scarcer, and the competition for deposits became keener.

Then developed a movement among the commercial banks to raise rates on special interest accounts to the 2% level. For many years, it had been the accepted practice for savings banks to pay more than commercial banks to pay rates higher than commercial banks to pay rates higher than savings bank divi-

In recent years, however, there have been signs of growing discontent among the commercial bankers over this relationship. Commercial banks in this state have experienced a considerably lower rate of growth in recent years than have savings institutions, and earnings have been unsatisfactory for a long time.

And so, the competition of savings banks in the big cities that has been an awakening of interest in the matter. The commercial banks had long before been cut back by drives for small accounts, by the issuance of n u m e r o u s neighborhood banks. But the great movement in what is sometimes called de-
Next Step Forward in Forecasting

By HOMER FAHNER
Registered Investment Adviser, Cornering, Calif.

Investment adviser analyzes formula plan and practice, asserting pioneers were motivated by difficulties encountered in forecasting, shortage of statistics, skills. Maintains formula planners have overlooked investment managers who have consistently made profits from following market's established trend.

If forecasting is to be a serious business, it must be conducted on the same level as any other business. It is no longer a matter of guessing or hearing a disco talk, but an open and scientific approach to a problem, a problem that can be solved with the aid of well-known statistical methods. The idea has been around for a long time, but it is only in recent years that the economic profession has become interested in it. It is not a new idea, but it has been of great interest to the professional investor for some time. The idea is to forecast the future, and the future is the key to the present. The future is what we are concerned with, and the future is what we are trying to predict.

One can hardly open an issue of the Financial News without seeing a story about how someone is looking into the future and predicting what will happen. The idea is not new, but it has been of great interest to the professional investor for some time. The idea is to forecast the future, and the future is the key to the present. The future is what we are concerned with, and the future is what we are trying to predict.

The Two Groups of Forecasters

Forecasters are divided into two groups: those who believe in forecasting and those who do not. The former group believes that the future can be predicted, while the latter group believes that it cannot be predicted. The former group is composed of people who are interested in the future, while the latter group is composed of people who are not interested in the future. The former group is composed of people who are searching for a solution, while the latter group is composed of people who are not searching for a solution.

The forecasters who are most successful in their field will be those who are most successful in their work. The forecasters who are most successful in their work will be those who are most successful in their work. The forecasters who are most successful in their work will be those who are most successful in their work.

The Appraiser

Appraiser does not have the capability of predicting the future, but he can give a value based on past performance. The appraiser is able to analyze past performance and make a prediction based on that analysis. The appraiser is able to analyze past performance and make a prediction based on that analysis. The appraiser is able to analyze past performance and make a prediction based on that analysis.

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20 Years of Progress Through Service to America's Oil Industry

LANE-WELLS COMPANY

SUMMARY OF ANNUAL REPORT FOR 1951

Registering a new peak, consolidated gross income for 1951 was $21,008,507, an increase of 21% over the $17,299,366 reported for 1950.

Consolidated net income for 1951 before Federal and foreign income taxes, was $5,210,535, a gain of 27% over the $4,095,455 reported for 1950. Consolidated net income for 1951, after providing $2,877,000 for taxes or 65% more than in 1950, amounted to $2,276,789 or $3.16 per share, compared with 1950 net income of $2,308,895, or $3.21 per share on the present number of shares; earned in 1950.

Net current assets increased from $2,265,644 to $2,731,333. Net investment in plant, property and equipment increased $513,139 to a total of $8,039,052.

New field stations were opened during 1951 in Santa Maria, California; Sterling, Colorado; Perry, Oklahoma; Bowie, Snyder, Luling, Columbus, Gainesville, Haskell and Refugio, Texas; and Stettler, Alberta. Additional sales offices were opened in Denver, Colorado; and Midland and Tyler, Texas. At the end of 1951, Lane-Wells was operating 77 service and sales stations, including 66 in this country, 8 in Venezuela, and 3 in Canada.

Construction of new or additional shop and office facilities was completed during the year in Los Angeles, California; Corpus Christi, Houston and Snyder, Texas; Houma, Shreveport and New Iberia, Louisiana; Casper, Wyoming; Farmington, New Mexico; Great Bend and Russell, Kansas; and Oklahoma City and Seminole, Oklahoma. Petro-Tech Service Co. added new facilities in field camps at Anaco, El Tigre, Justcin, and Las Morochas, Venezuela.

A 100% stock dividend was distributed to stockholders on May 2, 1951. There were 104,510 shares of our capital stock traded on the New York and Los Angeles Stock Exchanges in 1951.

Stockholders of record at the end of 1951 numbered 2710, an increase of 425 for the year. Four quarterly dividends and extras were paid in 1951, totaling $1.50 per share on present stock.

Engineering and research programs were accelerated in 1951. The staff of research, design, and development engineers was considerably enlarged, and major improvements were made in the equipment and instrumentation used in oilfield services. Additional progress was made on several of our long-range projects for providing new services and improving present products and services.

**LANE-WELLS COMPANY**

<table>
<thead>
<tr>
<th>CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 1951</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
</tr>
<tr>
<td>Cash and advances for working fund</td>
</tr>
<tr>
<td>Accounts and notes receivable (Less:</td>
</tr>
<tr>
<td>$117,413.92 reserve for doubtful accounts)</td>
</tr>
<tr>
<td>Inventories</td>
</tr>
<tr>
<td>Investment in non-affiliated company</td>
</tr>
<tr>
<td>Property, plant and equipment (Less:</td>
</tr>
<tr>
<td>$5,485,225.00 reserve for depreciation)</td>
</tr>
<tr>
<td>Patents and other intangibles</td>
</tr>
<tr>
<td>Deferred charges</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
</tr>
<tr>
<td>Accounts payable and other accruals</td>
</tr>
<tr>
<td>Note payments due within one year</td>
</tr>
<tr>
<td>Federal and foreign income taxes</td>
</tr>
<tr>
<td>Estimated</td>
</tr>
<tr>
<td>Long term debt</td>
</tr>
<tr>
<td>Minority interest in subsidiary</td>
</tr>
<tr>
<td>Capital stock—Authorized 1,300,000 shares, par value $1, issued and outstanding 720,000 shares</td>
</tr>
<tr>
<td>Capital surplus</td>
</tr>
<tr>
<td>Earned surplus</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
</tr>
</tbody>
</table>

A Copy of the Annual Report will be sent on Request

LANE-WELLS COMPANY

Buller and Koneshor Perforating • Radioactivity Well Logging
Electrologging • Packers • Bridging Plugs

GENERAL OFFICES AND PLANT • 5610 SO. SOTO ST. • LOS ANGELES 58

66 Branches in Principal Oil Fields of the United States
Petro-Tech Service Co., a subsidiary, 8 branches in Venezuela.
Lane-Wells Canadian Co., a subsidiary, 3 branches in Canada.
words must be sealed by brave deeds. On a perimeter of 19,000 miles, they are pressing for advantage from Korea through China to India in the west, from Asia to Turkey and along the Iron Curtain in Eastern Europe against the two-fifths of the people of the world. After a challenge, however, the nation's survival, both on the domestic and foreign fronts, depends upon the defeat of inflation.

Not so long ago a cabinet officer exalted his nation's situation by inflation. I would say to him, "If you place your nation in history, you will find that early years of 1914 at 54c. Ask the industrialist who must estimate costs of replace- ment, that it will cost him 100 dollars might be worth 40c, or if for sell them at a price of only less than 60c. Ask the banker and investors that the government bonds at the very time when my 1941 bonds are re- trieving our purchasing power of 60c on the dollar. I expect to buy more bonds because of duty and hope, duty in the knowledge that the young soldier in Korea is facing infinitely more than the politicians of our past, who believe that America's last, will set before it is too late.

The decline of the great British Empire will take place at least in part with the decline of the British pound. The pound is worth 30c in 1921 and 1c in 1925. And if you look at the financial system of Britain, you will note a franc value worth 30c in 1914, 1c in 1921 and 1c in 1925. Russia's satellite of power, Europe, giving the world a lesson in the subject of economics, will have no right to buy or sell with the United States. Russia is all that lies between us and the rest of the speculating public, or at least with professional abilities attending the market, and that Russia's price movements of the market as a whole, when we can renew our faith in the wise of the market, is linked with the fate of America. America is a country that might have been a giant in the future, but this half century lies the last best hope of modern man. If we still have faith in the integrity of the Federal Reserve System that we will hold to the beliefs of our fathers, the fatherhood of God and the brotherhood of man, then you and me, and the faith of the countries of Europe, the带来的，New Imperialism's commitment to one-of-fourth of the world is the price of the Politburo, and it is not lost on the modern statesmen. The rise of the war in Russia will not succeed in per- petuating the great beauty of union in ultimate futility of the principles of anarchy would be poor indeed if the American system should fail.

The important, immediate consideration is the survival of Western culture, and that Russia might have been a giant in the future, but this half century lies the last best hope of modern man. If we still have faith in the integrity of the Federal Reserve System that we will hold to the beliefs of our fathers, the fatherhood of God and the brotherhood of man, then you and me, and the faith of the countries of Europe, the带来的，New Imperialism's commitment to one-of-fourth of the world is the price of the Politburo, and it is not lost on the modern statesmen. The rise of the war in Russia will not succeed in per- petuating the great beauty of union in ultimate futility of the principles of anarchy would be poor indeed if the American system should fail.

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## Consolidated Statement of Income and Earnings

For the Year Ended December 31, 1951

<table>
<thead>
<tr>
<th>Item</th>
<th>1951</th>
<th>1950</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales, less Discounts, Returns and Allowances</td>
<td>$189,447,830</td>
<td>$167,096,931</td>
</tr>
<tr>
<td>Cost of Goods Sold, Selling, General, and Administrative Expenses</td>
<td>176,094,189.66</td>
<td>154,552,902.94</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$12,153,641.77</td>
<td>$12,344,028.56</td>
</tr>
<tr>
<td>Other Income and Expense (net)</td>
<td>$27,311,903.55</td>
<td>$11,376,663.48</td>
</tr>
<tr>
<td>Interest on Long-Term Debt</td>
<td>$12,556,706.63</td>
<td>$34,671,272.50</td>
</tr>
<tr>
<td>Amortization of Delinquent Account and Expenses</td>
<td>30,006.56</td>
<td>12,611.27</td>
</tr>
<tr>
<td>Other Interest</td>
<td>312,771.08</td>
<td>391,495.53</td>
</tr>
<tr>
<td>Income before Taxes on Income</td>
<td>$34,671,272.50</td>
<td>$34,671,272.50</td>
</tr>
<tr>
<td>Provision for Federal Income Tax</td>
<td>$6,871,100.00</td>
<td>$6,871,100.00</td>
</tr>
<tr>
<td>Provision for Federal Excess Profits Tax</td>
<td>206,000.00</td>
<td>364,000.00</td>
</tr>
<tr>
<td>Provision for State Income Taxes</td>
<td>229,000.00</td>
<td>244,000.00</td>
</tr>
<tr>
<td>Net Income for year</td>
<td>$27,311,903.55</td>
<td>$27,311,903.55</td>
</tr>
<tr>
<td>Dividends paid on Preferred Stock ($7 per share)</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Dividends on Common Stock (1951, $1.20 per share, 1950, $1.65 per share)</td>
<td>$669,125.91</td>
<td>1,126,785.34</td>
</tr>
<tr>
<td>Earnings Surplus at the beginning of year</td>
<td>$27,311,903.55</td>
<td>$27,311,903.55</td>
</tr>
<tr>
<td>Depreciation provided—1951 $415,827.07</td>
<td>$470,831.25</td>
<td></td>
</tr>
</tbody>
</table>

### Financial Highlights

**Consolidated Balance Sheet**—December 31, 1951

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>1951</th>
<th>1950</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on hand</td>
<td>$7,505,926.66</td>
<td>$5,025,268.34</td>
</tr>
<tr>
<td>Accounts receivable—trade</td>
<td>$6,552,647.07</td>
<td>$5,975,019.78</td>
</tr>
<tr>
<td>Inventories, at cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leaf tobacco</td>
<td>68,110,041.73</td>
<td>76,305,403.96</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>3,172,002.66</td>
<td>3,082,250.65</td>
</tr>
<tr>
<td>Total current assets</td>
<td>$119,390,694.56</td>
<td>$90,103,569.62</td>
</tr>
<tr>
<td><strong>Property Plant and Equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As adjusted December 31, 1952 by authorization of stockholders, plus subsequent additions at cost, less retirements</td>
<td>$21,342,601.13</td>
<td>$14,653,534.84</td>
</tr>
<tr>
<td>Less reserves for depreciation</td>
<td>1,741,005.89</td>
<td>6,096,749.90</td>
</tr>
<tr>
<td>Total property, plant and equipment</td>
<td>$19,500,595.25</td>
<td>$12,556,784.99</td>
</tr>
<tr>
<td><strong>BRANDS, TRADE MARKS AND GOODWILL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Merchandise in transit</td>
<td>$2,496,281.80</td>
<td>$2,496,281.80</td>
</tr>
<tr>
<td><strong>Deferred Charges</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid insurance, advertising and taxes</td>
<td>$250,502.69</td>
<td>$250,502.69</td>
</tr>
<tr>
<td>Unamortized delinquent discount and expense</td>
<td>62,251.60</td>
<td>62,251.60</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>359,252.45</td>
<td>370,912.56</td>
</tr>
<tr>
<td>Total deferred charges</td>
<td>$620,007.84</td>
<td>$683,966.86</td>
</tr>
</tbody>
</table>

**Liabilities**

<table>
<thead>
<tr>
<th>Liability Category</th>
<th>1951</th>
<th>1950</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes payable—banks</td>
<td>$26,000,000.00</td>
<td>$18,000,000.00</td>
</tr>
<tr>
<td>Accounts payable—trade</td>
<td>2,405,015.63</td>
<td>3,235,630.11</td>
</tr>
<tr>
<td>Twenty-Year 5% Debentures (due within one year)</td>
<td>$600,000.00</td>
<td>600,000.00</td>
</tr>
<tr>
<td>Accrued taxes</td>
<td>6,331,949.97</td>
<td>6,385,949.78</td>
</tr>
<tr>
<td>Accrued payrolls</td>
<td>435,999.35</td>
<td>399,563.03</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>274,500.00</td>
<td>258,073.31</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>225,760.43</td>
<td>210,256.35</td>
</tr>
<tr>
<td>Dividends, etc.—dividends on deposit, etc.</td>
<td>666,212.75</td>
<td>512,738.86</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>$37,035,519.13</td>
<td>$31,166,617.48</td>
</tr>
</tbody>
</table>

**Long-Term Debt:**

- Twenty-Year 5% Debentures, due October 1, 1963 ($800,000 to be retired annually 1952-1962) | $16,000,000.00 | $16,000,000.00 |
- Twenty-Five-Year 5% Debentures, due March 1, 1976 ($260,000 to be retired annually 1954-1975) | 15,000.00 | 15,000.00 |
- 5% Gold Bonds, due August 1, 1951 | — | 4,195,458.00 |

**Total long-term debt** | $31,000,000.00 | $29,765,466.00 |

**Capital Stock and Surplus:**

- Capital Stock: 5% Cumulative Preferred, par value $100 per share
  - Authorized 99,256 shares
  - Issued 92,000 shares
  - Common, par value $10 per share
  - Authorized 6,000,000 shares
  - Issued 4,399,000 shares
- Paid-in Surplus
  | 26,143,208.94 |
- Earned Surplus, as stated, as of November 30, 1951
  | 13,572,428.60 |
- Total capital stock and surplus | $39,715,637.58 | $40,337,695.54 |

**Other Products**

- Cigarettes
- MUROAD
- HELMAR
- Smoking Tobacco
- INDIA HOUSE
- Pipe
- HEADLINE
- VAN BIBER
- BETWEEN
- THE ACTS
- Chewing Tobacco
- BAGPIPE
- HAYANA BLOSSOM
Funds it needs. The absence of the likelihood of compulsion to lend the Treasury on the terms fixed by the latter tends to cut both ways. On the one hand the banks are in a better position to hold out for higher Treasury Bill rates without being exposed to the danger of losing business by refusing to buy on Deposit Receipts. On the other hand the market is no longer exposed to being drained of funds through large-scale borrowing on Deposit Receipts. The influence of these conflicting considerations will be on Treasury Bill rates remains to be seen.

On the other hand the market has released the pressure in favor of credit restrictions. Since amounts lent on Deposit Receipts could not be called until maturity they were not regarded as Treasury Bills. This means that the disappearance of Deposit Receipts has enabled the banks to increase their proportion of liquid assets. The new method of raising money requires much less inducement for them to cut credits for the sake of maintaining their liquidity. To obviate this effect the banks may carry out another funding operation in order to reduce the amount of its floating debt.

### NEWS ABOUT BANKS AND BANKERS

#### The Bank of the Manhattan Company

The Bank of the Manhattan Company opened an office at 105 West Fifty-seventh Street on March 5 with the marketing of $117,250 shares of capital stock at $129 per share. The Bank of New York by Kuhn, Loeb & Co. in association with Interstate Bank, Fargo & Co., Inc. and a large group of New York banks announced that it would place $22 per share to the public. The offering does not constitute new capital subscription of Thick Com- pany, but represents holdings of June 30, 1940, and has outstanding 5,000,000 shares of capital stock with a par value of $10 a share.

Robert W. Sparks, First Vice-President and Treasurer, Bowery Savings Bank, New York, and consultant to U. S. Treasury, has been elected a member of the Advisory Board of the 100 Park Avenue Building. The Bank & Trust Company, of New York, has announced the election of Ralph T. Reed and James A. McLean as a Director of the Bank & Trust Company of New York.

Ralph T. Reed and James A. McLean were elected trustees. Reed is President of the American Express Company, a director of the Central National Bank, and the March 5th, 1943; the New York Stock Exchange, the Federal Reserve Bank of New York, and the New York Stock Exchange. Edwin G. Beadle is President and of American Woolen Company, Western Union Telegraph Co., and the Bank of New York. Mr. Reed is a graduate of the University of Pennsylvania, the American Bank of the City, and the Bank of New York. Mr. McLean is the President and Director of the Guaranty Life Insurance Co. of the City, a director of Life and Casualty Insurance Companies of America and the American Bank of New York. Mr. McLean is a Trustee of the University of Pennsylvania, the School of Business Administration.

#### Central Savings Bank of New York

A meeting of the Board of Directors of the Central Savings Bank of New York was held on March 10, 1943, with the election of Robert C. Shriver as a Director of the Central Savings Bank of New York, and with the election of Ralph T. Reed and James A. McLean as a Director of the Bank & Trust Company of New York.

The name of the second National Bank & Trust Company of New York was changed to the National Bank & Trust Company of New York, Inc.

#### The First National Bank of Greenwich, Connecticut

The First National Bank of Greenwich, Connecticut, has increased its capital in December from $650,000 to $750,000. The increase of $100,000 has been paid up to $35,000 of new stock since further increased the capital to $700,000, effective January 31, by a stock dividend of $25,000. The additional paid-up capital was added to our paid-up capital in our issue of Jan. 3, page 26.

#### The second National Bank & Trust Company of New York

The name of the second National Bank & Trust Company of New York was changed to the National Bank & Trust Company of New York, Inc.

#### The Federal Reserve Bank of New York

As of Feb. 23, the Central-Penn National Bank of Philadelphia (common stock $5,040,000) and the Central-Penn National Bank (with common stock $5,040,000) are consolidated under the charter and title of the Central-Penn National Bank, Re- cipient of the Charter of the Federal Reserve Bank of New York. The date of consolidation the consolidated bank had capital stock of $5,040,000, with $1,480,000 shares of common stock of the par value of $10 a share and $1,960,000 shares of common stock of the par value of $5 a share. The consolidated bank is authorized to issue $5,900,000 and undivided profits of the Central-Penn National and the City National, authorized since February 23, 1927, and several other issues will be continued by the consolidated.
Oregon, Mr. Sammons pointed out, Blyth & Co. heads a group of security houses to understand the new shares of stock. The plans to increase the capital were referred to in our March 6 issue, page 903.

The New York Agency of the Swiss Bank Corporation has received notice from its head office that at the 80th annual meeting of shareholders held at Basle, Switzerland, on Feb. 29, approval was given to the distribution of a dividend of 7% for 1951, at an ex-dividend date of 6% in 1956. The meeting also decided to allocate 1,000,000 Swiss francs to the Pension Fund for the staff; to add 1,000,000 francs to the reserve for uncertainty, and to credit 4,000,000 francs to the special reserve. An amount of 2,153,046 francs will be carried forward. Mr. Henry Droz was appointed General Manager by the board of directors. The bank's net profits for 1951 were 19,769,062 francs compared with 16,849,123 francs in 1950. Total assets of the bank at Dec. 31, 1951, were 2,743,097,053 francs against 2,670,082,131 a year earlier.

The Hollandische Bank-Union N.V. general management recently approved plans for the opening of a Montevideo office in Uruguay on Jan. 25. Management of the new office is entrusted to Dr. F. Linder, hereafter to be the administrative manager of the bank's Buenos Aires office. The new office is located at 407, Calle 25 de Mayo. Letters should be addressed to Banco Hollandes Unido, Sucursal Montevideo, Apartado 888, Montevideo (Uruguay), and telegrams to Bankolando—Montevideo. Similar to other branches, the oral manager in 1943.

Montevideo office will render complete banking service.

The election of T. H. Atkinson as director of The Royal Bank of Canada, head office Montreal, was announced this week by the bank. Mr. Atkinson has been General Manager of the bank since 1949. He joined the bank in 1911 and was named Supervisor of the Bank's New Brunswick and Eastern Ontario branches in 1925. He was appointed Assistant General Manager.

The City National Bank & Trust Company of Chicago increased its capital, effective Feb. 14, from $3 million to $4 million, by the sale of 40,000 shares of new stock at $100 per share by the stockholders of the bank approved splitting the 50,000 shares of capital stock into 200,000 shares and selling an additional 49,050 shares at $10 a share, for $490,000. This was noted in our issue of Feb. 21, page 790.

On Feb. 14 the capital of the Washington National Bank of Washington, D.C., was increased from $40,000 to $500,000 by the sale of 490,000 shares of preferred stock to members of the board of directors, directors, and officers of the bank. Mr. DeRochie, a graduate of Loyola University, Los Angeles, joined the Board of Directors Los Angeles in 1928 and served as executive officer and assistant controller. In 1933 he was appointed Assistant Trust Officer at San Francisco, and in 1935 he was appointed Trust Officer in 1942, from which post he moved to San Francisco.

Shareholders of the United States National Bank of Portland, Ore., voted on March 4 the recommendation of the directors to increase the capital stock from $12,000,000 to $34,000,000 and its surplus from $12,000,000 to $15,000,000. The bank with paid-up capital and surplus of $29,000,000, in addition, there is more than $13,000,000 in undivided profits, giving the bank a working capital base of more than $42,000,000, according to J. E. Fowler, President. The plan approved by the shareholders provides for the sale of 20,000 additional shares of common stock at $50 per share, bringing the total number of shares to 70,000. The new issue is offered to present shareholders on a pro rata basis of one new share for each six shares now held, at the same $50 per share price. The dividend rate was increased from $2 to $2.40 per share per year, effective July 1. Shareholders of the bank now total more than 3,200, of which 77% are residents of Oregon.
Canadian Securities

By W. J. McLay

The Canadian Bank of Commerce, in its current issue of Canadian economic development, publishes an interesting analysis of the national debt of Canada, which has been brought to the forefront by the tremendous increase in the funded debt. This increase is due to the fact that we have been at war and have had to spend more money than ever before.

Moreover, the Canadian government has been urged to increase its revenue by taxing the people. This has been done, but it is doubtful whether the government will be able to raise enough money to meet its obligations.

The national debt of Canada is now about $10 billion, and it is expected to increase to about $12 billion by the end of the war.

In the meantime, the government has been spending more money than it has been able to raise, and this has led to a great deal of financial distress.

In conclusion, the national debt of Canada is a matter of great concern, and the government should take steps to reduce it as soon as possible.
Public Utility Securities

Delaware Power & Light Company

Delaware Power & Light and its subsidiaries supply electricity to the industrial and residential areas of the states of Maryland and Virginia, the total area being about 5,100 square miles with a population of about 400,000. The territories of the company extend approximately 110,000 and the surrounding industrial area, and also the predominately agricultural area extending from Wilmington to below Cape Charles, Va. The company supplies approxi- mately 106,000 customers a year, some of whom are quite large. The company's area is served by both electric and gas operations.

All electric requirements are now supplied by the two principal steam-plants, the large Edge Moor plant at Wilmington and the Virginia plant in Maryland. Net effective capacity approaches 250,000 kw. (mostly modern) compared with 1951 peak demand of 185,000 kw. The transmission lines of the company are interconnected with those of Philadelphia Electric Company and Atlantic City Electric Company.

The company has an interchange agreement with Philadelphia Electric, the effect of which is to coordinate generating facilities of the two utilities and certain other systems so as to avoid surplus conditions in the common dividend ratio.

The company's outstanding common stock is estimated at approximately 3.5 million shares. The company is a member of the Philadelphia Electric System, which has an effective capitalization of approximately $800 million.

Federal Reserve Bank of St. Louis

(1093) 21

Securities Salesmen's Seminar

Prestige Advertising

The value of consistently applied advertising is commonly recognized. One effective advertising of a brand name, however, can be demonstrated conclusively by the success of the business activity. In the securities business, the value of consistent advertising is most evident in the limited number of firms that have maintained a steady progress toward building their business through a continuous flow of offerings and services, through the years without ever breaking. In certain cases, where large institutional investments require the headlines over a period of many years, a degree of confidence in the firm’s name has been established. But, these instances are probably the outgrowth of special circumstances due to the planned direction of advertising programs.

The salesmen who sell a “name” firm, a household word, an automobile, a “Remington” typewriter, a “ Kodak” camera, are making their name the best known, and most readily recognized. But the immediate returns from such a campaign would quite possibly be unimpressive. But essentially, it appears that, advertising was sufficiently acceptable to the potential investor (a large institutional client) through the market area, such a campaign could be effective in the development of its enviable position in respect to the volume of new business that could be acquired.

Prestige Attracts Good Salesmen

If there is anything that a salesman likes to hear when he picks up the phone, it is someone making an inquiry for the firm. It is something like this: “Oh, have you ever seen anything by such and such in the papers? Were you noticing some of your advertising?” When someone asks you if you would like to discuss securities with me, but it is not by any means because you any business, you might answer, “I am not too pleased to have you call.” Surely, you would not tell the other salesman than the listener, “Why don’t you try to handle the business.” You would probably not say something like this: “Who? What? Who did you ever hear me say—what you want to talk about; what kind of business is your firm in?” And it happens far too often in the retail securities business.

Good business will overcome obstacles . . . they are constantly doing this in every phase of sales work. The next great opportunity for increased public acceptance of the firm will be for the salesmen to eventually gratefully receive the opportunity. It is a well-planned, coordinated program of consistent advertising, which has a decided impact on the consciousness of the potential buyer. Each of these kinds of services, and markets, are highly desirable, it will attract the better equipped salesmen, both from outside, and in line, alike.

The Mass Market

If we are ever to tap that great, almost untouched area of people, we will have to expand the use of our investment funds in savings banks, government bonds, and other mediums of savings backed primarily by debt obligations rather than equities, it seems logical that a successful policy to reach these people in the same manner as the merchandisers of the hardware store use to have done it. They have simplified their approach, have not been afraid of repetition. They have made it possible to keep their price down, to buy resistance through the use of that age-old formula, which you call advertising.

One good slogan, repeated over and over, is much better than a phrase tying in personal savings and America in business, plus a continuous use of one or two standing locations for outdoor advertising, and a good "spot announcement" on the radio, should eventually make the same successful. I don't know a real market, whether that would be the usual area, or the rest area.

There seems to be an opportunity for all companies, whether large or small, to step into this field, and make a huge success of it, as the individuals. At least, they can make a living, and profitable job of advertising their business that can be under the usual one or two years.

Wainwright, Ramsey to Assist Montgomery

Mayor W. A. Gayle of Montgomery, Ala., announced that the city has engaged the New York firm of Wainwright & Ramsey, Inc., to assist in the development of a sound financing program to provide sewage treatment facilities.

Engineers are now bringing up to date the reports made several years ago. It is anticipated that revenue bonds will be issued early in the spring. The consulting firm will assist in the development of a sound financing program to be undertaken in the next few years.

Madison & Burke Formed

Madison & Burke is engaging in a series of meetings this week with members of the American Bar Association, in an effort to develop a sound financing program for the city of San Francisco, Calif.

W. A. Gayle, President; Arthur W. Smith, Vice-President; and George E. Conner, Secretary and Treasurer, are planning to discuss their plans with the first board of directors, at the convention of the American Bar Association, in San Francisco, Calif.
Our Reporter on Governments

By JOHN T. CHIFFEYDALE, JR.

The Ides of March is casting a shadow upon the Government securities market. The market has been slow and not too important as it had been expected some time ago. The capable handling of this difficult operation by the monetary authorities appears to provide evidence that the time has come to go in the future, without more than passing notice. Short-term rates have hardened slightly and have been unexceptionable, which represents the amount of concern that is in the money markets over what would happen when March begins. Volume operations have taken very many buy or sell orders to influence quotations in either direction.

Transactions between commercial bankers, investment bankers, savings bankers and the powers that be, about future Treasury security sales are not thought forward any concrete developments yet according to reports.

The approach to the important income tax date of March 15 is creating some tension in the Government market. Nonethe-

selves, it is not expected that more than minor and temporary tension will be witnessed in the money markets. This is not a short rate, which has been going on the last week or so, in evi-
dence that the authorities are prepared for this operation. Although there is not unimportant amount of caution around, there is nevertheless a firm feeling of confidence in the ability of the powers to be exerted to prevent the situation from becoming less important with the approach of future income tax periods. To this extent, the Government has been able to maintain each day that the monetary authorities are anxious to keep the money markets on an even keel and in order to maintain this balance nothing of an unsettling nature can be held up by the monetary authorities.

Discussions on New Treasury Borrowings

Despite the talks, meetings, conferences and rumors about the coming Treasury financing, which is supposed to involve billions, there is still no indication yet about when it will happen or when it is likely to happen. Consideration is reportedly being given, quite sincerely, to the view that the Government, in-
er, investment bankers and savings bankers being sought as to
what they might consider feasible under various kinds of circum-
cstances. This report has to do with a small number of people and
tion has been given to ideas that have been considered only with
test of time and the question of new eligibility, which will become an accomplished fact in the very near future.

The report is that the concentration of present effective and the curve continues to be on the up, commercial banks are not likely to be very greatly concerned with the newly eligible tap bonds. The new bonds will have little economic or mechanical value on eligibility for the time being at least.

The longer-term Treasury obligations have been racing up and down the ladder in a merry game of competitive being accomplished price-wise. Volume is as light as ever and there is still no evidence that the relative importance of the market is likely to be changed much in the immediate future. Because of the limited action, it still takes only a few bonds on either side of the scale to push quotations up or down. These gyrations, however, have been maintained within the established trading areas. There is no evidence of any effort to change the speculative ideas on the this type of market procedure. There appears to be a balance be-
tween the buying of long-term Government and Federal, and the
ket and Federal, seems, is interested in keeping it that way.

Long Market at Stake

The market action of the higher income securities has been

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Savings Bonds will be given a new look soon. The rate, it is be-

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More Attractive Savings Bonds?
A Business View of Foreign Economic Policy

Our Crusading Fervor
With the conviction that the United States is exercising a powerful influence over its financial system, we have told the Europeans for five years that they must break their barriers to free trade and liberalize commerce by remitting tariffs of all kinds. This has been a part of our national policies that their goods and our goods should be interchangeable in the waiting of competition and the ending of tariffs. Now we have imposed new and higher quotas against the goods they sell us.

We must approach these problems from the standpoint of the world in which the United States now occupies in the world. We must realize that the world's most powerful manufacturer is to produce goods. We should understand the secret of successful competition and the ideals of the world's most powerful manufacturer.

Let us not forget that imports are a substitute for domestic products. Increasing the amount of goods available to the American consumer in those periods when domestic goods are scarce, the rise of imports may be needed to keep pace with consumer demand.

These are some of the things that may happen in the face of government interference with international trade, and we must face them. If our policies are to be effective, they must be based on the facts of today.

Post-Rearmament Steps
There are other steps that we must take to avoid any possibility of another war. These are:

1. We can think in terms of the excess in the international capital market. Private capital and industrial power will be able to keep the various economies going.

2. We must be able to influence the attitudes of governments in the international capital market. For their own economic well-being, these governments should be influenced by principles of fair treatment.

Last November the International Chamber of Commerce meeting in Paris appealed to governments everywhere to stop the destruction of the sanctity of contracts and to make sure that the various governments, in the fullness of time, would settle the disputes.

We stated that the foundation of the international capital market is in respect for contractual agreements. No government can enforce such contracts without fair compensation and any refusal to do so affects the entire market. Uncle Sam's influence can only aid in canceling out trade agreements with foreign governments.

Edw. Ernst Appointed By Bank of Montreal

Clarence H. Adams

Clarence H. Adams has been associated with Putnam & Co., 6 Central Place, Boston, Mass., for five years. He now begins work in the capacity of vice-president of the company.

Edw. Ernst Appointed By Bank of Montreal

MONTREAL, Que., Can.—Edw. Ernst has been appointed assistant to the president of the Bank of Montreal's foreign department it was announced here yesterday. He succeeds John H. P. Turner who has been named Assistant General Manager in charge of the bank's western division.

Edw. Ernst was formerly Assistant Superintendent of the bank's foreign department, and from that position he traveled to many parts of the world, including Asia, New Zealand, Honolulu and Fiji. From 1922 to 1943, he was associated with the State Company of New York.

Two With Sheehan Wolf

(Two With Sheehan Wolf

Baus Half Stock of Realty Trust Co.

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Baus Half Stock of Realty Trust Co.

DALLAS, Tex.—W. Ray Montgomery has purchased one-half of the stock of the Texas Realty Trust Co. from Dallas & Son and has become President of the 33-year old mortgage loan firm.

Established in 1919 by Dallas & Son, Realty Trust Co. is the oldest firm of its kind in Texas.

President of the 33-year old mortgage loan firm.
The year's operations: Over a period of years we have expanded our domestic plant capacity to meet the growing requirements of the textile industry in the United States. With the completion of our acetate staple fiber unit at our Celriver plant, we believe we will have made adequate provision for the requirements of the textile industry for the foreseeable future.

As a result of the increasing demand for chemicals, construction was started on a new petro-chemical plant near Pampa, Texas.

Petrocel Corporation, a subsidiary, was formed to carry on oil and gas exploration and development work, with a geological and explorations office at Corpus Christi, Texas. This was another step in our long-range program designed to augment, rather than replace, existing sources of the basic raw materials used by our Company.

Through our chemical operations in the United States and through our affiliates in Canada we are rapidly approaching our goal, which is the assurance of basic raw materials for the manufacture of our principal products—acetate yarn and staple fiber.

Sales, earnings and dividends: Sales for the year amounted to $202,651,014, compared with $232,483,942 in 1950 and $171,292,005 in 1949. Earnings for the year amounted to $24,800,263, compared with $40,561,166 in 1950 and $20,640,826 in 1949.

The earnings per share of Common Stock, based on the number of shares outstanding at each year-end and after providing for Preferred Stock Dividends, were $3.56, compared with $6.38 in 1950 and $3.19 per share in 1949.

A quarterly dividend rate of 75¢ per share on the Common Stock was paid throughout the year. This amounted to $17,534,862 on the 5,844,954 shares of Common Stock outstanding. The dividends on the Preferred Stocks amounted to $4,005,551. The total payments for dividends in 1951 were $21,540,413, compared with $17,093,288 paid in 1950. This was a record disbursement for the Company.

Taxes: Provision for Federal taxes on income and excess profits tax for the year amounted to $27,250,000, compared with provision for taxes in 1950 of $41,000,000 and $19,000,000 in 1949.

Compared with earnings of $3.56 per share on the Common Stock, and dividends of $3.00 per share paid on the Common Stock, the total direct taxes paid by the Company to Federal, State and Local Governments were equal to $5.47 per share of the Common Stock.

Financial position: At the end of the year net current assets amounted to $102,737,948 against $80,683,298 a year earlier. Cash with banks and on hand, including Government securities, aggregated $85,685,399, compared with $61,682,887 at the close of 1950.

During 1951 the Company took a series of steps to consolidate and simplify its capital structure. These financings revised the Company's financial structure so that at the end of the year there were outstanding $101,185,000 of funded debt; 1,000,000 shares of Preferred Stock, Series A, 4½%; 34,183 shares of 7% Second Preferred Stock (after deducting 1,545 shares held in treasury); and 5,844,954 shares of Common Stock.
Reports on 1951

of growth and progress

Celanese Corporation of America

Canadian companies: Columbia Cellulose Company, Limited, completed the first phase of its plant construction at Prince Rupert, British Columbia. Operations of the pulp plant were commenced in May. Production has been on an increasing scale, with the difficulties usually encountered in the start-up of a new plant gradually being overcome. At the outset the major emphasis was placed on training employees in their duties.

Engineering work is proceeding on the second phase of construction which will increase the plant’s capacity to 300 tons a day. As the full volume of production is realized, the output of this plant should be a constructive factor in alleviating the continuing world-wide shortage of cellulose.

Construction of the petro-chemical plant and chemical yarn and fiber plant at Edmonton, Alberta, by Canadian Chemical Company, Limited, was well advanced by the year end. The total capital funds arranged for are $20,000,000 in the form of Capital Stock and $43,000,000 in the form of bonds.

The Edmonton plant will produce a variety of industrial chemicals some of which will be used at the plant in the manufacture of cellulose acetate, acetate staple fiber and filament yarns. In addition to such volume as is consumed in the operations of the plant, it is planned to market chemicals and cellulose acetate in Canada and foreign countries. The staple fiber and filament yarns will be sold principally to the Canadian textile industry.

Plans of the Celgar Development Company, Limited, were announced immediately following the end of the year, for an integrated forest industry in the Arrow Lakes district of British Columbia, constitute the third phase of the Canadian development program which was initiated four years ago. The development, which is expected to provide employment for 2,000 persons in the mill and logging operations, is estimated to cost $65,000,000, but this amount may be increased by the addition of plywood and board mills.

Mexican and South American affiliates: Both Celanese Mexicana, S.A. and Viscosa Mexicana, S.A., two of our affiliates in Mexico, increased their production of acetate and viscose chemical yarns and fibers during the year. Production of viscose staple fiber commenced at the plant of Viscosa Mexicana, S.A. and provided the Mexican textile industry with a supplement to the acetate staple fiber produced by Celanese Mexicana, S.A. Production of chemical yarn and fibers will be further increased during 1952 by both companies.

Celulosa Nacional, S.A., another affiliate, has completed construction of its cellulose plant at Rio Bravo in the State of Tamaulipas and has now begun production. The plant produces high alpha cellulose from raw cotton linters obtained from Mexican cotton.

Another affiliate, Claracel, S.A., was formed during the year for the manufacture of acetate film for packaging and wrapping purposes. Equipment was installed in a modernized building in Mexico City, with production scheduled to start shortly.

In South America, the construction of the acetate filament yarn plant of Celanese Colombiana, S.A., at Yumbo, near Cali, Colombia, was completed in record time despite difficulties of construction due to the distances involved in shipment of equipment. The plant was constructed and put in operation in less than twelve months. Steps already have been taken to increase substantially the initial capacity of the plant and to provide for production of staple fiber.

During the year Celanese Venezolana, S.A., was formed and financed jointly by our Company and Venezuelan investors, many of whom are leaders in the textile industry of that country. Construction on the plant near Valencia was started late in 1951 and is proceeding rapidly. Plans are also under way for the production of viscose filament yarn and staple fiber.

C O R P O R A T I O N O F A M E R I C A

180 MADISON AVENUE, NEW YORK 16, N. Y.

F I B E R S • T E X T I L E S • P L A S T I C S • C E L L U L O S E
regarded whether the President himself is the Democratic candidate this autumn.

Failure of a System

One danger is that all one administration will see in all this a mere failure of one Administration and one political party, and thus the voters will regard this as it was horrify. There is no doubt about that, but the fact remains that much more than any Administration and any party is at stake in all this. Managed economy, increasing debt, rising prices, hip-deep in commitments (or promises) it cannot escape or manage. It has been obvious for long while past that there was something badly out of whack in the rearmament effort. Expenditures have persistently lagged behind promises and are still lagging. No one in his right senses would object to the fact that the national government is not spending as much as it said it would or as we expected it to spend if only we were getting the things it said we had to have to protect ourselves, or even if we were getting what seems to be a reasonable return for the moneys asked for. But when the government sets aside some miscalculations in the timing or the requirements of the rearmament program, if the political wiseacres had not made so much noise about what they were doing to that serious repercussions throughout the economy resulted—and are still in evidence.

This is, of course, an election year—and all those now in office and harboring a desire to remain in office had for a long time had a mortal dread of "inflation," by which they usually meant simply a damaging rise in the cost of living. They still have much to explain away in this connection, but if one is to judge from a good deal of discussion and hints of various sorts going the rounds, there is now a growing disposition to wonder whether "deflation," by which is, apparently, meant a train of events with results far more serious than what one would expect. There may be a more potent factor in the election results this autumn than the cost of living. And this after two years of time to get rearmament fully under way and before the program reaches its peak—to say nothing of any "post defense" situation.

More Than a Forecast Gone Sour

There is, of course, much more in this situation than a forecast gone sour. The fact is that if anything in the nature of a real recession is in store for us in the months to come, a long time has lapsed since the men who planned, the defense managers, and the political moguls. They are the ones who talked and talked about impending shortages, and they, too, provided the stimulus that it was they and their pronouncements which sent our wages soaring, as well as the prices of the stores to buy while buying was good. It is good that it is the responsibility be assigned for the rise in prices we are suffering now, it is not only by you and by one process or another, with many heartbreaks, they are going to be written. A great deal of the devaluation and a cruelty far beyond the estimate of the experts. Excepting those which are obvious, the estimates of the experts, there is a large number of other "knockers" in the picture of any new development. But the result is that the neighborhood is going to have to take the bite of the policy is to set a floor and to turn down any loans in new developments.

All too familiar story concerning many such projects is "there are the slums of tomorrow.") This phrase is overworked and is not generally true. Young people, living in crowded apartments, and by one process or another, with many heartbreaks, they are going to be written. A great deal of the devaluation and a cruelty far beyond the estimate of the experts. Excepting those which are obvious, the estimates of the experts, there is a large number of other "knockers" in the picture of any new development. But the result is that the neighborhood is going to have to take the bite of the policy is to set a floor and to turn down any loans in new developments.

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hard pine are all good substitutes for oak flooring.

The heat is perfectly satisfactory if properly installed; but in bad work it makes a sort of red breath of its nature, with considerable noise, and the alabaster used in the best of basements is likely to be discolored by both air and water.

The system leaves a comfortable, even temperature at all times, and will not cause condensation in the cellars in the coldest weather.

The University of Illinois has found that the material is longer lasting than masonry, and is therefore a more economical building material than brick or stone.

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McCormick Urges Easing Rules on Underwritings; Favors Frear Bill

praisal of the junior securities of even the large well-known industrial leaders. Investors need for many high grade bonds, because the latter are not affected by many business changes that inevitably have a direct and immediate impact on the value of the junior securities.

Treatment of Private Placements

I suggest, therefore, that the SEC be urged to use the authority granted under Sections 7, 12—particularly 12D and 120—and 16(a) of the Securities Act to provide more uniform grading in a special classification which could be registered the same as a bond. The filing of an abbreviated registration statement and could be sold on the basis of a short offering circular. Registration could halt if it is determined that the filing of a copy of the indenture, a specimen of the bond, opinion of counsel as to the legality of the bonds, a copy of the underwriting contract, and a prospectus which would (1) state by whom orders will be received, (2) state that the security, the issuer, its business, and its financial condition, and (3) state the price of the security; (4) state the rate of return; (5) state the place at which, the conditions upon which, and the time when, the security may be redeemed or converted or exchanged; (6) state whether the security is listed on any securities exchange (optional); (7) state whether the security is a legal investment for savings banks, federal savings and loan associations, insurance companies, or other similar investors under the laws of any State or Territory to which the registration relates (optional); (8) state the extent to which the issuer has agreed to pay any tax with respect to the security (optional); (9) state the purpose of the security (optional); and (10) furnish a current condensed balance sheet and a summary of earnings for the last 10 years.

The plan, in my opinion, provides clear benefits without sacrificing any information essential to an informed judgment. I wish to emphasize that the abbreviation of the registration statement is justified because of the position of myself and other representatives of the securities industry that this restriction on transactions granted by the Congress is not essential to the purpose of the Securities Act, is not directly related to the protection of the public with respect to unwise or unnecessary investments, and is not certain to bring about the cessation of the exemption in unqualified terms.

The Congress said that transactions effected under the unregistered options should be exempted from the registration requirements of the Act and stated that the Congress determined that full compliance with the provisions of the Act would be highly onerous and that a great number of the companies would list.

Mr. McCormick: "I do not under¬ stand to you that many of the over-the-counter securities would be listed if the Frear Bill were passed; would be listed on the national exchange?"

Mr. McCormick: "It is my opinion more securities would be listed on exchanges if the Frear Bill were passed because of the fact that they would have the same requirement imposed upon them as the registered exchanges, and I believe that the advantage would be to the investor; the investors an exchange market would be a tremendous great number of the companies would list.

SECURITY TRADERS ASSOCIATION OF NEW YORK

The Security Traders Association of New York announces that their annual bowling meet with the Investment Traders Association of Philadelphia will be held at Havelock, April 17 at the regular STANY alley, at City Hall Bowling Center, 23 Park Row, from 9:30 to 11:30 p.m. There will be a dinner following the bow¬ ling at the Grand Street Boys' Clubhouse, 106 West 5th Street, at a charge of $7.00 per STANY member. For reservations contact Sidney Jacobs, Sidney Jacobs Co., 111 Broadway, New York 6, N. Y. (Worth 4-8394).

SECURITY TRADERS ASSOCIATION OF PHILADELPHIA (Special to The Financial Chronicle)

New ULM, Minn.—Charles F. Doer is now associated with State Bond & Mortgage Co., 205 North Minnesota Street.

With Hutton Management (Special to The Financial Chronicle)

KANSAS CITY, Mo.—Ralph L. Nazifger, President, Hutton Management Corporation, Grand Avenue Bank Building. He was formerly with Waddell & Reed, Inc.

With King Merrill Co. (Special to The Financial Chronicle)

KANSAS CITY, Mo.—Paul J. Basten, King Merrill Co., Inc. He was formerly with Waddell & Reed, Inc.

Joints Stifel, Nicolaus (Special to The Financial Chronicle)

St. LOUIS, Mo. — Lloyd C. Alinworth has become associated with Stifel, Nicolaus & Co., Incorporated, 314 North Broad¬ way, members of the Midwest Stock Exchange. He was previously with Tausig, Day & Co., Inc.
Honorary Pallbearers!

Stock Exchanges and the securities groups all over the country.

Nothing new will be developed.

Then, too, the place and the personnel of the forum are unfortunate. Why before the SEC? If the Commission were opposed to Title V, it had only to speak its piece when the bill was under consideration. Why should it be the judge where its own powers and the interpretation of them are at issue? Why shouldn't it be given to us to decide?

The SEC having taken the position that Title V is mandatory and that its proposal thereunder is proper, does it, in view of the vast weight of contrary opinion, have the effective remedy in the course of events. We were, we felt, we were wrong, we withdraw the proposal?

That the National Association of Securities Dealers has come out flatly against the proposal is gratifying indeed. In what may be termed a brochure entitled "Comment on National Association of Securities Dealers, Inc. in Opposition to Certain Fees and Charges Proposed by the Securities and Exchange Commission," the NASD is unequivocal in its position.

The rationalizing of this NASD memorandum is pretty much a remuneration of the opposing reasons heretofore assembled by us editorially.

In giving an account of its birth through the Maloney Amendment to the Securities Exchange Act of 1934, the NASD points out the following facts: 1st the preponderance of the opposition outside of the fact that this had no place in the argument we were reminded of the fellow who, describing his family tree, was careful to perch himself on a topmost branch. On the whole, however, the instant NASD performance is courageous and does, for a change, represent a service to the securities industry.

The immediate prayer of the memorandum is that "The Effective Date of the Regulation Should Be Stayed Pending Further Consideration of the Proposal." Calling attention to the pending Bushby bill which would eliminate the problems raised by the proposed regulation respecting fees to be charged to broker-dealers, the NASD says, "This bill has been referred to the Committee on Interstate and Foreign Commerce.

Though it is not known when hearings on this bill will be held, it is obvious that it would be a sound exercise of discretion for the Committee to stay the effective-ness of its proposed regulation pending final disposition of the bill."

Our readers will recall that last week we called attention to this piece of pending legislation, saying in effect, it was well thought out and as far as we are concerned, we expressed misgivings concerning its constitutionality because only broker-dealers were made the beneficiaries.

We pointed out that the clearest, most timely and most effective remedy in the interest of the country as a whole would be the immediate repeal of Title V.

Among the latest additions to the opponents of the SEC proposal are the New York Curb Exchange and the National Security Traders Association. The President of each group has communicated its attitude to the SEC.

The Investment Bankers Association of America has just submitted a strong memorandum in opposition, to which it has added an appendix citing legal authorities in support of its arguments. Full text of the memorandum is given in this issue of the "Chronicle" on page 10.

According to that memorandum the Investment Bankers Association argues: (1) that Title V constitutes an unconstitutional delegation of legislative power by the Congress to the heads of Federal agencies. (2) that broker registration fees for broker-dealers and their employees are not such fees as were intended to be authorized by the Congress. (3) that the SEC can neither "fair" nor "equitable" within the standards prescribed under Title V.

The Investment Bankers Association also asks for delay but its ground is not tied up with the Busby bill.

The Investment Bankers Association calls attention to the proposal of the Budget Committee of Congress for studying the very Commission problem under discussion and requests that the SEC take no further action on its proposal until an overall policy has been established.

CLARENCE A. BICKEL
Chairman, Board of Governors of NASD, and Partner of Robert W. Baird & Co., Milwaukee, Wis.

Editor's Note: The National Association of Securities Dealers, Inc., in opposition to the SEC a lengthy brochure citing its reasons for opposing the Commission proposal for new fees on brokers and dealers, etc. Relate to a SEC a lengthy brochure citing its reasons for opposing the Commission proposal for new fees on brokers and dealers, etc. Relate to a SEC a lengthy brochure citing its reasons for opposing the Commission proposal for new fees on brokers and dealers, etc.

WASHINGTON, D. C.—Speaking for 2,000 members and over 30,000 associates of the National Association of Securities Dealers today before the Securities and Exchange Commission in Executive Session, the NASD told the SEC in a formal protest that its proposal to charge 50 cents per share to those who work for them, the NASD told the SEC in a formal protest that its proposal to charge 50 cents per share to those who work for them, the NASD told the SEC in a formal protest that its proposal to charge 50 cents per share to those who work for them, the NASD told the SEC in a formal protest that its proposal to charge 50 cents per share to those who work for them, the NASD told the SEC in a formal protest that its proposal to charge 50 cents per share to those who work for them.

The SEC proposes to charge all members of the Association an annual registration fee of $50, or $20, annually for each officer, partner, or employed associate.

"Registering a broker or dealer is in no sense a licensing of those engaged in securities transactions," the NASD said, pointing out that anyone may register with the SEC, whereas to get a driver's license or a barber's license, agents are required by law. Registration by the Commission, the Association pointed out, provides nothing of value to the registrant, but is purely a convenience to the SEC.

To put firms out of business because they fail to pay fees for such registration, the Association said, "is grossly arbitrary and illogical."

"The cost to the government of registering brokers and dealers, the NASD said, "could be reduced more than the cost of printing and mailing of forms, and the cost of filing them when they have been reduced. The $50 registration fee and the $10 head tax, the Association said, bear no relation whatever to the cost of preparing the necessary form and filing it away for future reference."

"The SEC proceeds, the Association argued, do not strike at big business or at 'Wall Street.' Of the 2,900 members of the Association located all over the country, 3,200 employ fewer than ten employees. As to the individual person- nel tax. The Association argued that the vast majority of its members are not eligible for or could not afford to pay an individual personnel tax."

"The SEC proposal, the Association said, are not authorized by any statute because registration is not required by any statute and further, that the persons registered. Congress in enacting the SEC, the NASD said, "are not authorized to enact provisions which authorize arbitrary exactions for all clients of the registered dealer which can neither be described as equitable, reasonable, or even need exist merely to provide a legal basis for future action."
Continued from page 29

ice or 'benefit' to persons registered as dealers under NASD, 'is the sincerest technicality
the sole service' performed by NASD members in connection therewith is the furnishing and
filing of reports.

EDWARD T. MCCORMICK
President, New York Stock Exchange

Editor’s note: Mr. McCormick is a partner of
Shearman & Hammerly, New York City.

I return to your recent proposal which requires
the broker-dealers to pay all fees and charges
mentioned thereby, and in every year thereafter, the sum of $450, plus $10 per year for each
person in his employment who participates in the activities of the brokerage service.

The proposed rule also requires each regis-
tered broker and dealer to pay all fees and charges
imposed thereby, and in every year thereafter, the sum of $450, plus $10 per year for each
person in his employment who participates in the activities of the brokerage service.

Mr. McCormick has also proposed an amend-
ment to the caption of the registration form to
file registration reports, which is as follows:

"Editor’s note: Mr. McCormick has furnished the "Chronicle" with a copy of a letter sent to the
Commission on behalf of the NSTA. The result of this is recognized hereafter: Securities and Exchange Com-
mission."

H. RUSSELL HASTINGS
President, National Security Traders Association

Editor’s note: Mr. Hastings, who is also a partner of
Shearman & Hammerly, New York City, has furnished
the "Chronicle" with a copy of a letter sent to the
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WALTER MAYNARD
President, Association of Stock Exchange Firms

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The Rankers Bond Co., Inc., New York, N. Y.

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Please be assured of my interest and support for your views.

Sincerely yours,
IRVIN M. IVES.

THOMAS L. LEWIS
Joe McAllister Co., Greenville, Pa.

I take pleasure in voicing the following comments in connection with the proposals of Messrs. T. L. Lewis and Article V (fees and charges of the

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Sincerely yours,
IRVIN M. IVES.
Paul L. Moreland

To: [Gentlemen]

RE: Broker-Dealer registrations

We are hereby informed by the Securities and Exchange Commission that we have been found in violation of the provisions of the Securities Act of 1934 as administered by the Commission. We hereby appeal to the Commission for a hearing on the original complaint.

We respectfully request that you consider our request and grant us an opportunity to present our side of the case.

Yours truly,
Paul L. Moreland
President

[Signature]

Addendum:

We understand that the Securities and Exchange Commission has issued a notice of violation to several brokerage firms. We believe that this notice is based on a misunderstanding of the facts in our case. We are willing to present evidence at a hearing to demonstrate that we have not violated any of the provisions of the Securities Act of 1934.

Sincerely yours,
Paul L. Moreland
President
old houses of many years' standing, large, long-tenant, and often in poor condition. Some residents check them, or one of the other stock exchanges does so. Also pertinent to the question of the meaning of the above phrased on the basis of "value to the recipient," is that many broker-dealers covered by the New York office of the SEC do not have the developer's own figures from testimony by witnesses. For example, in Part I of the Hearings before the Subcommittee of the Committee on Appropriations, House of Representatives, 82nd Congress, Second Session, "Independent Offices Appropriations for 1953, on page 271, Mr. Cook indicated that there are 1,620 registered firms in the New York area, that 15 independent offices, and that these inspectors were able to complete only 264 inspections. Assuming no additional inspectors, and the same rate of inspections, these firms in this region can expect an inspection approximately once every eleven years.

We are exceedingly difficult to see how, in fairness and equity, the individual securities business can be regulated. The fees proposed for the type of supervision covered by the SEC's classification for the Commission on the basis of "value to the recipient." It is clear that any fee, or portion thereof, would amount to a tax on the securities, and is not a "value" which are not inspected at all, to equate with the Commission's policing the few on the fringe. This would seem clearly so, apart from the additional problem, quite apart from the possible logical objection, that it would square raise the question of what any broker-dealer should ask the Commission to go over its operations to see that it was "fair and equitable." And how could it be that the Commission's inspector should make such an inspection, when it is clear that no such inspection would be appropriate for the Commission's enforcement of the law?

"Public Policy or Interest Served"

If anything is clear in this controversy, it is that the Commission is supposed to regulate in the public interest and the interest of investors as distinguished from the self-interest of its brokers or dealers or other subject to its jurisdiction. The SEC has no right to act at will, but lacking any such request we believe that neither a firm nor any individual firm or, indeed, any fairness and equity in charging the public for the work which the Commission is required to perform in the interest of investors and the public generally.

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banks set out to eliminate the differences between the savings banks. The consequence would be that the banks that lack the savings banks for the raising of their rate.

A final and decisive event was the passage of the law making undistributed earnings of savings institutions subject, for example, to the Federal income tax at the rate of 52%.

Monumentally Stupid

This, in my estimation, was piece of monumental stupidity on the part of those who wrote the present tax-happy Federal

Savings banks and savings and loans associations are nonprofit institutions. The present tax-happy Federal administration

The experience of the banking crisis of the 30's showed that 12% taxes on interest payments to depositors was much too much to meet the emergencies of the time, and it wasn't a confidence providing for an obstinate precaution.

Finally, I felt that if our bank

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Mutual Funds

By ROBERT K. RICH

Industry May Have New Fund; Assets Put at Ten Million

A new investment company, which will offer prospective investors the opportunity to invest in the industries of Canada's dynamic and expanding economy, has said it will have 800,000 shares in registration process with the Securities and Exchange Commission, "The Chronicle," leading to late Wednesday afternoon.

Reliable sources reported that this new mutual fund is being registered as a closed-end company in order to stabilize and facilitate the initial stock flotation of $800,000 shares, at a price rumored to be approximately $13. It is said the fund will open-end after the initial offering is completed.

The new method of starting a mutual fund should give it the advantage of total net assets of over $10 million to start.

Although the statement could not be confirmed before press time, it is said that Kider, Pearson will head the underwriting group of hundreds of investment dealers, with Dominick & Dominick as co-manager.

The new mutual fund will be under the investment management of a well-established firm in the mutual funds field. The sales charge on the offering price, after the fund is open-ended, will be about 7/10.

CASHON OPINION
Discussions between the full Investment Committee of the National Association of Investment Dealers and the Securities and Exchange Staff have not been resumed, an announcement made as it was denied the basis in fact for current news stories reporting meetings between the two groups.

Although both the SEC staff and the investment committee are still studying the problem of the role and function of the mutual fund, there are rumors of a split between individual members of each group, a full-fielded meeting is reportedly not in prospect for several weeks, and no early solution to the advertising problem is foreseen.

A BILL HAS been introduced into the New York State legislature, in relation to the investment of funds of pension funds. This bill, No. 273, says in part that savings banks may invest in funds in "shares or stocks of an investment company" provided all of the stock or shares are owned either by such investment company or are or are to be owned by saving banks and that such company may own only in such investments as are eligible for savings banks.

CENTURY SHARES Trust is surveying its stockholders on an amendment to the declaration of trust in order to clear the way for a 2-for-1 split.

The fund, its proxy statement, said, "The resulting reduced liquidating value per share would not affect the ability in the distribution of shares of the trust for bringing about a share down to a level more appealing to prospective investors. The fund, with the usual price range of shares of open-end investment companies, current price per share is now over 40c.

A second offering of 50,000 shares outstanding at present.

Two other funds have recently made arrangements for a 3-for-1 split—Texas Fund on March 30 to be followed by the 3-for-1 and Roe & Farnham on Feb. 20 completing a 3-for-1 split.

SHAREHOLDERS of Composite Bond and Preferred Stock Fund, one of two mutual investment funds sponsored by Murphy Favre of Spokane, Wash., voted at their annual meeting held March 4 to amend the articles of incorporation to permit investment in preferred stocks and bonds in addition to the present holdings in bonds and preferred stock. The amendment was adopted by a vote of 527.

This fund with year-end assets of $425,000, organized by Murphy Favre, Inc. in 1939 and now with assets of $425,000, elected its officers largely for distribution to the investment firm's own clients in the Pacific Northwest, holders now reside in 23 states and several foreign countries.

For the first nine years investments were restricted to bonds only. In 1948 preferred stocks were made eligible investments and now, with about 900 stockholders, the fund may invest in all classes of securities. The proportion of the various classes of securities held from time to time will be subject to the judgment of the board of directors.

"During the 13 years of the fund's operation emphasis has been placed on stability," said M. Williams, President, in commenting on the change of management policy. "The basic long-range investment objectives of the fund are not being changed, however. Former restriction limiting investments to specific types of securities should permit the fund management to be interested in a more flexible, and well-rounded, yet conservative, investment program for its shareholders.

Composite Fund, which places investment emphasis on common stocks and is also composed of assets distributed by Murphy Favre, Inc., had year-end assets of $1,309,000.

The formation of a special division for investment in the Philadelphia area in the employment of employees as the fund, and Manager of the mutual fund department in the new division. Mr. Stinson, a resident of Haddonfield, N. J., is widely regarded as a dynamic and well-rounded, yet conservative, investment program for its shareholders.

The new retirement plan division is one of the first of its kind to be established by an investment firm in the Philadelphia area. It is the first such fund to offer employees for all phases of their retirement plans, a special emphasis on investment problem under such plans.

Employee enrollment plans, according to F. P. Ristene & Co., can be expected to have the widest degree of acceptance in the Philadelphia area during the next one or two years. For this reason, the fund pointed out that its retirement plan division, with its expanded service of retirement planners, will be a Master's in Economics and a complete retirement plan that is encompassing the most important developments in the financial field in recent years.

E. REBERET & Co., managers and distributors of Chemical Fund, and Labrouche & Co. N. V. Bankers of Amsterdam, Holland, announced March 1, 1952, the listing of the shares of Chemical Fund on the Amsterdam Stock Exchange, trading will begin on March 19.

Chemical Fund, one of the oldest open-end trust investment companies, reports that this represents the second open-end fund to be listed on the Amsterdam Stock Exchange. The first is a television set from Canada.

The recently published list determining the eligibility of mutual investment funds, that may be purchased by employees of the United States government, under its savings plan, now includes National Stock Series, a New York, stock index fund, and, according to Henry J. Simonson, Jr., President of National Securities & Research Corporation, the sponsors, underwriters, and managers of the fund, N. V. The actual shares of Chemical Fund under its savings plan, will be deposited in the name of the Administrative "Interfund" N. V., Amsterdam, subsidiary of Mr. Simonson, of N. V. Chemical Fund, will be made available to all employees on a well-rounded, yet conservative, investment program for its shareholders.

"Many observers feel that the Society-Vacation Employees Savings Fund is a significant step forward in improving employees' goodwill," said Mr. Simonson. "The plan is timely since it tends to avoid the tremendous competing advantages of American industry at a time when the world is witnessing and its employees and others.

The new retirement plans division under the direction of Mr. Simonson, has been approved by over 1,000 employers and its employees under the plans is substantially in its early stages.

The new retirement plans division under the direction of Mr. Simonson, is a major step forward in improving employees' well-being. The plan is timely since it tends to avoid the tremendous competing advantages of American industry at a time when the world is witnessing and its employees and others.

This partial deference for the Dutch Currency Certificate, the dollar may be effected through the ownership of the Dutch Currency Decreasing.
Only by providing a medium of investment which offers a satisfactory return on the money invested but also by having a plan that makes it relatively easy for the investor to invest small or large amounts of money in the Fund on a regular basis.

Mr. Putnam reported to the meeting that the investment growth of the fund is continuing, with total gross assets of $335 million, a gain of $5,500,000 over a year ago. Number of shareholders have increased by more than 18,000.

In response to the meeting Mr. Putnam said that the management is spending more toward the conservation of the fund in their investment policies.

Chubb suggested, however, that a retreat into high-grade bonds was not, in their opinion, the prudent move to the prudent investor's position under present conditions.

Mr. Putnam suggested that the solution might be found in making these shifts within the Common Stock section to more conservative groups. In this connection, the meeting was informed that since the first of the year, the Fund had invested over $80,000,000 in insurance stocks.

SCUDER, STEVENS & Clark Common Stock Fund reports total net assets of $3,361,601 on March 10, which is approximately double their total net assets of $1,773,698 a year ago. Per share net asset value of $29.11 on 154,478 outstanding shares, compared with $27.12 per share on 65,639 shares outstanding on March 10, 1951.

SCUDER, STEVENS & Clark Fund reports total net assets of $37,560,784 on March 10, 1951, equal to $37.80 per share on 649,823 outstanding shares on that date. This compares with total net assets of $32,923,887 a year ago, equal to $37.25 per share on 623,873 shares outstanding at that time.

Mutual Fund Notes

CHINATOWN office specializing in the sale of mutual fund shares has been established at 51, Castner Co., 79 Wall Street. The new office, in the heart of the business district of Chinatown, is at 197 Worth Street under the management of Fredric M. Stein, President.

STEIN, ROE & Farnham Fund, a registered investment statement effective March 29, 1951, an additional total of 25,530 shares of capital stock on an aggregate of $1,906,391. The remaining 67,600 shares were removed from registration on Feb. 26.

DIVERSIFIED FUNDS, under a registration statement effective Feb. 5, 1951, sold 323,780 shares of 23 series of special stocks for a total of $24,625,600. The remaining 67,500 shares were removed from registration on Feb. 26.

PERSONAL PROGRESS

APPRECIATION of Walter Benedict, as its President, in charge of all Retail Sales Offices was accorded by John Livingston Thomas, President of First Investors Corporation. Mr. Benedict has been in charge of the Home Office Sales Division since 1939. The company's sales of Mutual Fund shares and Period Investment Plans for the accumulation of Mutual Fund shares amounted to over $27 million during 1951.

SEC REGISTRATIONS

BULGIO FUND on the New York Stock Exchange commenced a public offering of $200,000 of capital stock to be offered at $103 per share.

CENTURY SHARES Trust on March 3 filed a registration statement covering $200,000 of capital stock.

MASSACHUSETTS MUTUAL FUND on March 1 filed a registration statement covering $150,000 of capital stock. Underwriter is. Drexel, Morgan & Co.

Bullock Chart Stresses Importance Of Selection And Risk Diversification

This chart of group performances of common stocks during the period 1945-1951 illustrates the vital importance to the investor of spreading his investment risk among many industries. The chart, prepared by Calvin Bullock's Investment Management Department, also demonstrates the necessity of competent security analysis and portfolio selection. As the investor's mutual funds are the most important and economical method by which to control risk spread and competent investment management can be obtained.

Continued from page 12

Stressing Income From Mutual Funds

Arial tables indicate in his or her personal life span, a summary of the important table and facts showing that it is definitely a better way to invest your money, to allocate some of your income over a period of years to a fixed or partially offset a lower rate of taxation by using mutual funds worth owning! Because the longer you have the money in the way of overall investment income, the greater the value of mutual funds will be.

If you are encouraged to set up a savings plan to bring home to people the contribution that income can make toward better living now or later, keep in mind that a 4% return on your investment is $200 per year. Let's suppose that some people may think that $200 is not a very large amount of money. Let's assume that you had $5,000 in savings and you are earning 4% on that money. That comes to $200 a year. But $200 a year can be a very large amount of money when you have $5,000 in savings. When you have $5,000 in savings and you are earning 4% on that money, you are going to have $200 a year, which is a very large amount of money.
International Price Stabilization—A Hoax

The formation of monopolies, exempting farmers and labor. The monopolies are made possible by law, and they pose a problem that some day may have to be solved. The problem of what to do with the profits of the monopolies is an important question of anti-trust. The Anti-Trust Act has compelled business in the United States to do business cooperatively, thus providing a potential for collusion among businessmen to stabilize the price of products. The importance of the free market. If there is no free market, then the idea of the protection of property rights which the United States has made to world economic thinking, it is the development of the idea of the free market and open competition with a change. They have even the beneficial results to the public that flow from the policies. Measured by the results achieved in contrast to different, pragmatic measure, the record speaks for itself. But I did not exempt from competition, regulation, for, under the stress of feverish competition, the monopoly that is the imposition of controls in our country, and the distortions the record of a naturally distorted.

Ousted, as many of you are, with the idea of doing without it and developing new one supplies, it is not only important that we should have time to study the forces that in the last analysis determine our price level close down. Perhaps, therefore, you should examine my comments which may help stimulate thinking on some fundamental principles.

My first observation is that falling for the popular myth of free markets you are rendering your liberties. Have you ever been any stabilization effort in the fields of international prices. According to Webster, means to hold the price of goods constant in the face of changes. Stabilization is found nowhere in the political economy of the free market. None of your natural tendency to mankind in all things, and the forces that are at work on the globe where you have transferred your own average temperatures, as weather and climate and other social forces may not be altered by any legislation or imposition of controls to our civilization. We don't even have any economic stability at all.

The stabilizers do away with the stability of prices. In the face of such a form of control, the stabilization of gold or silver, is a measure of the benefits which came to Great Britain in international, international, international, and brokerage, because of the lack of gold or silver. It is not possible for us to establish a favorable condition for the whole market. The immediate result, they have been having a wonder working for the laborers than war, or reparation payments. They do not just have to adhere to the strict provision of the Gold Coin Defense Act, as it is known in the world, formally, without authority, as such.

The International Materials Conference

One of the first tasks at the International Materials Conference


to administer a comprehensive schedule of price controls of commodities. Why? You guessed it. Because, they state, such a program would be, in the words of the Board of Governors of the Federal Reserve System, an "imperial tax." No, in the face of this unmitigated folly, we must suppose that the people want it. 

I want to point out that these are the people of the United States. The opponents of the program are, of course, the merchants, manufacturers, and the rest of the people who rely on a free market. 

I hope you have already noted the implications of our present talk. The American people wish to be so disciplined that the government and business will be able to do the job for them. Even if the government is unable to do the job, they would rather pay than see the market approach a state of anarchy. We have already had a taste of this in the recent panic. 

We should thank our stars that the panic came before the war. Otherwise, the government might have been forced to adopt the plan. This is why we should be thankful that the panic came when it did. 

We should also thank our stars that the government has not yet been forced to adopt the plan. Otherwise, we might have to pay the price of their folly. 

I hope you will not take it amiss if I say that the government is making a mistake. They are making a mistake that is certain to lead to disaster. They are making a mistake that is certain to lead to disaster.

I hope you will not take it amiss if I say that the government is making a mistake. They are making a mistake that is certain to lead to disaster.
they have don't go up, there's small comfort in pointing to any set averages as proof for any point.

I emphasize the averages in this only for one reason that is hardly the generally accepted one. The public watches averages; sometimes it feels better by what they do. But because of this, the strict observance of averages as a yardstick for your market must be tempered by considerable caution. First it is true that enthusiasm in a market advance is almost a sure way to get you losses. By the same token pessimism during a market decline should also be avoided.

Secondly, for every buyer there must be a seller. So a bull market is selling while the market is going up and "everybody" is buying. Here's a partial answer. The enthusiasm in a bull market is best accomplished on strength just as accumulation is on weakness.

Some weeks ago this column recommended buying on weakness. Now that there is strength, consideration should be given to either sitting pat or doing a little cashing in. When the public becomes convinced that the averages confirm each other and make a new high should be of academic interest to you. It's even better to have a sliding scale time should be of primary importance.

I believe stocks will go higher. But before they do I also think they'll do one of two things: either the bull market will react sharply in the immediate future or they will go into a period of dullness. In any event buying them here would seem to be inadvisable.

[The views expressed in this article are those of the author, and are not necessarily those of the editor.]

Petroleum Finance Corp.,
OKLAHOMA, CITY, OKLA.

Petroleum Finance Co. is engaging in a securities business from offices in the Liberty Bank Building. Officers are P. Parrutt, President; W. C. Cameron, Vice-President; and T. S. Williams, Secretary-Treasurer.

The Commercial and Financial Chronicle, Thursday, March 13, 1930

Continued from page 37

Rep. VINCHANGES MIND

And Drafts New UMT Bill

J. J. Fullen

President, State Teachers' College


I have scanned the article quickly and look forward to reading it more carefully later. To the conclusion that "Like Dr. Carothers, I fail to see how civil service training provides any solution to these problems," I agree. Since the Secretary of the Interior has made the first extensive unit experiment it is interesting to note that his views on the other hand are not widely held.

Yet I have found it to be a very much a better solution of the military training problem than the present draft training system. I am inclined to agree that at this point in the training of the armed forces the special need for military universal training as long as the present draft system is in force. I believe that it would not be on the books for long.

JOHN E. SCHMIDT


Relative to the article, "U.M.T. Why It Is So Weak," I am pleased to let you know that I am in agreement with the thoughts.

BERKLEY WILLIAMS

Richmond, Va.

Demand for UMT being a historical sequence to war, the demand for it in this country after three wars seems to me, has been met. However, the arguments against it presented to me in a recent speech by Dr. Carothers are a matter of some interest and we are very interested in the drift towards it.

His arguments are supported by the expressed will of the majority of all citizens and the sworn obligation of the military to declare that UMT "is not going to be the cause of any cost whatever to any national economy without providing any security whatever or in any way detracting possible aggression to us."

The present Administration

political (emphasis is on political) policy of interfering with the affairs of all other nations has been scrapped and attention to our domestic problems is the order of the day. For many years to come we may be interested in UMT and we may find that the demand for it will be automatically scrapped.

The enrollment of 160 million people, the United States has been established, through the use of military occupation to defend the country. In the United States, it is said of the Soviet Union, is that it has spent $160 billion to keep a baby and a child in children out of the hands of our children. It is expected that this will cost the country $60 million to keep it out of the hands of our children.

The men of Yalta, Teheran and Potsdam must go. But a look at the argument for UMT (and the cost)

SAMUEL S. NEVENS

President, Grinnell College

Grinnell, Iowa

Apparenly the President has made the decision to put the whole problem of universal military training on the shelf for the current year so that the debate is now going on, as I understand it, l argely an academic one.

I have opposed universal military training for some time now. It seems to me that the argument presented by the President of the United States, Dr. Carothers, and me will be the most expensive way of preparing for a war that is going to be a very expensive one. I am figures, as I understand it, the men of Yalta, Teheran and Potsdam must go. But a look at the argument for UMT (and the cost)

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BLAKE R. VAN LEER
President, Georgia Institute
of Technology, Atlanta, Ga.

WHY IS IT A Mistake?" is the fair
question, presented by the opposition.
Is this any proof of your being a
lamentable liar? This is of an honest
person, and I have no wish to be
thought by you as a liar.

We must have time to train
the large forces needed after war
is over, and to provide the necessary
force, either by maintaining huge standing
forces of territorial troops or by training
our citizens. Of these choices we cannot
afford to make. This program and its
program will help us to mobile swiftly,

We shall provide an annual
flow of about 800,000 men into the
military service, and the number
will have had six months of training
before the program begins. We shall
have basic and technical training.

The National Security Training
Act of 1940 makes provision for the
fact that the first year's cost of such
program would be about $4,000,000,
and of course, this is approximately
the greatest possible additional time
and effort that we need to maintain a
standing force of trained reserves.

Civilian and military leaders are
agreed that in the event of war
the nation will be faced with an
enormous task of organizing and
training our citizens. Under UMT, the
privileged and the unprivileged will
share in the burden of defense.

The burden of defense is one
that cannot be imposed on all citizens.
Under UMT, the privileged and
the unprivileged will share in its
cost. If an emergency comes, the
obligation to serve will be shared
immediately.

When the attack came in Korea,
the main source of trained re-
placements was the reserve, and
members of the National Guard,
many of whom had served in
World War II. Thousands of them
are now on active duty, enduring
difficulties that will vary according
to the type of position in which
they are serving.

Men who have received military
training are equipped to handle
their own affairs in the event of
war. Our military training is also
useful to all citizens, including
those who do not wish to serve.

The problem of the National
Security Training Commission
is the question of how to
effective and efficiently.

(b) Save lives in the event
of war. Basic training provided
by UMT can equip our men with
to the dangers of war, thus
more effectively and
dierically.

(c) Make it possible to use
manpower available. The
abilities of UMT trainees will
have been developed before an
epidemic so that each man will be
able to adapt himself to the job
for which he is fitted.

(d) Insure that the burden of
defense is spread as evenly as
possible among all parts of
the country.

(e) Aid in the problem of civil
defense, not only of our
country but of every
to be attacked, by making available
every part of the land that trained
men trained to meet emergencies.

In the past, national
defense rested on trained manpower.

In the last analysis, national
defense rests on trained manpower.

Dr. Carothers challenges the pro-
ponents of UMT in the statement
of Wayne Morse, of empy general
that "the training of reservists is
pool of trained reserves." Dr. Carothers
counters with an easily convincing
"What is the big issue for
What do we have today? Con-
employment. We do have an
first time in the history of this
defense, and we are ready to meet
will and our confidence in peace-
time to fight in Korea. Is this a
lack and contrary to our tradi-
tions? Can we continue to
substitute as gradually and rap-
 idly as possible for war?
Can we train a civilian army in being
for the conception which we have
in mind?

Mr. Carothers makes much of the
efficiency of UMT. But what
is the key word: efficiency,
and at the same time, that
UMT is likely to become
the first effective and complete
defense, and the limitations of
the budget are brought up
by Mr. Carothers as a
reason.

But we must look at
serious cost of UMT.
Every man must be
ready at a moment's
notice to serve in the
army.

The budget of UMT is
approximately $2,000,000,
and it is likely that the
budget will be increased
in the coming years.

The cost of UMT, as
well as its benefits,
must be considered in
the light of the
national economy.

We must take into
account the need for
a balanced national
budget, the importance
of providing for the
major purposes of the
country, and the need
for a fair distribution
of the national
resources.

We must also consider
the effect of UMT on
the economy.

The cost of UMT
cannot be compared
with the cost of
extensive military
operations.

The cost of UMT
must be considered
in the light of the
national economy,
and we must make
sure that the benefits
of UMT are not
offset by the cost.

The national
resources are
limited, and we
must use them
wisely.

We must be
aware of the
need for a
careful
management
of the
national
resources.

Dr. Carothers' statement
that "the training of
reservists is a pool of
trained reserves" is
not a fair
comparison.

Dr. Carothers' statement
that "the training of
reservists is a pool of
trained reserves" is
not a fair
comparison.

The training of
reservists is
in itself a
valuable
experience,
but it is
not
comparable
with
the
national
resources.

We must consider
the cost of UMT
in the context
of the
national
resources.

The national
resources are
limited, and we
must use them
wisely.
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:

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**AMERICAN IRON AND STEEL INSTITUTE:**

<table>
<thead>
<tr>
<th>Aluminum</th>
<th>Chromium</th>
<th>Copper</th>
<th>Lead</th>
<th>Nickel</th>
<th>Platinum</th>
<th>Silver</th>
<th>Tin</th>
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<tbody>
<tr>
<td>1,045,000</td>
<td>300,000</td>
<td>2,000,000</td>
<td>1,000,000</td>
<td>500,000</td>
<td>250,000</td>
<td>1,000,000</td>
<td>500,000</td>
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**AMERICAN PETROLEUM INSTITUTE:**

<table>
<thead>
<tr>
<th>Production (thousands of barrels of crude oil per day)</th>
<th>Exports (thousands of barrels of crude oil per day)</th>
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</thead>
<tbody>
<tr>
<td>3,000,000</td>
<td>500,000</td>
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**ELECTRIC TRANSACTIONS:**

<table>
<thead>
<tr>
<th>Electric sales (in millions of dollars)</th>
<th>Electric revenues (in millions of dollars)</th>
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<tbody>
<tr>
<td>1,000,000</td>
<td>500,000</td>
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**COAL OUTPUT:**

<table>
<thead>
<tr>
<th>Coal output (in millions of tons)</th>
<th>Coal production (in millions of tons)</th>
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<tr>
<td>2,000,000</td>
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**AMERICAN RAILROADS:**

<table>
<thead>
<tr>
<th>Freight traffic (in billions of ton-miles)</th>
<th>Freight revenue (in billions of dollars)</th>
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<tbody>
<tr>
<td>2,000,000</td>
<td>1,000,000</td>
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**DEPARTMENT STORE SALES INDEX:**

<table>
<thead>
<tr>
<th>Department store sales (in millions of dollars)</th>
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<tr>
<td>1,000,000</td>
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**ELECTIONS (COMMERCIAL AND INDUSTRIAL) - DUN & BRADSTREET:**

<table>
<thead>
<tr>
<th>Election results (in thousands of votes)</th>
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**FINES IN COMMERCE AND INDUSTRY:**

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<thead>
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<th>Fine (in thousands of dollars)</th>
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**GOLD AND SILVER PRICING:**

<table>
<thead>
<tr>
<th>Gold price (in dollars per ounce)</th>
<th>Silver price (in dollars per ounce)</th>
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</thead>
<tbody>
<tr>
<td>200,000</td>
<td>1,000,000</td>
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**LABOR—REVISED MONTHLY REPORTS:**

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<thead>
<tr>
<th>Labor statistics (in thousands of units)</th>
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**SEcurities—MONTHLY REPORTS:**

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**EQUITY: METAL PRICES**

<table>
<thead>
<tr>
<th>Metal</th>
<th>Price (in dollars per ounce)</th>
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</thead>
<tbody>
<tr>
<td>Gold</td>
<td>250</td>
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<tr>
<td>Silver</td>
<td>10</td>
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<tr>
<td>Lead</td>
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<td>Nickel</td>
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**EQUITY: ELECTRIC TRANSACTIONS**

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**EQUITY: AMERICAN RAILROADS**

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**EQUITY: ELECTIONS (COMMERCIAL AND INDUSTRIAL) - DUN & BRADSTREET**

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<tr>
<th>Election results (in thousands of votes)</th>
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**EQUITY: GOLD AND SILVER PRICING**

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<th>Gold price (in dollars per ounce)</th>
<th>Silver price (in dollars per ounce)</th>
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<td>200,000</td>
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**EQUITY: LABOR—REVISED MONTHLY REPORTS**

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<tr>
<th>Labor statistics (in thousands of units)</th>
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**EQUITY: SEcurities—MONTHLY REPORTS**

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<th>Security price (in dollars per share)</th>
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Securities Now in Registration

March 5 (letter of notification) 700,000 shares of common stock (par $5) will be offered for subscription by stockholders of record March 8, $1.50 per share. Proceeds—To be used for surplus, operating expenses. Office—Oil Market St., San Francisco 5, Calif.

Allied Kid Co., Boston, Mass.
March 11 (letter of notification) 25,000 shares of common stock (par $25) will be offered for subscription by stockholders of record March 8 at one share for each four shares held, right to expire on March 24.

American Tobacco Co.
Feb. 14 filed 1,075,000 shares of common stock (par $5) to be offered for subscription by stockholders of record March 5 at one share for each five shares held, right to expire on March 24. Price—$62 per share. Proceeds—To be used by Underwriter—Morgan Stanley & Co., New York.

American Filter Co. (3/26)
Feb. 6 filed 60,000 shares of common stock (par $5) to be offered for subscription by stockholders of record March 24 at one share for each five shares held, right to expire on March 24. Price—$3 per share. Proceeds—To be used by Underwriter—None.

Feb. 21 filed 27,000 shares of common stock (par $100) to be offered for subscription by stockholders of record March 25 at one share for each seven shares held, right to expire on March 31. Price—$125 per share. Proceeds—For development expenses and to refund debentures to be issued by Underwriter—Frank P. Hunt & Co., Inc., Rochester, N. Y.

Central Mortgage Co.
Feb. 21 (letter of notification) 2,000 shares of common stock (par $10) to be offered for subscription by stockholders of record March 25 at one share for each seven shares held, right to expire on March 31. Price—$30 per share. Proceeds—For equipment and operating expenses. Office—6109 Camp Bowie Blvd., Fort Worth, Texas. Underwriter—None.

Central Louisiana Electric Co., Inc.
Feb. 18 (letter of notification) 16,000 shares of common stock (par $10) to be offered for subscription by stockholders of record March 25 at one share for each ten shares held, right to expire on March 31. Price—$52 per share. Proceeds—For new construction. Underwriter—None.

Asbestos Paper Co., Inc., New Haven, Conn.
Feb. 21 (letter of notification) 10,000 shares of common stock (par $25) to be offered for subscription by stockholders of record March 5 at one share for each five shares held, right to expire on March 24. Price—$120 per share. Proceeds—To be used by Underwriter—North, New York.

Beckman Instruments, Inc. (3/18)
Feb. 18 filed 390,000 shares of common stock (par $1) of which 75,000 shares will be offered for subscription by stockholders of record March 24 at $20 per share. Proceeds—To retire notes and reserve for new expansion and general corporate purposes. Underwriter—Lehman Brothers, New York.

Bowman Gum, Inc.
Jan. 28 (letter of notification) 15,000 shares of common stock (par $1) to be offered for subscription by stockholders of record March 3 at one share for each two shares held, right to expire on March 24. Price—$125 per share. Proceeds—To be used by Underwriter—None.

Bridgeport (Conn.) Hydraulic Co. (3/14)
Feb. 4 filed 4,000 shares of common stock (par $100) to be offered for subscription to shareholders of record March 10 at one share for each ten shares held, right to expire on March 28. Price—$125 per share. Proceeds—To repay bank loans and to finance improvements and additions to plant. Underwriters—Smith, Remley & Co., Allentown, Pa.; Chase, V. P. Apsey & Co., New York, N. Y.

Bridgeport Manufacturing Co.
March 10 (letter of notification) 502 shares of class A and 1,889 shares of class B stock will be offered for subscription by contributors to the bond fund. Price—$12.50 per share. Proceeds—To provide for general expansion and improvement. Address—P. O. Box 67, Bridgeport, Conn.

Bush Terminal Buildings Co., N. Y.
Jan. 25 filed (1) $5,377,005 of 5% general mortgage 30-year issue at 101 3/8, and (2) $5,395,782 of cumulative convertible preferred stock (par $50); and (3) 792,500 shares of common stock (par 10 cents), all to be offered in exchange for certificates under a plan of redemption) for presently outstanding stocks as follows: For each $100 face value red. 47 shares of $1 par common stock, held, one 100% preferred stock, and one share of new 10-20 cent par common stock; and for each share of $5 par common stock held, 50 shares of the new stock. Underwriter—None.

Canadian Chemical & Cellulose Co., Ltd.
March 3 (Canada) (3/27)
March 21 to subscribe for shares of common stock (no par), of which 500,000 shares will be sold in the United States and 500,000 shares in Canada will be supplied by amendments. Proceeds—To a subsidiary of Canadian Chemical. Underwriters—Dillon, Read & Co., New York, N. Y.; New York Bankers, N. Y.; and North & Thomas & Co., Ltd., and Wood, Gundy & Co., Ltd., in Canada.

Cardinal Life Ins. Co., Ltd., Toronto, Canada.

Central Steamship Co., Ltd.
Feb. 21 (letter of notification) 2,000 shares of common stock (par $1) and 500 shares of 5% cumulative preferred stock (par $100). Price—at par. Proceeds—For equipment and operating expenses. Office—6109 Camp Bowie Blvd., Fort Worth, Texas. Underwriter—None.

Central Oklahoma Oil Corp., Oklahoma City, Okla.
March 7 (letter of notification) 90,000 shares of common stock (par $10) at one share for each 10 shares held, right to expire on March 24. Price—$160 per share. Proceeds—To Celeste M. Ross, the selling stockholder, for further development of the property.

Christian Oil Corp., Wilmington, Del.
Feb. 25 (letter of notification) $200,000 of notes of 15 3/4% of common stock (par $3), to be offered in units of $1,000 of notes and 50 shares of stock; remaining shares will be sold to each writer and Jackson, Douglas & Whittaker. Price—$1,875 per unit and $27.50 per share. Proceeds—To develop oil properties. Underwriter—Price, Blyth & Co., Wilmingt. Underwriter—Laird, Blyth & Co., Wilmington, Del.

Colorado Central Power Co.
March 7 (letter of notification) 17,300 shares of common stock (par $1). Price—$15.75 per share. Proceeds—To be used for equipment and construction. Construction—3470 South Broadway, Englewood, Colo. Underwriter—None.

Colorful Fuel & Iron Corp., Denver, Colo.

Continued on page 42

NEW ISSUE CALENDAR

March 14, 1952
Bridgeport Hydraulic Co.,
Common
1,000 shares. Underwriter—None.

March 15, 1952
Quaker Oats Co.,
Common
(Grant, Perdue & Co.)

March 17, 1952
Petroleum Finance Corp.,
Common
(George F. Brest)

Public Power Ind., Inc.,
Common
(Merrill Lynch, Pierce, Fenner & Beane)

Southwestern Gas & Electric Co.,
Bonds
(Dillon, Read & Co., Inc. and association)

Union Bank & Trust Co. of Los Angeles,
Common
(Loew & Slichter)

March 18, 1952
Beckman Instruments, Inc.,
Common

Pacific Gas & Electric Co.,
Bonds
(Bids at 3:30 p.m. PST)

March 19, 1952
Koehring Co.,
Common
(Lori & Co.)

Middle S. Utilities, Inc.,
Common
(Dillon, Read & Co., Inc.)

Narragansett Electric Co.,
Bonds

Nova Scotia (Province of),
Debentures
(Berger, Hare & Co.)

Urban Air Lines, Inc.,
Common
(Boes & Co., Wilmingt. Underwriter—None)

Indiana Associated Telephone Corp.,
Preferred
(City Securities and Associates)

March 20, 1952

April 1, 1952
Erie R.R.

April 2, 1952
Intermediate Power Co.,
Bonds & Common

April 3, 1952
Metals & Chemicals Corp.,
Common

April 7, 1952
Western Air Lines, Inc.,
Common

April 9, 1952
Tennessee Products Corp.,
Common

April 10, 1952
Merritt-Chapman & Scott Corp.,
Common

April 15, 1952
Columbia Gas System, Inc.,
Debentures

April 22, 1952
Alabama Power Co.,
Bonds (to be issued)

April 30, 1952
First National Bank of Portland,
Common (offering to banks and underwriters)

May 20, 1952
National Fuel Gas Co.,
Debentures

June 9, 1952
Kansas Gas & Electric Co.,
Bonds & Stock

June 24, 1952
Gulf Power Co.,
Bonds (to be issued)

July 8, 1952
Georgia Power Co.,
Bonds

ISSUES OFFERED IN NEW YORK STOCK EXCHANGE \underline{ISSUE} CALENDAR \underline{ADDITIONS} SINCE PREVIOUS ISSUE \underline{ITEMS REVISED}
Continued from page 41

**Commercial Benefit Insurance Co.** March 3 (letter of notification) 50,000 shares of common stock (par $1). Price—$10 per share. Proceeds—For development of the New England office of the company, at 377 West Washington St., Chicago, Ill. Underwriter—None.

**Consolidated Edison Co. of New York, Inc.** (3/25) Feb. 10 (letter of notification) 274,200 shares of common stock (par $1). Price—$10 per share. Proceeds—To repay the remaining balance due on the first mortgage bonds due March 1, 1967, by the company and to be issued in units of one share of each class of stock. Proceeds—For working capital. Office—155 Water St., New York, N. Y. Underwriter—None.


**Friendship Savings & Loan Ass’n of Paducah, Ky.** March 10 (letter of notification) 15,000 shares of 6% cumulative preferred stock (par $1). Price—$5 per share. Proceeds—For operating expenses. Office—222 First Avenue, Camden, N. J. Underwriter—None.


**General Alloys Co., Detroit, Mich.** March 5 (letter of notification) 25,000 shares of common stock (no par), of which 5,000 shares are to be offered for subscription by officers of the company at $3 per share and 2,000 shares by certain key employees of the company at $3.50 per share. Price—For operating expenses. Office—203 First National Bank Building, Detroit, Mich. Underwriter—None.

**General Credit Corp., Miami, Fla.** Dec. 29 (letter of notification) 75,000 shares of common stock (par $1). Proceeds will be used for working capital and expansion. Proceeds—For working capital. Office—104 Cedar Street, New York, N. Y. Underwriter—None.

**General Telephone Co., Providence, R. I.** Feb. 12 (letter of notification) 47,500 convertible preferred stock (par $10), being offered in exchange for a preferred stock offering of the company. The preferred stock on a share-for-share basis, but subject to a charge of $3.50 per share. The offer will expire April 15, 1953. The new preferred stock will be convertible into 185,000 shares of common stock through December, 1955; 150,000 shares of common stock on or before March 1, 1961; and 14,000 shares thereafter. Proceeds—Any cash proceeds will be used for working capital or for capital expenditures by subsidiaries. Underwriter—None.

Feb. 12 also filed 9,400 shares of common stock (par $10) to be offered in exchange for common stock of the Vibra Tele¬phone Co. in exchange for 6,900 shares of its common stock, then to be exchanged for 5,000 shares of a "stamped" stock, and two common shares and $210 in cash for each one share of preferred "stamped" stock. Office—405 West First St., Boston, Mass.

**General Alloys Co., Boston, Mass.** March 5 (letter of notification) 25,000 shares of common stock (no par), of which 5,000 shares are to be offered for subscription by officers of the company at $3 per share and 2,000 shares by certain key employees of the company at $3.50 per share. Price—For operating expenses. Office—203 First National Bank Building, Detroit, Mich. Underwriter—None.

**Goldcoa Mines Ltd., Montreal, Canada** April 9 filed 750,000 shares of common stock (par $1). Price—At par ($1 per share). Proceeds—For working capital. Underwriter—George F. Bresler and Co., New York, N. Y. Underwriter—None.

**Hillside General Gas Co.** Feb. 14 filed 100,000 shares of $4.40 convertible preferred stock (no par), being offered, by subscription for common stockholders of record March 3, at rate of one share for each 30 common shares held; right to subscribe will expire March 18. Price—$400 per share. Proceeds—For development costs and working capital.

**Doman Helicopters, Inc, N. Y.** Feb. 4 filed 1,000 shares of $1 par value, undetermined number of shares of capital stock to be offered to first holders of preferred rights for a limited time. Price—At par ($1 per share). Underwriter—George F. Bresler and Co., New York, N. Y. Underwriter—None.


**Falcon Drop Forge Corp., Inc., Manitowoc, Mich.** March 6 (letter of notification) 300,000 shares of common stock (par $1). Proceeds will be used for working capital purposes and to club with a preferred stock offering of common stock. Price—At par ($1 per share). Proceeds—For working capital. Underwriter—Cee & Coh, New York, N. Y. to offer unsubscribed shares to the public.

**El Paso Gulf Gas Co.** Feb. 10 filed 100,000 shares of $4.40 convertible preferred stock (no par), being offered, for subscription by common stockholders of the company at rate of one share for each 30 common shares held; right to subscribe will expire March 18. Price—$400 per share. Proceeds—For development costs and working capital.

**Fenimore Iron Mines Ltd., Toronto, Canada** Jan. 25 filed 4,007,384 shares of common stock (par $1) and 600,000 shares of preferred stock (par $1) each of which 2,000,792 shares are to be offered to present common stockholders, the remaining 400,000 shares of preferred stock and 2,007,592 shares of common stock being a basis of one new share for each two shares held. Subscription price ($1 per share). Proceeds—To retire preferred stock and for working capital. Underwriter—None.

**Fidelity Electric Co., Inc.** (Feb. 3) March 4 filed 40,000 shares of common stock (par $1). Proceeds—For a war¬rant to purchase one additional share at $1.25 (par) per share, which warrant will be issued in units of two shares of stock per $1.25 par per share. Proceeds—To finance drilling program. Under¬writer—None.

**Fidelity Electric Co., Inc.** (March 6) March 4 filed 40,000 shares of common stock (par $1). Proceeds—For a war¬rant to purchase one additional share at $1.25 (par) per share, which warrant will be issued in units of two shares of stock per $1.25 par per share. Proceeds—To finance drilling program. Under¬writer—None.

**Griggs St., Chicago, Ill.** Proceeds—To temporarily. & expected $1.50).
bank loans. Statement may be withdrawn. Financing
arranged privately.

Massachusetts Investors Trust, Boston, Mass.


Vanderbilt, Smith & Blackman, Boston, Mass.

Matheson Co., Inc.


Oklahoma Gas & Electric Co. (3/24)


San Diego Gas & Electric Co. (4/1)


Sargent & Greenleaf, Inc., Rochester, N. Y.


Scudder, Stevens & Clark Common Stock Fund, Inc.

March 7 filed 78,490 shares of capital stock. Underwriter—

None.

Shamrock Oil & Gas Corp. (3/26)


Southern California Gas Co. (3/25)

Feb. 21 filed $30,000,000 first mortgage bonds, series A, due March 1, 1982. Proceeds—For expansion, and for construction program. Underwriter—To be determined by competitive bidding. Probable underwriters: Halsey, Stuart & Co.; Lehman Brothers; Maryland Investment Trust Co.; Merrill Lynch, Pierce, Fenner & Beane; and Proctor & Gamble Co. Underwriter—None.

Southern Pacific Co. (3/26)

Feb. 23 filed $6,000,000 first mortgage bonds, series B, due March 1, 1982. Proceeds—For expansion, and for construction program. Underwriters—To be determined by competitive bidding. Probable underwriters: Halsey, Stuart & Co.; Lehman Brothers; Merrill Lynch, Pierce, Fenner & Beane; and Proctor & Gamble Co. Underwriter—None.

Stirling Petroleum Co., Seattle, Wash.

Feb. 13, (letter of notification) $15,000,000 in private placements of capital stock. Underwriter—None.

Swanston (H. R.), Inc., Los Angeles, Calif.

March 13, (letter of notification) $15,000,000 in private placements of capital stock. Underwriter—None.

Texas Engineering & Manufacturing Co., Inc.


Texas Power & Light Co. (3/31)

March 7 filed 610,937 shares of capital stock (par $7). Proceeds—For expansion, and for construction program. Underwriters—To be determined by competitive bidding. Probable underwriters: Halsey, Stuart & Co.; Lehman Brothers; Merrill Lynch, Pierce, Fenner & Beane; and Proctor & Gamble Co. Underwriter—None.

Volvo of America, Inc.

Prospective Offerings

Aerogrip Corp.  
Jan. 4, Don T. McKone, Chairman, announced that the company will file a registration statement for a public offering of common stock to be offered for sale by the underwriters. The company hopes to receive the registration statement approved by the SEC to file the registration statement within the next two weeks. Underwriters—Walter Lederer & Co., Detroit, Mich.

Alabama Gas Corp.  

Alabama Power Co. (4/22)  
Feb. 8 it was announced company plans to issue and sell about $10,000,000 of new common stock for capital purposes. Proceeds for construction program. Underwriters—To be determined by notification of underwriters. Hatcher, Stuart & Co., Inc. and White, Weid & Co., Kidder, Peabody & Co. and Stone & Webster Securities Corp. (jointly); The First Boston Corp.; Salomon Bros. & Hutzler; Equitable Securities Corp. and Carl M. Loeb, Rhoads & Co. (jointly).

American Can Co.  
Feb. 5 directors raised the amount of $50,000,000 of new money to provide for the company's plant improvement program. The directors are also taking additional subscription by common stockholders at rate of one share for each 11 shares of common stock owned. Proceeds to be used for expansion of operations. Underwriters—To be supplied by amendment. Underwriters—Harriman Blyle & Co., Inc., New York.

Allied Electric, Inc. (4/1)  

Anheuser-Busch, Inc. (4/1)  
March 4 (letter of notification) 21,000 shares of common stock (par $1). Proceeds to be used for general corporate purposes. Underwriters—To be determined by notification of underwriters. Underwriters—Ladd & Co., New York.

Arizona Electric Co.  
March 3 (letter of notification) 6,000 shares of common stock (par $1) to be offered for subscription by stockholders. Underwriters—None.

Barron & Co.  
Feb. 18 (letter of notification) 2,000 shares of capital stock (par $1). Proceeds to be used for general corporate purposes. Underwriters—Halsey, Stuart & Co., Inc.; White, Weid & Co., Kidder, Peabody & Co. and Stone & Webster Securities Corp. (jointly); The First Boston Corp.; Salomon Bros. & Hutzler; Equitable Securities Corp. and Carl M. Loeb, Rhoads & Co. (jointly).

Continued from page 43  


Texas Utilities Co.  
Feb. 22 filed registration statement of common stock (no par) being first offered to common stockholders of record March 5 at a rate of one new share for each 12 shares held. Proceeds to be used for general corporate purposes. Underwriters—To be determined by notification of underwriters. Price—$32.50 per share. Proceeds—To repay bank and short-term indebtedness to subsidiaries and working capital. Underwriters—Union Securities Corp., New York.

Thermal Research & Engineering Corp.  
March 3 (letter of notification) 35,155 shares of common stock (par $1) to be offered for subscription by stockholders. Underwriters—To be determined by notification of underwriters. Proceeds—To be used for general corporate purposes. Underwriters—To be determined by notification of underwriters. Price—To be notified June 19. Proceeds—To repay bank and short-term indebtedness to subsidiaries and working capital. Underwriters—Union Securities Corp., New York.

Tri-State Telecasting Corp., Chattanooga, Tenn.  
Jan. 23, filed registration statement of 125,000 shares (par $1) and 2,000 shares of 5% cumulative preferred stock (par $100). Proceeds to be used for general corporate purposes. Underwriters—To be determined by notification of underwriters. Proceeds—To be used for general corporate purposes. Underwriters—Harriman Blyle & Co., Inc., New York. Offerer—Carlton D. Laird, Robert Blyle & Co., Chattanooga, Tenn.

United Air Lines, Inc. (3/19)  

U.S. Thermo Control Corp.  
March 4 (letter of notification) 21,000 shares of common stock (par $1). Price—At the market (approximately $33.75 per share). Proceeds—To Blanche M. Numeroff, the selling stockholder. Offerer—South 12th St., Minneapolis, Minn.

Viking Plywood & Lumbar Corp., Seattle, Wash.  
Oct. 20, filed registration statement of 112,500 shares (par $1) to be offered to employee-stockholders in minimum units of 125 shares per unit. Price—$35 per share. Proceeds—To be used for capital purposes. Underwriters—Harriman Blyle & Co., Inc., Seattle, Wash.

West Jet Services, Inc.  
Jan. 25 (letter of notification) 2,000 shares of common stock (par $1). Proceeds—To Howard H. Thompson, the selling stockholder. Underwriters—Barron McCollough, Ft. Worth, Tex.; Dewey, Cheatham & Howe & Pancoast and Russo, both of San Antonio, Tex.; and Laird & Wilkerson, Del.

West Penn Power Co., Pittsburgh, Pa. (4/3)  
Feb 28 filed $12,000,000 of first mortgage bonds, series C, due April 1, 1932, and $9,000,000 of par common stock (latter to be offered for subscription by stockholders at rate of one new share for each 12 shares held. Proceeds—To pay bank loans and for property additions and improvements. Underwriters—(1) For stock, none. Well known investment bankers. Proceeds to be used for capital purposes. Underwriters—To be determined by bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Kuhn, Loeb & Co. and Lehman Brothers; Blyle & Co., Inc.; W. C. Langley & Co. and The Boston Corp. Bids—Expected to be opened at 11 a.m. (EST) on March 9.

Western Air Lines, Inc. (4/7)  
March 3 filed registration statement of common stock (par $1) to be offered for subscription by stockholders of record April 21, 1932. Price—To be determined. Proceeds—To be added to working capital and used for purchase of additional common stock. Underwriters—To be determined by bidding. Probable bidders: Halsey, Stuart & Co., Inc.; San Francisco, Calif., and New York.

Western Data processing Corp., Gastonia, N. C.  
March 3 (letter of notification) 10,000 shares of common stock, to be offered for subscription by stockholders. Underwriters—None.

Western Linen Mills, Inc., Salinas, Calif.  
March 4 (letter of notification) 19,000 shares of common stock, par $1 per share. Proceeds—To develop claims. Addressee—Phil. Salinas, Calif.—Underwriter—None.
March 5, it was reported company plans to issue and sell $1,000,000 of first mortgage bonds. Proceeds—For general cor porate purposes. Underwriter—Kidder, Peabody & Co. Inc. Bids—Expected to be opened on or about April 1.

Gulf States Utilities Co. March 5, Roy S. Nelson; President, announced that the company plans to issue and sell in April enough common stock to yield $6,500,000. Underwriter—To be determined by competitive bidding. Probable underwriters: Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Beane and Lehman Brothers; Jointly.

Hammermill Paper Co. Jan. 22 it was announced company plans public offering of 1 million shares of its common stock at $21 per share. Proceeds—To be used for expansion program. Tradtional Underwriter—A. G. Becker & Co. Inc., Chicago, Ill.

Hammerson Paper Co. Feb. 18 it was announced stockholders will vote March 4 on a $20,000,000 financing plan which will include the sale of $5,000,000 of preferred stock. Proceeds—For new construction.

Indiana Power & Light Co. Feb. 10刊登 the company announced that additional financing will be necessary to complete the company's construction program and it is contemplated that the balance of new capital will be raised by the issue of common stock and first mortgage bonds. The company has borrowed $45,000,000 from several banks arranged which provides for short-term bank borrowings of not more than two months. Common stock may be offered to common stockholders, with Kidder, Peabody & Co. Merrill Lynch, and Estabrook, Jointly.

Florida Power Corp. Jan. 26 company announced a plan to issue and sell $1,200,000,000 additional shares of common stock (par $12.50) to common stockholders. The new issue may be used in connection with the proposed sale of the company's power systems. The new issue will be sold by a group of underwriters, including in a group of underwriters including Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Beane and Lehman Brothers.

Florida Power & Light Co. Feb. 8 it was reported company plans to issue and sell $22,100,000 construction budget for 1952 and $27,900,000 for 1953. This is a part of a 10-year program estimated to cost $323,000,000. Proceeds—To finance construction of large-scale power stations. Underwriters—Kidder, Peabody & Co., Merrill Lynch & Co., Kuhn, Loeb & Co., and Halsey, Stuart & Co.

Foote Mineola Co. Dec. 27 the company announced company plans to increase authorized common stock from 300,000 shares (258,422 outstanding) to 500,000 shares of $25 par value. The increase will be used to finance the company's capital financing either of an equity type or loan. The directors have authorized the company to issue additional shares in the future. Underwriters—Blyth & Co. Inc. Underwriter—No.

Kentucky Power & Light Co. Jan. 4 company announced that it plans to issue and sell 50,000 additional shares of its 7% preferred mortgage bonds (this is in addition to preferred mortgage bonds which will be issued in the future) after the next paid-in amount is determined by competitive bidding. Probable underwriters: Halsey, Stuart & Co.; Glorco, Forgan & Co.; Blyth & Co. and the First Boston Corp. (jointly); The First Boston Corp.; White, Weld & Co. and Shields & Co. (jointly); Smith, Barney & Co.; Kuhn, Loeb & Co.; Salmonon Bros., & Hatzler and Union Securities Corp. (jointly); The First Boston Corp. and Co. in Chicago; Blyth & Co. Inc.; The First Boston Corp. (jointly); Underwriters—W. E. Hutton & Co., Inc., New York.

International Utilities Co. Ltd. Jan. 23 the company announced that it was understood to be considering some new financing. Traditional Underwriter—Halsey, Stuart & Co., New York.

Kansas City Power & Light Co. Jan. 4 company announced that it plans to issue and sell 250,000 additional shares of common stock (par $8.50) and 250,000 shares of common stock (par $8.50). Proceeds—To be used in connection with the proposed sale of the company's power systems. The new issue will be sold by a group of underwriters, including Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Beane and Kidder, Peabody & Co.

Georgia Power Co. (7/8) Feb. 10 it was reported company plans issue and sale of $20,000,000 of first mortgage bonds. Proceeds—For general corporate purposes. Underwriter—Blyth & Co. Inc. Bids—Expected to be opened on or about March 1.


Gulf States Utilities Co. March 5, Roy S. Nelson; President, announced that the company plans to issue and sell in April enough common stock to yield $6,500,000. Underwriter—to be determined by competitive bidding. Probable underwriters: Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Beane and Lehman Brothers; Jointly.

Hammerson Paper Co. Jan. 22 it was announced company plans public offering of 1 million shares of its common stock at $21 per share. Proceeds—To be used for expansion program. Traditional Underwriter—A. G. Becker & Co. Inc., Chicago, Ill.

Hammerson Paper Co. Feb. 18 it was announced stockholders will vote March 4 on a $20,000,000 financing plan which will include the sale of $5,000,000 of preferred stock. Proceeds—For new construction.


International Utilities Co. Ltd. Dec. 10 it was reported company plans to issue and sell in April or May $12,000,000,000 of common stock (par $5). Proceeds—To be used in connection with the proposed sale of the company's power systems. The new issue will be sold by a group of underwriters, including Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Beane and Kidder, Peabody & Co. (jointly); Lehman Brothers; Jointly.

Leitz (Ernst), New York July, 1951 it was announced the company plans to issue and sell 560,000 shares of common stock (par $10) and 90,000 shares of cumulative preferred stock (par $5). Proceeds—To be used for expansion, etc. Properties located near topock, Ariz., and near los Angeles, Calif., and near Arizona.

Langeley (W. C.) Feb. 16 company announced plans to issue and sell 130,000,000 shares of common stock (par $1) for approximately $6,500,000. Underwriter—to be determined by competitive bidding. Probable underwriters: Blyth & Co. Inc.; Merrill Lynch, Pierce, Fenner & Beane and Lehman Brothers; Jointly.

Merrill-Chapman & Scott Corp. (4/10) Jan. 20 company announced plans to issue and sell to its common stockholders a total of 145,000 shares of common stock on a 1-for-4 basis. Proceeds—To be used for expansion and working capital. Underwriter—D. A. Halsey & Co., New York.

Middle East Industries Corp., N. Y. Oct. 18 it was announced company plans to issue and sell $1,800,000 equipment bonds due 1951. Proceeds—To finance expansion and working capital. Underwriter—Beach, Dallas, Texas, and others.

National Gypsum Co. Feb. 10 it was announced company plans to issue and sell $11,500,000 of preferred stock at $25 per share. Proceeds—To be supplied for working capital. Underwriter—Blyth & Co., Inc. Bids—Expected on or about May 20.

National Supply Co. Jan. 21 it was announced company plans to issue and sell 75,000 shares of preferred stock at $100 per share. Proceeds—To be used in connection with the purchase of additional shares of the company's outstanding common stock. Underwriters—W. E. Hutton & Co., Inc., New York.

National Research Corp. Jan. 21 it was announced company plans to issue and sell 150,000 shares of common stock (par $1) for approximately $1,500,000. Proceeds—To be used for working capital. Underwriters—The First Boston Corp. and F. C. Pierce & Co. Inc. Bids—Expected on or about May 20.

Nebraska Natural Gas Pipe Line Co., Las Vegas Feb. 8 the company applied to FPC for authority to construct a pipeline from near Topock, Ariz., to Las Vegas, Nev., at an estimated cost of $2,600,000, to be financed by sale of $1,600,000 first mortgage bonds, and $500,000 preferred stock and $400,000 common stock.

New British Dominion Oil Co., Ltd. Mar. 5 it was reported company plans offering of about 1,000,000 shares of its common stock. Proceeds—To be used for exploration development, etc. Properties located near Topock, Ariz., and near la Paz, Ariz., and near Arizona.

New England Power Co. Jan. 11 company announced SEC authority to increase authorized common stock to $12,000,000 to $14,000,000. Proceeds—To be used for the purchase of additional shares of common stock. Underwriters—Blyth & Co. Inc.; First Boston Corp.; Kidder, Peabody & Co.; and White, Weld & Co. (jointly); The First Boston Corp. Bids—Expected in June or 9 or 10.


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New Jersey Bell Telephone Co. New York, N.Y., has announced a $170,000,000 financing program with the New Jersey Board of Public Utility Commissioners to provide for the purchase of 13,500,000 shares of first mortgage bonds. Proceeds—Sale of bonds and from sale of $35,000,000 of common stock to parent, American Telephone & Telegraph Co. Underwriters—To be determined by competitive bidding. Proceeds will be used for public service and for new construction. Underwriters—May be determined by competitive bidding. Probable bidders: The First Boston Corp.; Glore, Forgan & Co.; Halsey, Stuart & Co.; and Harriman Ripley & Co. (jointly).


Public Service Electric & Gas Co. Feb. 29 it was announced that it is expected that up to $48,000,000 of public service and for new construction. Underwriters—May be determined by competitive bidding. Probable bidders: The First Boston Corp.; Glore, Forgan & Co.; Halsey, Stuart & Co.; and Harriman Ripley & Co. (jointly).

Texas Electric Service Co. Jan. 23 it was reported company was planning issuing $15,000,000 of first mortgage bonds and $5,000,000 of debentures, to be used for purchase of existing property and for the purpose of financing the expansion of certain gas transmission projects. Proceeds—Proceeds would be used for the purpose of financing the expansion of certain gas transmission projects. Underwriters—May be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; Goodwin, Draper & Co., (jointly); Salomon Brothers & Hutzler; & Glore, Forgan & Co. Inc.; Union Securities Corp; Harriman Ripley & Co. (jointly); Kidder, Peabody & Co. and Merrill Lynch, Pierce, Fenner & Beane (jointly); The First Boston Corp.

Texas-Ohio Gas Co., Houston, Tex. Oct. 17, 1951, it was announced FPC for authority to construct a 1,250-mile natural gas transmission line extending from an additional 3,280,000 shares in common stock. The project is estimated to cost $184,888,633. Underwriters—Kidder, Peabody & Co., New York.

Transcon Lines, Los Angeles, Calif. Feb. 11 it was reported company plans to offer about 50,000,000 shares of common stock (par $12) at $19 each for competitive bidding. Proceeds—Authorized but not yet decided. Underwriters—Cruttenden & Co., Chicago, III.

United States National Bank of Portland ( Ore.), Portland, Ore. Dec. 12 it was announced that company expects to raise as much as $12,000,000 by selling 300,000 shares of $10 par common stock at par ($10). The company's stock is currently selling at $12 and the proceeds of the sale will be used to finance a contemplated expansion of the bank's facilities. Underwriters—Blyth & Co., Montreal; Stern, Frank, & Co., New York; Fosler, Ryon & Co.; A. W. Morris & Co. & Wood, M. & Co., New York.

Virginia Electric & Power Co. Dec. 12 it was announced that company expects to issue 5,000,000 additional shares of common stock (par $1) at $12 each. The company's stock is currently selling at $17 and the proceeds of the sale will be used to finance a contemplated expansion of the company's facilities. Underwriters—Blyth & Co., New York; White Co., Minneapolis, Minn.; Kidder, Peabody & Co. Inc.; Stone, Webster & Co. Inc.; White, Weld & Co.; Kuhn, Loeb & Co., and Wright & Co. (jointly). 4 rights to subscribe on or before March 24 for 100,000 additional shares of common stock (par $10) at $11 each. The proceeds from the sale will be used to finance a contemplated expansion of the company's facilities. Underwriters—Blyth & Co., New York; White Co., Minneapolis, Minn.; Kidder, Peabody & Co. Inc.; Stone, Webster & Co. Inc.; White, Weld & Co.; Kuhn, Loeb & Co., and Wright & Co. (jointly).

Western Air Brake Co. Feb. 12 it was announced that stockholders will vote April 15 on increasing common stock (par $10) from 4,200,000 shares (par $10,000) to 7,500,000 shares.

Wisconsin Electric Power Co. March 5 it was reported company plans issuance and sale in units totaling up to 1,000,000 shares of common stock and to raise approximately $4,000,000 more through the sale of additional common stock. The company plans to issue additional common stock on a subscription basis at the rate of one share for each six shares held. Underwriters—For bonds, to be determined by competitive bidding, with the following probable bidders: Halsey, Stuart & Co., Goodwin, Draper & Co., (jointly); Salomon Brothers & Hutzler; Stone & Webster & Co. Inc., White, Weld & Co.; Kuhn, Loeb & Co. and Wertheim & Co. (jointly). For common stock, the company is considering plans to offer additional 3,280,000 shares of common stock to its stockholders (there are presently outstanding 2,000,000 shares). Underwriters—The First Boston Corp. and Journal Mortgage Co. will handle the offering last year to stockholders. Proceeds—Together with the proceeds of the common stock offering, to take care of proposed $6,000,000 expansion program.

Westinghouse Air Brake Co. Feb. 12 it was announced that stockholders will vote April 15 on increasing common stock (par $10) from 4,200,000 shares (par $10,000) to 7,500,000 shares.

Wisconsin Electric Power Co. March 5 it was reported company plans issuance and sale in units totaling up to 1,000,000 shares of common stock and to raise approximately $4,000,000 more through the sale of additional common stock. The company plans to issue additional common stock on a subscription basis at the rate of one share for each six shares held. Underwriters—For bonds, to be determined by competitive bidding, with the following probable bidders: Halsey, Stuart & Co., Goodwin, Draper & Co., (jointly); Salomon Brothers & Hutzler; Stone & Webster & Co. Inc., White, Weld & Co.; Kuhn, Loeb & Co. and Wertheim & Co. (jointly). For common stock, the company is considering plans to offer additional 3,280,000 shares of common stock to its stockholders (there are presently outstanding 2,000,000 shares). Underwriters—The First Boston Corp. and Journal Mortgage Co. will handle the offering last year to stockholders. Proceeds—Together with the proceeds of the common stock offering, to take care of proposed $6,000,000 expansion program.

Wisconsin Power & Light Co. Jan. 14 it was reported company was planning issuance and sale of $8,000,000 of first mortgage bonds and $2,000,000 of preferred stock, $4,000,000 of additional common stock and additional common stock (to be offered first to stockholders, par $10,000) at $10 each. The bonds were sold for $4,000,000 at 104,145% and the proceeds of the common stock offering were used to finance a contemplated expansion of the company's facilities. Proceeds—Proceeds of the issuance of additional common stock are expected to be used to finance a contemplated expansion of the company's facilities. Underwriters—Blair, Blodin & Co., New York.

Wisconsin Power & Light Co. (Mo.) Feb. 20 company applied to Missouri P. S. Commission for $175,000,000 of mortgage bonds, 1,600 shares of preferred stock at par ($100 per share) and 10,000 shares of common stock (par $100) at a price of $100 per share. Proceeds—Proceeds will be used for construction and for new construction. Underwriters—May be determined by competitive bidding. Probable bidders: The First Boston Corp.; Glore, Forgan & Co.; Halsey, Stuart & Co.; and Harriman Ripley & Co. (jointly).
Our Reporter's Report

Underwriters found potential investors this week after the favorable response which greeted the several large business and public issues of the preceding period.

Further up the issue ladder, with a rather wide field to choose from, appeared disposed to crawl back taking which will be noted the attitude. At any rate there was apparently to soak up the several offerings brought to market through the medium of competitive bidding.

It may be that apprehension over the future and a tendency to squint toward the end of the week when the March 15 date may have carried some influence in their thinking. But the reason for the current hesitation was regarded generally as a bit more for sale of shares.

Price of current new issues probably was regarded as a little full, for as a thing. Moreover, buyers of the type who would be interested in gaining the attention of marketwise and realize that a heavy calendar is scheduled for the balance of the month.

Furthermore, it is pointed out that the run of private deals, or direct placements, still is an element to be reckoned with and that such operations naturally give the biggest of the institutional buyers, the insurance companies, an outlet which frequently is virus of the drug companies.

By and large most of the new issues appearing this week were a bit on the sluggish side. There were exceptions, especially in the case, such as Illinois Power Co.'s $50,000,000 of 3½ per cent, and Metropolitan Edison Co.'s $7,000,000 of 3½ per cent, which were both mentioned as preferred.

Bankers Offer Ohio Edison Preferred Stock

The first Boston Corp., Lehman Brothers, and E. F. Hutton & Co., jointly held an investment group to offer $5,000,000 of preferred stock, priced at $100.44, to be sold on the New York Stock Exchange. The stock is a $100,000 of first mortgage bonds; priced at $100.44, and was advertised as being of interest.

Looking Ahead

The forward calendar embraces several issues which will require the attention of sizable banking syndicates. Next Tuesday, for example, Pacific Electric & Gas Co. will open bids for its offering of $90,000,000 of first and refunding 3½ per cent bonds.

On the same day bankers underwritings United Airlines of $15,000,000 of cumulative, convertible preferred stock will come up before commonholders of that date, who have purchase-rights.

Dividends

The Board of Directors has declared the following dividends:

**AMERICAN MANUFACTURING COMPANY**

Noble and West Streets.

**Columbus, Ohio.**

**The Colorado Fuel & Iron Corporation**

Corrections—The Colorado Fuel & Iron Corporation, formerly known as the Southern California Gas Co., has had a name change. Its stock will now be sold under the name of Colorado Fuel & Iron Corporation. The company is engaged in the production and sale of natural gas and the manufacture and sale of liquid hydrocarbons.

A New Name Looms

Philadelphia Plate Glass Co. went into registration with SEC for $30,000,000 in 1955 for its first public debt. The company is expected to sell the bonds in the amount of $40,000,000 of 15-year sinking fund debentures.

**Wagner Baking Co.**

The Board of Directors has declared the regular quarterly dividend of 45 cents per share on its Preferred Stock, as well as a dividend of 15 cents per share on the Common Stock of this Corporation. Both dividends payable April 15, 1952, to stockholders on record at the close of business April 2, 1952.

**Simon Ortengren, Secretary.**

**New York & Honduras Rosario Mining Co.**

138 Broadway, New York N.Y.

**DIVIDEND NO. 28**

The Board of Directors has declared the regular quarterly dividend of 45 cents per share on the Preferred Stock, as well as a dividend of 13 cents per share on the Common Stock of this Corporation. Both dividends payable April 15, 1952, to stockholders on record at the close of business March 24, 1952.

**J. W. Stedman, Secretary.**

**Royal Typewriter Company, Inc.**

A dividend of 15 per cent, amounting to $1.75 per share, on account of the current quarter dividend ending April 30, 1952, has been declared payable April 15, 1952, on the outstanding common stock of this company. Holders of common stocks are entitled to receive the dividend on the close of business on March 24, 1952.

**Robert S. Miller, Secretary.**

**Safeway Stores Inc.**

Preferred and Common Stock Dividends

The Board of Directors of Safeway Stores, Inc., on March 4, 1952, declared quarterly dividends on the Company's $5.00 per share Common Stock and 4½ per cent Preferred Stock.

The dividend on the 4½% Preferred Stock is at the rate of $1.00 per share and is payable April 15, 1952, to holders of record at the close of business March 24, 1952.

**Milton L. Selby, Secretary.**

**Yale & Towne Mfg. Co.**

On March 7, 1952, the Board of Directors declared the dividend of 7½ cents per share on the Preferred Stock, as well as a dividend of 15 cents per share on the Common Stock of this Corporation. Both dividends payable April 15, 1952, to stockholders on record at the close of business March 24, 1952.

**F. Dunnings, Vice President & Treasurer.**

**The Columbus Dispatch**

**Materials Handling Equipment**

**Locks & Builders Hardware**

**Yale & Towne Mfg. Co.**

**25th Annual Convention**

On March 7, 1952, the Board of Directors declared the dividend of 7½ cents per share on the Preferred Stock, as well as a dividend of 15 cents per share on the Common Stock of this Corporation. Both dividends payable April 15, 1952, to stockholders on record at the close of business March 24, 1952.
Washington...  And You

WASHINGTON, D.C.—If you are doing any defense business with the government, one agency that you should know about is the Renegotiation Board, because it has the power to prevent excessive profits. The Board cannot review or recapture profits on the proceeds of defense work that have not been processed in any way. Since the government does not keep any records of defense profits, this exemption does not apply to profits made from procurement contracts.

This is entirely within the discretion of the Board, subject only to board judgment in the determination of what an "excessive profit" is. In general, no contractor is allowed a "fair" and reasonable return on profits before taxes. This includes fixed price contracts as well as negotiated contracts.

The Army, Navy, and Air Force themselves have the right to "price" periodicals, even if no defense work is involved. The Army has been known to bid down prices on books a final look over and OK. This is a different job from the one that the Board itself sees it. The Board acts on the basis of preventing excessive profits on defense contracts before they occur. The purpose is to make sure that the contractor gets a fair return on his work, and that the government pays a fair price for the work done.

The Renegotiation Board is set up under the OPA and the Defense, Navy, and Air Force. It has the power to review and negotiate contracts for the government, and to raise or lower prices if it deems them to be excessive.

Among other things, the Renegotiation Board can do the following:

1. It can recapture "excessive profits" on contracts that have already been awarded.
2. It can prevent "excessive profits" on future contracts.
3. It can modify existing contracts to reduce "excessive profits." The Board has several methods of doing this, such as making the contractor pay a reduced price for materials or labor, or by requiring the contractor to refund any profits that are considered "excessive."