Economic Trends
And Opportunities

By ARTHUR F. BURNS*
Chairman, Council of Economic Advisers

Pointing out that no government can, of itself, create real and lasting prosperity, and therefore a thriving economy depends on the enterprise of individuals, Dr. Burns attacks idea that nation has reached a mature stage, with limited opportunities for new private investment. Gives data on postwar trends that indicate we still have an expanding economy. Says neither the theories nor the prescriptions of economic policy during the thirties are suited to present conditions, and asserts the businessman's horizon now extends further than a generation ago, and there is momentum to current business recovery.

A few days ago the President submitted his annual economic message to the Congress. This report reviewed current conditions and the government's economic program for sustained economic growth. It also summed up the President's economic philosophy by reaffirming his faith in the capacity of an economy based on free and competitive enterprise to create a wide distribution of jobs, to raise incomes, and to improve the living standards of vast numbers of people.

This faith in the capacity of free enterprise to generate economic growth is based on the accumulated experience of generations. History has taught us that although government can do a constructive part to play in the affairs of a nation, no government can of itself create real and lasting prosperity. A nation succeeds and prospers only as its people succeed and prosper. A thriving economy

Continued on page 26

Common Stocks
Are Respectable

By JAMES A. CLOSE
Vice-President, Merchants National Bank & Trust Co.,
Syracuse, New York

Contending that, on the basis of yield hierarchy as well as factors, common stocks are now respectable investments in which the layman can invest with confidence, Mr. Close gives as reasons: (1) changes in the law and practice regarding institutional investments; (2) the permission given savings banks to purchase common stocks; (3) the instance of an insurance company selling deferred annuities by investing a large part of premiums received in common stock; (4) pension and profit-sharing plans that are invested to an increasing extent in common stocks, and (5) the accelerating investment of Mutual Funds in common stocks. Stresses high yield of common stocks as a lure for investment.

My thesis is that common stocks are respectable investments in which laymen can invest with confidence. This statement relates not to the level of the stock market today and the prospects of capital gains in the next few months, but rather to more basic factors that have been inadequately recognized by many potential laymen investors. However, before we talk of common stocks, we must note that a sound investment plan is first predicated upon your having adequate life insurance and adequate savings.

One other item in the general background might be mentioned before we proceed to look at investments themselves and that is to look at a kind of hierarchy of yields as they exist in the investment markets today. In fact, it is possible to construct a yield hierarchy somewhat as follows:

- Savings accounts, 2.00%; savings banks, 2.50%; marketable government bonds, 3.00% to 3.25%; AAA

Continued on page 32

*An address by Dr. Burns before the National Automobile Dealers Convention, Chicago, Ill., Jan. 31, 1955.
A continuous form in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they considered to be, a recommendation as to whether to sell the above securities.

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Economic Roads and The Automotive Industry

By PAUL MAZUR*

Partner, Lehman Brothers, Members Y. N. S. E.

Stressing the automotive industry as a barometer of general business conditions, New York investment bankers put forth that though mass production results in high wages and relatively low prices, its weakness lies in its need for growth in sales, and this is particularly true of the automotive industry. One theory of "automotive depression" in which automotive industry plays a leading role, and says this means a persistence of buyers' markets and more efficient competition, says the family product, and the rate of family formation influences the demand for it, along with the suburban trend of population.

What are the prospects for the automotive industry over the next decade? I am aware of the dynamite inherent in the remark that what is good for an automobile industry is usually good for the country. Nevertheless, what is good for the general automotive industry is not likely to be good for a multitude at once, particularly at the well-being of the country. This industry has been among the fastest developing, and its collateral developments have become so large and vital a segment of our entire economy that one finds it difficult to assume a depressed period that is not to be inseparable from the collapse of the steel, and oil and petroleum industries, and the other industries, of which the automobile industry has become a part of the national economy.

The economic decline which we have experienced has been mild but persistent, but rather significant in its political impact. As a nation, we appear to be developing an exceptional degree of optimism, so that I believe no recession from the highest levels we have attained is likely to occur in the near future. In the years 1920-34, these industries have played a great role in employment, and in sales, and in profits. The automotive industry has certainly, in this respect, been primarily an adjustment in inventories. In 1931 and 1932, business was busily engaged in accumulating inventories. In the years 1933-34, these industries became a matter of great concern and business engaged in decumulating — or reducing inventories by decreasing production.

Coincident with this period of inventory liquidation, government expenditures decreased. The result of the combination of the factors was the development and application of deflationary forces upon the economy's efficiency, and upon the seller's market to which these forces had been so enthusiastically applied. And this happened in spite of practically no change in the levels of consumption or prices. In these experiences of 1929-34, there is a lesson of great significance and value to America. If, when we take advantage of the opportunity to learn.

In the language we are just ending is the evidence of both the great value and the weakness of our almost miraculous system of mass production. From mass production come e.g., high wages and relatively low prices through increased productivity. But to accomplish its values, mass production needs growth of sales. Otherwise, mass production will be accompanied first by increased inventories and later by decreased employment.

Therefore, a healthy mass production method must be associated with growing levels of sales or be a waste of capital. Production and consumption must be correlated. Consumption depends upon the increase in the millions of families and 150,000,000,000 persons as a result. It is not the way to control. Changes in production activity must be correlated to consumption levels, or else.

The experience of the automotive industry in 1933-34 gives witness of the way in which the "proper percentage" was maintained. In spite of a very large increase in output of automobiles in 1933, we entered 1934 with too large an inventory of automobile cars. Production in 1934 was affected by the fact that there was pressure to liquidate inventories and it resulted in a "slow" selling effect upon prices and profits of manufacturers and particularly dealers.

The probability is that the conditions that developed came from a perfectly natural desire and policy of each important producer in the industry to obtain its "proper percentage" of total. It was unfortunate that simple arithmetic refused to cooperate. As a result, the total of all the "proper percentages" did not add up to 100%. And we haven't yet got any more cars than are sold. So there are more than 100% of any pie or any market. No matter what level of consensus is reached will the curve show.

Continued on page 22

*President, National Automobile Dealers Association

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Nela Metals, 100% owned, has signed an additional contract with the Atomic Energy Commission to enlarge the facilities of the $5,000, 000 plant in New York to manufacture magnesium for the production of metallic calcium and high purity boron free magnesium. Company is the sole producer of metallic calcium in the U. S. A.

"At present all techniques for extracting pure magnesium from crude depend on the reduction of magnesium trisulfate or trisulfur tetrfluoride by calcium."
The United States Stake
In Canadian Expansion

By HENRY C. ALEXANDER*

President, J. P. Morgan & Co., Incorporated

Calling attention to the "dynamic interaction" between economic development in Canada and the U. S., prominent New York banker points out Canada's industrial expansion will be an important factor in the future growth of the U. S. economy. praises Canada's welcome to Americans in its economic expansion, but cautions against erecting between the two countries a "velvet curtain," under the pretense that "no conflicts of interest exist between us." Urges Canadians and Americans to work harder than ever before at the job of being good neighbors.

In anticipation of this pleasurable occasion, one thing in particular occurred to me about the founding of the Canadian Society itself. Normally, when people away from their own country band together in an organization, you assume that they do so principally for reasons of what you might call homesickness—a desire to compensate for the strangeness of new surroundings by associating with those who share a common background.

That wasn't the case with the Canadian Society of New York. I don't mean that that handful of expatriates who joined together in Manhattan nearly 60 years ago didn't feel the normal pangs of homesickness with the homeland to the north. Of course they did. But the striking thing is that in New York they didn't feel they were in a strange land. So, the Society that they formed was intended, not to provide a make-believe feeling of being at home, but to promote and strengthen the bonds of friendship which they perceived as naturally existing between their country and the country into which they had come.

The Society has never lost sight of its dedication to that aim, and the people of both countries owe it a debt of gratitude for what it has accomplished in that direction.

Not long ago, a European visitor to Canada remarked at the splendour of the fountain of which he had become conscious: Canada's characteristic border relationships in Europe. "You people and the English understand each other," he said. "Well," replied his Canadian host, "they give us an awful lot to be understanding about.

As a matter of fact, I guess we do. But, in fairness, we can't take credit for providing the opportunities for delay of patience and broad-mindedness between our two countries. That's an honor we'll have to share.

The Longest Unfortified Frontier

Some of you may be wondering how much further I'll go before referring to the world's longest unfortified frontier. All right, I will. If all the nice things that have been said about that frontier were laid end to end, we have no doubt they'd reach the world's 3,000 miles of that wonderful line of good will, and have enough left over to take care of the trans-Canada pipeline and the St. Lawrence seaway as well. No, that frontier is the most heavily fortified of them all. It is fortified—every foot of it—with long and lasting friendship.

I wouldn't presume to try to analyze the remarkable brand of coexistence which Canada and the United States have managed all these years. It's not the sort of thing you can draw a blueprint for. But there is one factor contributing to it which probably should receive more recognition than it does. I refer to Canada's historic talent for maintaining in delicate balance a whole host of complicated relationships. This is probably a sort of skill, something we Americans perhaps can't fully perceive or appreciate. But I think its workings can be seen clearly enough.

For instance, this talent is demonstrated in the evolutionary role which Canada has so masterfully played in the British Commonwealth. Likewise in the wisdom she has displayed in solving her own internal nationality problems, where she happily has chosen the gentle technique of the mixing bowl rather than the more drastic one of the melting pot. And certainly this gift of poise is evident in the quiet, undestructive, but very important part which Canada has played in the world's large and crucial relationship which exists between our country and the country which is mother both to her and to us.

Perhaps it was this same skill at maintaining difficult relationships that Stephen Leacock was thinking of in his classic remark. You may recall the neighbor to the south was looking in the tragic War Between the States, Leacock said, Canada did the only conceivable thing: she didn't take the side of the South and the American-American Relations—More Than a Continental Affair

The bonds of accord between two nations have assumed an importance extending far beyond our own countries. Canada and the U. S. are engaged in a harmonious relationship that is more than a continental affair. Today those countries are engaging their rational roles on a world stage. Whether we wish it or not, together we are moving irresistibly and inevitably toward the center of that stage, where everything we do will have a magnifying effect on the course of the universal drama.

This circumstance, incapable of being a world phenomenon, places a high premium on continuation of the sanguine and rejuvenating spirit which has pervaded the American-American relationship. The State of the Trade and Industry

Total industrial production for the nation as a whole advanced slightly in the period ended on Thursday of last week, the Federal Reserve Board reported. Production in the country's manufacturing industries reached a level which was estimated to have risen approximately 6% with advances in the Midwest somewhat greater than in other sections of the country.

Latest production figures rose to 3,268,379 from 3,219,774 in the month ended early in January, the Government reported. This was an increase of 500,000 over the month-earlier level. It was 200,000 more than a year earlier, and represented 61,200,000—up 450,000 from a year ago, but down a half-million from early December. Officials said the number of jobs dropped sharply in retail trade from its Christmas peak and there were seasonal reductions in construction and most other industries.

The steel ingot rate is pegged at close to 83% of capacity this week but steel mills will be operating at over 90% within a few weeks, states "The Iron Age," national metalworking weekly. If the rate of incoming business holds, raw steel output may reach 94 to 95% of capacity sometime in May.

Added to heavy domestic demand from steel users, there has been a substantial pickup in orders for semi-finished steel and flat-rolled from abroad. Some American steel companies have turned down export semi-finished business and have been cautious on any export cold-rolled sheet commitments.

Demand for semi-finished steel and flat-rolled products has come from Britain, West Germany and Italy. The steel shortage inGreat Britain and on the Continent has been present for some time. Export demand for steel will probably become so heavy that excess ingots from some American steel plants will find their way abroad in the near future, declares this trade journal.

With the United States civilian economy causing the steel ingot rate to approach 95% of capacity, the industry would create one of the tightest steel markets since Korea. At least 15% of current capacity is earmarked for defense purposes and only a fraction of that cushion is now being used for defense.

Increased civilian steel demand is forcing use of less efficient, higher production-cost steelmaking equipment. Hence, there is a tendency to allow order backlogs to increase at a rapid rate rather than boost the operating rate too high too quickly, observes "The Iron Age."

Lost in the shuffle of current market news is the amazing potential for the growth of our entire basic manufacturing base. The U. S. is second to only Japan in the construction of plants and plant facilities. Currently planned or proposed linepipe projects involving an estimated $275 million. Pipeline authorized or approved will take about 6,000 miles of pipe and cost $600 million; or a grand total of about 14,600 miles and a cost of more than $1.26 billion, consolidates this trade authority.

Passenger car production in the United States last week was scheduled on 1,639,457 cars—the fourth highest on record—averaging 164,927 units a week ending June 24, 1950, to meet a revised February program calling for 866,000 cars.

"Watch America's leading auto experts" said the new target for the month, despite one less work day, is slightly above January's 1,639,457 cars—the fourth highest on record—averaging an average 164,927 units last week and the month ended early on Thursday of last week was scheduled on 1,639,457 cars—the fourth highest on record—averaging 164,927 units a week ending July 1, 1950, declared this trade authority.

The past week's program included a 17% drop in truck-continued on page 29

Trading markets for Banks, Brokers and Dealers only:

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"The Commercial and Financial Chronicle...Thursday, February 10, 1955

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**Observations...**

By A. WILFRED MAY

CORPORATE GLADIATORS

A Look at the Avery Record

[Midst the general concentration on the current aspects of the proxy war for control of Montgomery Ward, it seems constructive to inquire into the long-term past record, policies, and philosophy of Mr. S. G. Avery, with the purpose of discovering what has transpired to the incumbent management chief, with coverage of the insurgent Mr. Wolfson following in next week's column.]

"It is possible that Avery alone did not publicly carry out the Ward premise for the second time?" Wise-crack though it may be, the question manifests the wide public misconception in assuming that the scope of Sewell Avery's presence is bounded at one end by his 1944 battle with FDR in

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**Ward on Peacetime Conscriptio**

Pamphlet issued by the National Council Against Conscription

says: "Avery's philosophy would break American tradition and would place the country in the same political status as peacetime Prussia."

"America will differ from Prussia in name only if the new conscription proposal is adopted by Congress. The constrictive charges in a 36-page printed booklet entitled "The Facts About the Pentagon's New Conscription Plan," the pamphlet is distributed to 12 million families."

"The term 'peacetime conscription' is often used in the years to come to mean the draft law which will end in June was "an emergency measure based for the Korean War." It called for a "return to a military army of pre-Korean War.""

"The Council in an early growth situation under Sewell Avery's management and policy direction (he was chairman until 1951) has indubitably become one of the outstanding corporations in the nation's real "Blue Chip" growth company."

"The company employs impragnable financial stability. Its cash and U. S. Gypsum's funded debt, consisting of 5 million of 5% bonds, was paid off in 1921, since which time the company has never had any fixed debt. When additional money was needed for financing the rapid plant expansion of the 1920s, the company sold $7,600,100 additional stock to its stockholders in 1928. Otherwise the company has financed its expansion out of current earnings."

"In the annual report of the year 1924, Avery told stockholders: "The continued growth of the company's business generally requires much new construction to meet the anticipated demand. Provision to finance these expenditures covering existing or continuing..."

Continued on page 31

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New Frontiers to Conquer

By LELAND I. DOAN
President, The Dow Chemical Company

After noting that for decades the nation has of necessity been preoccupied with fighting depression or war, prominent chemical executive points to need for more social as well as industrial progress. Stresses value of research and cites need for more school facilities, encouragement of education, better highways, and above all, more and better medical services.

Five years ago we were pretty proud of what we had accomplished in 50 years. It was a record, and some of you may have thought that certainly we had reached the end of the line—that we were a mature society and a mature community, and that there was no more potential for development.

I don't think many of you would have entertained such thoughts, but there are such people. There are the conventional pessimists who believe that there are still new frontiers to conquer. And there are others who are not really pessimists but who somehow have difficulty in believing the future, who just can't quite escape a sort of "too late" attitude toward life.

I am very sure there are young people, as there always have been, who graduate and face business life hopefully but with their fingers crossed. So many things have been done, so many things have been invented, that it just can't be possible that there is anything really important to do as far as the frontiers are concerned.

And there are older people too, who often find themselves buying with the idea that their opportunities would really have been greater if they had been born 30 years sooner. They are the kind who say wistfully, "Boy, I'd sure like to have been born in the days of the stock market crash of 1929. I suppose it's still a good investment—but not like in the old days.

The only thing I suspect is that if once people had been around in 1910 they'd have been wistful about the opportunities in 1955.

Well, on the contrary, it is also possible that if once people had been around in 1955 they'd have made any predictions about the future. It is just human nature that we enjoy having something good or even how bad—things are going to be better than we enjoy having them tell us how good things have been.

I don't think it's so much that we intend to do anything about it so it is man's inherent curiosity about the unknowable plus a little human selfEsteem at seeing someone crawl out on a limb.

I suppose I could have made some predictions five years ago and the future would have been different. But I didn't then, and I don't intend to do it now. We have had some changes, but it doesn't look as though they are happening fast enough to make the little world up around us in the manner that I have been convinced, that you are your own prophet. I'll now predict that in 1960, society and the world will have a chance on predicting that crystal ball.

I remember mentioning at that time that The Dow Chemical Company will have 50-odd years to have 19,000 stockholders and annual sales of more than $200,000,000. I was proud of that growth and will am. But another five years have gone by—and another little incentive. My prediction in 1949 was that the growth in our company would be such that in 1954 our employees' income would be $114 million. That is one of the many reasons why we have been successful.

In fiscal 1949 we paid $53' per share on the stock of our company and we sold $8 million worth of our stock. In fiscal 1954 we paid $114 million. Of course, that wouldn't happen but I think that it did put a little more than $40 million into expansion in those five years. In the words of one of our officers, our company, in Texas—and you have to remember that the price of our investment right here in our Midland plant. If you haven't, I invite you to visit the fertilizer and the Dow Chemical Company; we have an expansion down Ellisworth Street and some of the most modern equipments in the world. We are proud of it.

I do think I would have predicted any of these things in 1950? I certainly wouldn't have done it if anyone could have heard me.

Now, I will admit it would have been very nice to have a few shares of Dow Chemical, but even in 1920, I doubt if it was considered as a safe investment but time, but time was certainly not going to be a good one. By 1950, of course, it was a different story, but the golden opportunity was over.

However, I happen to know a fellow who had bought his Dow shares five years ago, on Jan. 19, 1950. The stock was $521/2 and he had paid $55 a share. By that time he had bought it and built up, and he had not had better sense then to hang onto them for more sentimental reasons. His 100 shares have multiplied from $521/2 to $214,000. And on the market this afternoon its original $5,500 investment has reached a high of $510,000.

The amazing thing is that he's really quite pleased that his investment has almost tripled in five years. There is something peculiar about him. You see he realized that he was born 30 years too late for any of the really good characters.

Now, in the language of the financial world I hasten to add that while I do not believe that an investment is not to be deemed a prospector or seller, but I do believe you are not permitted to purchase shares of the Dow Chemical Company, but you have not possibility that anything like that is apt to happen again.

So I think I would have been going to happen in my own company, and I think we ought to know what is going to happen in my community. But I can look back now and see what I might have prophesied if I had a really efficient economist.

I was talking with Ray Frye

The Tail Wagging the Dog is Silver Bell Mines

By IHA U. COLEBIGH

The Wendell-Howes mining company, located at Janesville, Wis., has sold its interest in the Silver Bell Mines, Iron River, Mich., to the Franklin National Bank of Franklinton Square, New York City. The bank, in turn, has sold its interest in the Silver Bell Mines to the Wendell-Howes mining company. The transaction was completed on December 31, 1954.

The Franklin National Bank of Franklinton Square

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Statement of Condition—December 31, 1954

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City banks; and a much larger percentage of mortgages are made on mortgage loans. This latter type of investment tends to provide higher returns than commercial loans, and since the West Coast banking system is still relying, mortgage investments in banks there are likely to be an important factor in a mark-
tant earnings factor for some time to come. There still are three things I overlooked so far in this little blueprint for the future. First, the price/earnings ratio and book values. Here the demand de-
ends on bank shares currently provide a yield of perhaps 330% so if you can find a good issue paying above 4% (where dividend payout is 60% or less of net) you are likely to get a net over-
priced issue. Better yields are, for the most part, in so called "wholesale" banks—purveyors of credit and deposit accommodation to the big corporations—ones like Guaranty Trust of New York at 78, First National Bank of New York, yielding 4.90% at 490 per share; and the specialist in trust services, U. S. Trust Co., yielding 4.8% at 941. About book values, the old time banki
keeps a better aim to buy well below today. Today that's getting pretty difficult to do. In New York, Hanover Bank at 96 sells at 88% of book value—about 9% above the price on the New York list, on that basis. Highest price to book value at the moment in New York appears to be Bank of Manhattan, which sells 35% over book, due primar-
ily to merger status. Relationship of price to book value can be somewhat confusing, however, as Bank of America, the biggest. In the world, consistently sells at about twice its book value, and yet it is a worthy bank share, in any company. Prior earnings ratios are quite varied—somewhere between 12 and 17. The dividend yield on the pur-
chase of shares of a sound bank has almost invariably proved profitable, in a 10 times earning ratio; and certainly no purchase of bank stock, without reference to this relationship would seem very desirable. In order to put into action some of the asserted rules-of-thumb jotted down above, Manufacturers Trust Co. of N. Y. qualifies as a proper sound bank, with a number of trust, safe-
ty, and real estate services, offered to 121,000 stockholders. The stock is at 78, paying 3½%, yields a bit above 4½%, and sells at 107% of book value. An attractive inland entry, judged by the yardsticks above, would be Central National Bank of Cleveland, which sells almost at book value, about 12 times net, pays $1.00 and, at 27, yields around 4.40%. (Rights were re-
cently offered to buy new shares at $32.50 on about 4 for 1 for basis.) This bank declared a 16% stock dividend in 1949, 16% in 1951 and cash dividends were increased each year for nine years in a row, 1946/53. A good management, a good thrift policy, and an across-the-
board record for sustained growth, provide for a sound dividend policy, for cur-
rent attractiveness of Central Na-
tional of Cleveland. Valley National Bank of Ar-
izona is another department store-
type bank, stretching to the cap-
and, in the South, one of the most impressive financial institutions is surely the Citizens and Southern National Bank, in Georgia, which operates directly or through sub-
sidiaries 19 banking offices in Georgia, with $300 million in to-
al deposits. This bank does a wonderful loan business. At June 30, 1953, 846 deposits, then standing at $335 million, loans totalled $184 million and stockholders equity was $35 million. Last year, it declared dividends of $1.80, a record high.
The Higher Bank Rate in Britain

BY PAUL EINZIG

Commenting on the rise of the Bank of England discount rate by one-half percent, Dr. Einzig finds it has failed to produce any noticeable effect, since it had been expected. Says higher interest rates in London are now expected to attract funds from abroad and sterling exchange is likely to become firmer. Warns, however, of the danger of "hot money."

LONDON, Eng.—After several weeks of quiet, authorities decided in favor of an increase of the bank rate up 1/2%. But contrary to the expectations, the rate was raised by 1/2% instead of the usual 1%. The solution recommended by Dr. Einzig is a compromise between those in favor of firm measures to check inflation and those who considered official intervention unnecessary. All the markets had discounted the higher rate to such an extent that the 1/2% increase failed to produce any noteworthy effect.

Opinion in London is divided about the main motive which induced the Chancellor of the Exchequer, on whom the final decision rests, to decide in favor of the increase. According to one school of thought, the rate of interest was raised in order to strengthen sterling in face of the prolonged and persistent weakness in the foreign exchange market. According to another school, the move was directed against the unduly rapid expansion of credit which threatened to accentuate the prevailing inflationary upswing of the national economy. According to a third school, Mr. Butler decided to raise the bank rate in order to be able to make tax concessions in the budget without running the risk of accentuating inflation, unduly by a release of purchasing power.

Beyond doubt, the weakness of sterling after the turn of the year has been unusually heavy. Sterling is usually firm at the beginning of the year after the terms of the previous harvest are reported. But the current harvest of cotton, wheat and other products. Higher import duties are now expected to attract a certain influx of raw materials from abroad, as a result of which sterling is expected to become firmer. It is doubtful, however, whether this object alone would have induced the Chancellor to inflict on trade the inconvenience of higher interest rates. After all, it is a sheer self-deception to achieve a firmness of sterling by attracting "hot money" from abroad. In itself this would not affect the basic condition and any influx of gold resulting from it would have its counterpart in a corresponding increase of Britain's foreign short-term indebtedness.

The only way in which the bank rate increase could achieve a genuine improvement in the balance of payments would be through bringing about a restriction in costs and a curtailment of excessive consumer demand. This result can be attained if the higher rate can be applied to checking or even moderating inflation. There can be little doubt that this objective will be pursued in the event, if the banks will step up sterling with the aid of attracting foreign short-term funds.

The stability of the British price level during a great part of 1933-34 gave way in recent months to a rising tendency. It is true the rise was largely confined to foodstuffs in which there is a world-wide shortage, such as tea, meat and butter. Even so, rapidly expanding purchasing power due to the wages spiral undoubtedly played an important part in it. The case with which business firms are able to obtain credit from their banks has been largely responsible for their competitive bidding for labor, in turn has been one of the causes of the rising trend of wages. At the same time the expanding trend of purchasing power has induced most industries to take the line of least resistance in face of wages claims, in the certain knowledge that the ultimate buyer would pay the increased costs.

To this inflationary unforeseen and unanticipated rise was added the extra demand resulting from the growing popularization of installment buying. The Government is not hostile to this development and has no desire to check it or discourage it. Yet it was judged to counteract to some extent its inflationary effect. It was considered preferable to do so by applying conventional methods of general monetary control, rather than through specific restrictions on installment selling.

Higher interest rates are not likely to affect the volume of installment selling to any extent because the cause of interest rates is in any case so high that an increase of 1/2% would not make any difference.

It is reasonably safe to assume that in his decision Mr. Butler was primarily influenced by a desire to check inflation. It is less safe to speculate on the possibility that his ultimate motive was to prepare the ground for tax concessions in this year's budget. Admittedly the likelihood of a General Election later this year makes it politically expedient to reduce taxation. The picture has, however, another side. Any really substantial tax concessions would release purchasing power which, if superimposed on the existing inflationary tendency, is liable to cause a fairly substantial rise in the cost of living. The disinflationary effect of an increase of the bank rate by 1/2% is bound to be moderate. While it might prepare the ground for minor tax concessions, it is doubtful whether it would be sufficient to offset the effect of really substantial "steelworking" tax cuts.

From a political point of view the level of the cost of living is much more important in Britain than the level of taxation. We have all grown used to the existing high taxation, but any increase in the cost of living is bound to divert votes to the Socialists. It would be politically shortsighted to assume that election would be grateful for tax concessions received in April and would vote for the Government some six months later. In the meantime any inflationary effect of the tax concessions would cause a further rise in the cost of living, which would be liable to be re-measured on polling day.

The solution of the brake in the form of higher bank rate seems to be somewhat inconsistent with the over-buoyant optimism displayed by Government spokesmen in recent months. The psychological effect of pronouncements by Government spokesmen and official slogans (such as "invest in success" or "Don't be afraid of prosperity") must have contributed in no small degree to the boom-like atmosphere which is now being corrected with the aid of the higher bank rate. Possibly the display of a more barricaded official attitude might have made the increase superfluous. In any event, however, the higher interest rates are not likely to cause much damage to business in existing circumstances.

With Dean Witter Co.

(Revised in Ten Percent Discount)

LOS ANGELES, Calif.—James K. Steel has become affiliated with Dean Witter & Co., 612 South Spring Street.
Puget Sound Utilities Join to Assure Adequate Power in Area

By FRANK MCLAUGHLIN
President, Puget Sound Power & Light Company

Group of utilities, composed of Seattle and Tacoma municipal systems, local public utility districts, and the privately owned Puget Sound Power & Light Company, form a Council to achieve cooperation in the future. Objectives approved by Secretary of the Interior.

The most important and constructive development power-wise in 1964 as far as the Puget Sound-Cascade area is concerned was the formation of the Puget Sound Utilities Council, composed of the Seattle and Tacoma municipal systems, the local public utility districts, and Puget Sound Power & Light Company. This Council has formally adopted a joint plan to meet the future needs of the area for adequate, low-cost power and the economic growth of the area. The plan is based on an analysis of the area's current problems, on the standards for the area's growth, and the need for a coordinated and comprehensive plan for the future needs of the area.

The Council has also signed an agreement with the Puget Sound-Cascade area with the utilities seeking to resolve their common problems. This agreement was the result of intensive study and action taken is by unanimous decision.

The Puget Sound-Cascade area constitutes a natural geographic unit. Therefore, the utilities serving this area have a common interest of importance, common interrelationships, and it is anticipated that the construction of large power projects in this area will require 1,700,000 kilowatts of additional electric power during the next 10 years, involving estimated capital outlays in excess of half a billion dollars. With such substantial capital requirements, it is obvious that the utilities can only be jointed through joint planning and coordinated development by the utilities concerned.

The Council has also formed the Hydroelectric Project which will require 1,700,000 kilowatts to be developed. It now appears that the first major hydroelectric project to be constructed under the Council's and the National Administration's program will involve 600,000 kilowatts of the Puget Sound-Cascade area and that the Chelum PUD has a preliminary permit and is currently making detailed studies. If, as anticipated, the project is finally determined to be feasible, the Chelum PUD would build the project with the Federal Government expected to, through appropriate legislation, to assume the cost of the project.

The security I like best

2 1/2 times the national average at less than one-half the average price on a large load building program and large growth anticipated. The earnings were about $2.8 per share in 1964 and are estimated at $2.22 a share in 1965. In 1964 the earnings were $3.8 per share with a possible value above $5.6 a share.

The company has some average over-all growth of 15% of earnings returns. It is a residential and business and accounts for 13% of the value of town to industry. The quality of the earnings is high, bringing through the common stock over 30% of earnings.

The company, as Livingston vociferously proposed in 1964, increased the dividend, therefore, if a new proposal would necessarily be higher. The rate per share, on the average, would be 50 cents for 1965 stock dividend. On the annual meeting, the proposal is 50 cents stock dividend, the stock has a strong speculative and investment attraction.

Boland, Saffin & Co.

Stresses N.J.'s Charns

Boland, Saffin & Co., 20 Pine Street, specialists in New Jersey municipal bonds, have pointed to a large list of municipal bonds that the company has underwritten in the past. This list includes bonds of the Charns Company in New Jersey. The Charns Company is one of the largest municipal bond houses in the country.

The company underwrote bonds for the Charns Company in the amount of $100,000,000. The bonds will be used to build schools, hospitals, and other public buildings in New Jersey.

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Form Sun Valley Inv. Co.

(Offer to Buy The Financial Chronicle)

Sun Valley Investment Company has been offered to buy the Financial Chronicle, a newspaper in Sun Valley, Idaho.

The offer was made by Robert Laurn, Vice-President; Charles E. Howard, and Milton Herman, Secretary.

The Financial and Commercial Chronicle... Thursday, February 10, 1965...
Utility Financing
And Atomic Power

BY ELDRED H. SCOTT*
Controller, The Detroit Edison Company

Concerning the effects of atomic power on the Nation’s $30 billion invested in electric utility industry, Mr. Scott points out that if the predicted accelerated growth in electrical facilities and output be accomplished, there will be every opportunity to introduce nuclear energy in an orderly manner, and that forced obsolescence of existing power sources can hardly become a major factor. It seems to me that it is to the greatest interest of the investing public to encourage utilities to continue and intensify their efforts to develop this new source of energy. The investor’s present stake in the industry large and predicted growth will make it larger. This would be a conservation of capital not in a static sense but in the dynamic sense of a profitable use of the best methods of productive activity. It will not be a case of sending good money after bad money because electric utility investments have been profitable in the past and they will continue to be so in the future.

It will require the joint efforts and understanding of the financial analyst, investor, utility management, and employee, and those in government. The old adage was never more to the point—"It takes money to make money;" i.e., it takes capital to provide an orderly method of growth.


We have had numerous talks and papers on the technical, political and safety features of atomic energy. There have been few comments on what is going to happen, if anything, to the $30 billion invested in the electric utility industry.

There have been many promises and predictions of its commercial application. In the last five years, 10 years, or 15 years, it has been said that atomic energy will be cheap, or that it will be the salvation of the electric utility industry—industry that must already be investing and keep additional amounts coming into the business for expansion now.

Over the years your society and others in the business of investing have paved the way for our operating and engineering people to obtain funds to make demands that have marked our growth in the past.

Eldred H. Scott

TABLE I
Investment in Electric Utility Industry Projected to 1975
(In Billions of Dollars)

<table>
<thead>
<tr>
<th>Description</th>
<th>1955</th>
<th>1965</th>
<th>1975</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital and Additional Funds</td>
<td>$80</td>
<td>$120</td>
<td>$190</td>
</tr>
<tr>
<td>Total Investment</td>
<td>$80</td>
<td>$120</td>
<td>$190</td>
</tr>
</tbody>
</table>

*Approaching $1 billion per year.

TABLE II
Power Plant Cost Per Kilowatthour *Sold (Including All Fixed Charges)

<table>
<thead>
<tr>
<th>Description</th>
<th>1945-46</th>
<th>1950</th>
<th>1951-52</th>
<th>1953-54</th>
<th>1955-56</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Rate per million Btu</td>
<td>$3.87</td>
<td>$3.81</td>
<td>$3.78</td>
<td>$3.75</td>
<td>$3.73</td>
</tr>
<tr>
<td>Btu per kwh output</td>
<td>12,500</td>
<td>12,300</td>
<td>12,200</td>
<td>12,100</td>
<td>12,000</td>
</tr>
<tr>
<td>Fuel cost ($ million Btu)</td>
<td>$3.87</td>
<td>$3.81</td>
<td>$3.78</td>
<td>$3.75</td>
<td>$3.73</td>
</tr>
</tbody>
</table>

*It should be noted that the above figures are expressed in kilowatthour units and per million Btu. The rates are subject to higher than usually expected due to increases in energy in transmission and distribution.

American Water Works Company, Inc.

225,000 Shares
Cumulative Preferred Stock, 5⅛% Series
(Par Value $25 per Share)

Price $25 per Share
Plus accrued dividend from date of issue

The Company is offering to the holders of its Common Stock the right, evidenced by transferable Warrants, to subscribe at $9.30 per share for the above shares of Common Stock at the rate of 1 share for each 5 shares of Common Stock held of record on February 8, 1955. American Water Works Company has advised the Company that it will announce its intention to subscribe for 325,000 Shares of the above Common Stock will be exercised. Subscription Warrants will expire at 3:30 P.M., Eastern Standard Time, on February 23, 1955.

The several Underwriters have agreed, subject to certain conditions, to purchase any unsubscribed shares and, both during and following the subscription period, may offer Common Stock for sale at any price prevailing at the time of offering.

The Prospective relating to the Preferred Stock, or the Prospectus relating to the Common Stock, or both, may be obtained in any State from any Underwriter, including the undersigned, as may legally distribute them in such State.

W. C. Langley & Co. The First Boston Corporation
W. E. Hutton & Co. Hornblower & Weeks
Paine, Webber, Jackson & Curtis
Stone & Webster Securities Corporation
White, Weld & Co.
Depression Fires Groundless

By DONALD J. ROGERS

Business and Financial Editor

"Herald Tribune"

Commenting on the "worry" about a coming depression, New York financial editor contends the government has numerous effective devices, which can be used as double-edged weapons either to fight inflation or ward off recession. Lists six "built-in" stabilizers, and his Cabinet for provision of counteracting measures. Those who fear depression are extremely uncomplicated. The government stands plans for a recession. Within two or three months after a depression, appropriate government programs which would employ hundreds of thousands of persons. It has plans for building elaborately needed new bridges, new schools, hospitals, and other public works programs. Even more important, the Adviser is to see that there is a high level of employment in this work closely with government departments and bureaus. The Department of Agriculture reports that the country has more than 6% of its population unemployed, and a large part of the area becomes classified as "critical." Unemployment contracts to industrial plants in the affiliated community. These facilities may make built-in stabilizers to help curb deflation. It's worth to think of these things, and of the best way to protect your property while you're occupied with other chores. But actually, you should try to compare our economy today with the decade of the 20's.

National income today is 24% higher than it was 20 years before the last great depression. Two circumstances are of immense importance! Is this just inflation? Hardly, when the Gross National Product is a measure of the output of goods and services, it is not up. And the disposable income of American families—taxes—up by 294% over 1929. Yet it costs us only 56% more for the things we buy today. Beyond these mechanical economic facts and the man-made safeguards, there are natural factors protecting us from another depression.

More One, watched with mounting interest by economists, in the mid-1950's the birth rate. It is now calculated that by 1965 or even sooner, we will have a consumption of about 150 per Americans, if the present rate of population growth continues. Until recently, statisticians had figured we wouldn't be that populous. But now all these new Americans, even if unemployed, will contribute more employment for American workers. For food, clothing and shelter are met in some countries this would not be the same. Natural enemies, like China and India or in economic depression, a whole country, like Italy, a whopping population increase causes problems. But with our present enterprise system we have built up a unique system of social security. Ours is not a system of conservation, nor even a system of production. We are a system of consumption. The more we buy, the more we are paid. Our employment is created.

Consumer wealth in the United States has risen three-quarters of a trillion dollars—an increase of between 70% and 50% from the end of World War II, as determined by a study made in 1953 by the President's Conference Board.

The real estate holdings such as cash, insurance, homes, business interests and other easily salable assets, which are able to move in excess of $100,000,000,000. Against this, there is the public debt. The U. S. government now has a net worth of $7,500 or more. A sixth of all families have more than $20,000 in net assets. Less than a tenth of all families have mortgages of over $10,000. Even more significant is the fact that the larger part of the families who earn under $5,000 a year, now own over half the nation's wealth. These are the buyers, the spenders. They are also usually the suppliers and the workers. Bulwarking our prosperity is the combined buying power of foreign markets for American goods and services. This buys a lot of government spending for defense. Of course, the world situation that matter. The United States spends less than 15% to 25% of our national budget on foreign aid. In the wartime 1940's, we spent about 25% for these items.

But spending is what makes our economy operate. We all know it is prosperous. But actually, your assurance is the fact that no matter how much Uncle Sam happens to spend, he is more likely to be able to afford his sprees, and that's what the money he has to spend more than business and government combined—nearly three-quarters of the total national income.

As long as this keeps up, as long as we keep up the machinery of war, and the greater part of it is spent for our defense, we must have more money. In the wartime 1940's, we spent about 25% for these items. Now we're spending 60% for defense, and we're not spending more than half as much, because we've got less money than we used to have.

Economists say there's no need of worry. We are just entering the atomic age. We are engulfed in the chemical age or the electronic age. Before us there are tremendous achievements and new fields of endeavor. Why be afraid? A depression—the last thing to fear.

Joseph L. O'Brien Co.

Former in Philadelphia

Joseph L. O'Brien Co. has been formed with offices at 1500 Walnut Street in Philadelphia, and offices in New York and San Francisco. Officers are Joseph L. O'Brien, chairman, and Harold T. O'Brien, Jr., vice- president, and Harold T. O'Brien, Jr., assistant secretary. Secretaries are: Frank K. Kellerman, Secretary and Treasurer; and John Heron, Assistant Secretary. O'Brien was formerly of Carr O'Brien Company.

Hooker & Fay Opens

Honolulu Office

Hooker & Fay, members of the New York and San Francisco firms, have opened an office in Honolulu under the direction of Albert L. Hoog, resident partner, and Joseph T. Ahausen, resident manager.
The Short-Term Business Outlook
By DEXTER M. KEETER
*Vice-President and Director of Economics, McGraw-Hill Publishing Company*

After analyzing recent short-term business forecasts and noting almost complete agreement, Dr. Keeter warns "against economic or financial action until there is a period of about two to three months." Says key indices of business conditions indicate we have been "in a very mild recession and are on our way out again, "due to fact that fundamental "expansion" no longer must work against the background of a new high in industrial activity.

Discusses stock market influences and sees Federal Government exercising tremendous leverage on business. Concludes, "the economy is that of a speculative wave." It is obviously no test for forecasting talent to make the conventional forecast one year and wish for the next. This is not a sign of the times, but better than a 1924 which has been correctly rated as our prosperous peace.

The reason for the repetition, of this general forecasting policy, is that there seems little else to do. It has been made over and over again in every open season for forecast this year. It doesn't propose, however, to try to add a element of novelty or my contribution here by disagreeing with the current orthodoxy of the forecasting economists. Of course, I am aware of the view that when everything is going well agreed on the business outlook. However, I cannot assure you that this is the case. I cannot assure you that when economists are again to agree with the others are right. This is true if for no other reason than that, as a craft, they are skilled at being the most of what lies ahead for business, at least they are anxious to be shown wrong and are being improved in quality. I suggest if one turns down the list of the dangerous forecasting and see the idea that agreement among economists seems to be the cause of the major disasters.

In view of this general and often repeated agreement among the outlook for 1955, I propose to hurry into a new forecast and notice forecast which I take, my duty here calls upon me to make, and hurry on to some of the more challenging business and financial developments.

At a take-off for a discourse on where business is going it is probably not amiss to indicate where it stands right now. This, unfortunately, is not as simple as it sounds. I recently heard Mr. Gwilym Price, the Economist of the Times, name the reason why he was reasonably confident about the forecast which we are about to make, it my duty here calls upon me to make, and hurry on to some of the more challenging aspects of the outlook.

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However, it is reasonably clear that, so far as the major business phases are concerned, we have a turnaround which is not far from being completed. The long decline in business and the shortening of some of the business, we hit the bottom of the recent recession in July and have still farther. From its all-time peak rate

At $370 billion in the second quarter of 1953, the Gross National Product (GNP) was $55.5 billion smaller, less about in the same quarter. From that low it is now running at a rate of near a rate of $360 billion, up $4.5 billion from the bottom. (These figures are seasonally adjusted."

The swing in the volume of business activity is one of the most conspicuous features of the new demands for this period. While we have had a considerable amount of new production-the Federal Reserve estimated the third quarter was $23 billion; the fourth or $24 billion-look into the third quarter of the year, the current rate of unemployment does not represent a decline of about $700,000 in the same quarter of 1954.

"On Our Way Out Again"

All of these key indices of the state of business tell the same story: a continuing recovery from a very mild recession and are on the way out again.

But the question with which we are now concerned is not where we are nor where we have been. It is "where do we go from here?" and as I indicated at the outset, is that this question is the key to getting better. Where the Gross National Product was approximately $356 billion in 1954, it will be about $391 billion in 1955, an increase of $35 billion, or a better than 10% increase.

It may seem quite bold to make a specific forecast of this type. But I'll let you in on a trade secret. It really isn't. Predicting what is going to happen to the Gross National Product is one of the most hazardous of all economic functions. The reason is that it is a large total, and it has about the same capacity to change in size and direction fast as a glacier. However, the forecast turns out to be wrong, it is always a surprise, the statistic are at fault—and perhaps the predictions are too, Why is it so easy to be sure that business will be on an upgrade year after year? Well, the only way to answer is to be sure that the forces working to expand the economy are stronger than those working against the heavy drag which has been the case for so long. In the last year and a half, there has been a significant improvement in the third quarter, but a reasonable, it does not look very likely that it will be sustained into the fourth quarter. The Republican Congress has already agreed that the tax cut is to be continued for another year.
Credit Analysis Has a Place
In Mortgage Banking!

BARTON C. STALLARD

Vice-President & Secretary, Jersey Mortgage Company

Contrasting the early mortgage lending practices with the more recent improvements in investment policies, Mr. Stallard discloses the dangers of mortgage investing and explains how institutional lenders can or should analyze credits. Lists as the three most important points which should be considered in analyzing a credit: (1) the mortgagee's character and ability to pay; (2) the loan terms; and (3) his capacity to manage his affairs, financially and otherwise.

In order to clearly understand credit analysis in respect of the modern mortgage loan, let us review the procedure followed in the mortgage business of the modern era. The mortgage under discussion was granted for a short time (one to five years) and is paid at regular intervals provided the borrower can afford it. The loan, when a loan matures, provides for any curtailment of principal. When a loan matures, the mortgage would generally renew itself. This is the case if the mortgagee is a renewal fee. This would make up the portfolio of open mortgages. One of the important factors that must be considered is the idea that the mortgage could be held in the event that it found it desirable to make a greater portion of its investments liquid.

Of course, the unsound feature of these unamortized loans is that they were never called in or renewed as the case may have been, except during one instance of economic stress. Generally speaking, the minimum interval of time that a mortgagee could find it necessary to recast the mortgage was from one to five years, depending upon the terms of the mortgage agreement. In the modern era, the mortgagee has the opportunity to correct the tax deficiency by an additional payment, if the mortgagee is the owner of the real property or by the setting up of the mortgagee as the owner of the property. In the event that the mortgagee does not have the means to correct the deficiency in a timely manner, the mortgagee may be foreclosed upon and the property in default.

As I just mentioned, the major- ity of mortgagors did not put aside any money to pay off their mort- gages since they were not forced to do so. The mortgagee, in order to keep the mortgagee's account current, would demand a payment of the interest or principal, as the case may have been, at regular intervals. If the mortgagor was unable to pay the interest or principal, the mortgagee would have to foreclose upon the property. The foreclosure process involved the payment of a court-ordered cost, and in some cases, the property was sold to the highest bidder.

The lesson that was learned was one of basic investment lending policy. The borrower was unable to save the money to put aside sufficient money to repay the loan at the end of the contractual period since he was unable to repay the loan. If the mortgagor had saved the money to pay off the mortgage, there would be no foreclosure. All he had done was pay his taxes and his taxes. He was not able to save enough money to pay off the mortgage. When he first incurred the debt, the principal of the mortgage was paid out of his own pocket. He found that he had to buy a four family house to have a place to live, and he lost experience of this period, the modern concept of a mortgage was developed, primarily with the idea of providing a long-term loan for any purpose and the improvement of real estate. In addition, the Dodd-Frank Act made available to the public a service, known as the "Mortgage Insurance Information Service" that is used to ensure that the loan is repaid well within the life expectancy of the mortgagor and the improvement of real estate. In addition to the regulations, a mortgagee must agree to interest on the loan and mortgage insurance monthly. This permitted the borrower to budget his mortgage payments and to make a lump sum deposit in his account. This is the basis on which the creation of this mortgage and the recognition of today, have developed modern mortgage procedures.

In the early mortgage plan that should be mentioned is the second, third, and sixth mortgage, the latter mortgage, the mortgagee is a renewal fee. This would make up the mortgage portfolio in the event that the mortgagee could find it desirable to make a greater portion of its investments liquid.

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The Three Naughty Ladies of Insurance Lane

By FOREST S. HAYES, JR.

Sales Manager, Dean Witter & Co., Los Angeles, Calif.

Members New York Stock Exchange

Mr. Hayes, calling attention to the heavy hurricane losses experienced by the insurance industry from 1954 hurricane season, pointed out that because of the diversified fields of operations of most insurance companies, these staggering losses have been offset largely by gains from other insurance lines and from investments. Lack of favorable balance sheets of most major casualty companies will show impressive gains next year, plus placing the industry in the Hartwig relative financial position of many years.

A Case in Point—

There seems little argument to the contention that Fire Underwriting Insurance Company is one of the outstanding corporate entities available to the investor. An outstanding record of accomplishment, growth, and service surely attests to the extraordinary fine management Hartwig has enjoyed. The following table shows the year-to-year operating data of the company over the five-year 1949-53 on a per share basis:

<table>
<thead>
<tr>
<th>Year</th>
<th>1951</th>
<th>1952</th>
<th>1953</th>
<th>1954</th>
<th>1955</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings Per Share</td>
<td>$3.52</td>
<td>$3.77</td>
<td>$4.10</td>
<td>$4.50</td>
<td>$5.10</td>
</tr>
</tbody>
</table>

Four columns above have not been identified for the mere of emphasis. But if we look at Column A, we see a violent fluctuation from 1949 to 1951. In fact, the 1951 figure is almost 10 times the 1951 figure, which does not tell the whole story of our company's performance. It is even more surprising when we realize that the company has been increasing its underwriting profit, and in 1951 the loss was $1,724 per share. In 1952, Fire has gained its investment over Column C, net earnings per share after taxes, and certainly none of the volatile fluctuations of Column A.

Two Strings to the Bow—

The insurance industry exists primarily to underwrite insurable and noninsurable risks. This of course entails the payment of claims when losses are sustained. The first requirement of this is that rates must be adequate so that claims can be paid. In fact, it is the statutory responsibility of the regulator to see that insurance companies make sure that rates are sufficient to protect the policyholder. Therefore, everyone wants to know in general what=about the profitability of an insurance company. And will vary from year to year, the losses are only as good as the time and must be kept profitable.

This in no way means that one company will not do better than another, that competition is not important, that managerial excellence will not pay off as in other industries, but that selectivity is not important to the investor as in other industries. But it does mean that the industry as a whole must remain solvent and in an astute condition, has been.

The Three Naughty Ladies of Insurance Lane—

Carol, Elmer W. Hammell, With Straus, Broller

CHICAGO, Ill.—Straus, Broller & McDowell, 39 South La Salle Street, members of the New York Stock Exchange, announce that Elmer W. Hammell has joined them in the trading department. Mr. Hammell, who has been in the investment business in Chicago for many years, was formerly manager of the trading department for Taylor & Co.

With Marache, Dofflemeyer

MONTREAL, Que., Canada—Midland Securities Corp., Limited, have announced the opening of an office at 215 St. James West, under the direction of William A. Stewart.

LOS ANGELES—Raymond DeW. Purle is now connected with Marache, Dofflemeyer & Co., 604 South Spring Street, members of the Los Angeles Stock Exchange.

Bank Stocks

Our analysis of the 1954 year-end reports of a group of outstanding banks is completed and now available.

A copy will be sent free upon request.

We deal actively in bank shares and are prepared to buy or sell in large or small blocks at net price.
Incidentally, this transaction involving $75,000,000 for DuPont, is considerably in excess of the $57,621,758 laid out over similar spots--American Telephone and Western Union. Telephone pushed to its best price recorded since the 1946 bull market peak on somewhat vague talk. One of the perennially interesting subjects is that of a split for stockholders. This is one of the harder of the Street rumors and would seem to be a good time for another of those important switching into Telephone as a shelter until all the ramifications of the controversial issue become clearer. The answer in Western Union was simple -- the bond regard the Stock Split as it when they are of the 4-for-1 nature like that of WU, coupled with the fact that many of the intentions of the directors.

Oil had some dour candidates for some of those that were "split candidates" but failed to take action in line with expectations. Standard Oil of Jersey had pretty well settled down from the gyrations over its split disposition and issues that did come through with a capitalization change, including Pure Oil this week, fared well. But there were a few other significant actions by Houston Oil, Standard of California and Royal Oil in which smart things somewhat tarnished.

Electronics and Metals

Pick Up

Electronics issues had their good moments, but there wasn't much fanfare about them. Coppers swayed with the pack but basically were turning in a superior performance on the many discussions of their future that is at least a temporary nature. Some of the other metals issues were occasionally in the news, including Vandalium Corp., which isn't hurt by its work in uranium.

Chrysler had some moments of popularity when it was reported by the company that last month it had run 70% ahead of those for the comparable month last year. But there was still plenty of caution around the issue, judging by its subsequent action, and the issue's best action was to approach its best price of the last 52 weeks. Shares of the stock are still well under the better than 96 recorded in 1953. The shares of United Aircraft, automakers showed no disposition to tackle their 1954-55 peaks, much less any more historic levels.

Chemicals, largely because of developments with General Motors, also presented a somewhat irregular picture. Among the latter group were Monsanto and Spencer Chemical. Allied Chemical continued a wavering course without much determination on either side of dead center.

Among the lower quality issues, Butte Copper was one of this week's offerings for stockholders. It was well ahead with vigor after holding for better than a year in appreciation. Its 52 week high on point. Its peak gain was two-thirds of that range in a matter of a few trades. Butte is the year, according to some analysts, when the current bull swing started. There are indications of how selective the market continues to be; despite the historic peaks being reached elsewhere. Butte still maintains a long way to go to eclipse the high of 1952, or the even higher posting of 1951 which is a reflection of how high the intentions of the directors.

Motors in the Limelight

Apart from the plane makers, a feature of the week was General Motors (and to a lesser degree, duPont) which came to market with the largest offering -- some 4,380,000 shares of GM stock. The old stock had a somewhat trying time of it as the guesstimated centered on how much of this would be taken up by stockholders. GM dipped a bit hard at times as some of the estimates went, but the stock ran as high as three-fourths of a million shares. It was bolstered, however, as duPont which had indicated earlier it "expected" to subscribe, actually picked up its allotment of a million shares on the 20,000,000 already held.

The Commercial and Financial Chronicle... Thursday, February 10, 1955

The Market and You

By WALLACE STREETE

The market had its full share of interesting news. Among the more notable was news of the industry--the aircraft industry. The aircraft industry had its full share of interesting news. Among the more notable was news of the industry--the aircraft industry.
First quarter earnings of $12,085,545 were higher than the year before, a gain of $14,085,545. This represented a net increase of $1,010,188, which was attributed to the net operating profit of $182,061,693, as compared with $178,818,607, for the first nine months of 1954.

Checks on the economy. The monetary and credit policies pursued by the Federal Reserve System in 1955 will continue to be guided by the philosophy established in the Employment Act, i.e., the maintenance of economic growth and stability at high levels of activity. In this connection, it is expected that credit and monetary policy will be directed toward furnishing the reserves needed by the commercial banks to service their functions, including the financing of the economy at a high level of resources utilization without contributing either to inflation or deflation, and without any developing trend that will make for instability. So far as the cost and availability of credit are concerned, it means that the Federal Reserve System will try to provide a pattern of finance that will find a market for the economy's savings. So far as the quantity of credit is concerned, it means that the Federal Reserve System will try to provide a pattern of availability of credit appropriate to the growth in the resources available to the economy.

The noteworthy feature of 1954 that was external to our economy was the continued strong economic expansion that continued to characterize many other countries of the free world, particularly Great Britain and Western Europe. This reflected the fact that a recession in the American economy would appear to be temporary. It contributed to our revival by providing a strong market for our exports, and registered the basic foreign trade that has been made toward reconstructing a visible international economy. Despite rough spots and exceptions, balance of payments of our export countries of the free world were probably on a record high at any time since the outbreak of the Second World War in 1939.

WARS AGAINST OVERCONFIDENCE

There is no implication in these developments that the possibilities of sustained and growing prosperity are exhausted. But the past experience serves to emphasize the need for vigilance against possible indications of overconfidence, which have appeared from time to time in the last two years.

The confidence that has been fostered by the Federal Reserve System in 1954, was also reflected in the record of the Federal Reserve banks. The total checking deposits of the Federal Reserve banks, as of March 31, 1955, were $182,061,693, as compared with $178,818,607, for the first nine months of 1954. This represented a net increase of $1,010,188, which was attributed to the net operating profit of $182,061,693, as compared with $178,818,607, for the first nine months of 1954.
A Long Range View of Business
By JAMES J. NANCE
President, Studebaker-Packard Corporation

Mr. Nance, after reviewing economic and business developments of the past-war years, discusses matters which are likely to continue beyond the post-war period. The building of a heavy national defense program and correspondingly high taxes looks for more intense competition, with larger scale and longer term operations, mandating a higher order of salesmanship. Stressens importance of technical research and further trend toward mechanization. Concludes, we must have a very flexible and continuously expanding by producing new and improved products and by increasing consumer living standards.

Fifteen months ago when it became apparent that the economic situation had ended there was much concern as to what would happen. New economic and business predictions were being made, but the Federal Reserve Bank had published the 1953 record high of 137. The average person was impressed, of course, with the work of many businessmen. The index stood at 129 of only a point above 1952, but while national income declined, consumption expenditures taxes actually averaged higher in 1953 than in 1952.

Some industries and some companies felt the adjustment more severely than others. Overall, however, 1954 totals up as the second highest year in the country's history, topped only by 1953. As we look back now, we can see that the period of the economic recovery was roughly 12 months from mid-1953 to mid-1954, when an upsurge set in.

The result of this excellent performance has been a new wave of enthusiasm and revival of confidence. You have seen, in fact, that the period of the economic recovery was followed by a period of optimism among economic forecasters. They predicted increases in purchasing power, an increase in consumer consumption, and a general upswing of the economy. The result was, in effect, an increase in the general level of prices, as evidenced by the fact that the consumer price index rose from 129 in 1952 to 137 in 1953.

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The Bible and Formosa

By ROGER W. BARSON

Mr. Bahan discusses the introduction of the Bible in England and the importance of sacrifice. See a connection between teaching of the Bible by missionaries and Formosa.

Four hundred years ago, my ancestor, John Rogers, was martyred at the stake in London, England, on Feb. 4, 1555. To commemorate him and to add some current comment to this desire today. John Rogers was martyred for the purpose of translating the English language and circulating this complete Bible in England. Tyndale, with the help of Coverdale, translated the New Testament and a portion of the Old Testament as far as the 11th Chronicles, when he was martyred, too. Then John Rogers—under the assumed name of "Matthew"—completed the Bible in its entirety for readers in England. This was in 1537; and he did many years of imprisonment there. From Holland, the English imprinted the first edition of the English Bible. My ancestor arranged with the packers of the barrels and the shipping companies to get these Bibles into England. When he returned to England, about 10 years later, he was arrested and imprisoned in the Tower of London. Finally, we believe in a small house in London, "Smithfield," where we have seen a bronze marker—telling this story of his martyrdom.

The importance of sacrifice is so clear from many lessons for us from the above experience. First, the consecration of the priests is a touching presence of that day and their willingness to make any sacrifice, including their lives. Our unwillingness to sacrifice to our Church and Faith is a basic difficulty of the U. S. society. It is good to see church membership and attendance lower, but these figures mean little unless accompanied by a willingness to sacrifice.

Jesus never quoted statistics. He demanded that His followers be judged by their works of righteousness. I would go even further and say that the greatness of every powerful nation has been made possible by the people's sacrifice. When the willingness to sacrifice is not there, national economic strength declined along with its spiritual strength. In fact, the best U. S. barometer of our spiritual growth is income per person. It increases or decreases according to our willingness to sacrifice.

We Must Again Teach Bible to Our Children

The Second lesson applies to the great lessons of the Bible we are reading today. When I was a boy, New England families were Bible-reading families with daily reading and nightly family-prayer, taught to obey Bible Teachings and to memorize them. I believe that when we must again teach the Bible as a family guide and as our national Bible, that we must do it again with the same respect we showed when we read the Bible.

The Bible is the only "Bomb", which can save America. Read Isaiah, Chapter 31.

What About China and Formosa?

The Chinese leaders of today were largely educated in American colleges founded by missionaries sent to China by the United States, England, and other Western Allies. I have visited these colleges and have seen the Bible being taught there to the brightest young men of China. These students were greatly impressed by Jesus' Teachings, especially by the Sermon on the Mount.

As these students matured and became acquainted with the way our business and politicians acted, they truly wondered if we as a Christian nation, Students who came from all parts of China, and other large American cities for postgraduate education, concluded that we are hypocrites. They refer to China today as the "Bible of the Han". Their conclusion is, "We cannot read the Bible if we want to read it in the old Chinese way."

President Eisenhower and Secretary Dulles—both Bible-reading men—have been handicapped by this unfortunate situation. Fighting alone will not save Formosa. Formosa and the entire East can be saved only if we show them our material success and atomic power and return to the Teachings of the Bible.
In the past 20 years, America has come to the pinnacle of world leadership in financial, because men and women of industry, thrift, and investment have had freedom and opportunity. The development of the nation's trust services has in general paralleled its economic growth. Howewer, in the past 20 years, there was almost 1900% increase in the number of trust company services began to achieve real stature and prestige. It took an average of more than 15 years for a new nation without capital growth. The economic growth in the future, fully as impressive as that experienced by the past. This economic growth may be expected to have a longer-term effect on our trust services and provide a continuing and growing demand for trust services. We are looking at a few of the economic changes that are likely to occur in the years ahead, and bring in a demand for greater trust services.

There are, it seems to me, many factors that will affect economic development in the future, fully as impressive as that experienced by the past. This economic growth may be expected to have a longer-term effect on our trust services and provide a continuing and growing demand for trust services.

A Great Need For Wills and Estate Services

With an increase in national income, home ownership, and the ownership of pension plans, there is a great need for wills and estate services. It has been estimated that property owners die without leaving wills, for example, about $500 million is paid out to insurance companies and several people killed in automobile accidents.

One of the foremost single elements of change is this picture of the nation's personal estate services. It is estimated that during the next 10 years the population will grow from 208 million to 250 million. A larger proportion of the population will be in the 25-45 age group. The growing proportion of women in the labor force, the growing need for trust services is likely to increase.

Long-Term Economic Trend

We may in the coming decades experience major social changes. We do not have to be as optimistic as those who believe that we shall have another great recession. We need only to channel our efforts to the major sustaining factors in the economy to ensure that this is not the case. The need for this service is also emphasized by the fact that the great majority of the nation's investment opportunities have grown to such an extent that men still unsure of the value will not have an estate drawn up for them. In this important field of trust service, we have not yet had the opportunity to saturate our possible markets.

The American economy is not a static one. It is a dynamic one, always changing, always evolving. The American economy when viewed over a longer period of time shows remarkable changes in our economic system. A hundred and one competing reasons which cause us to come to these conclusions. They are operating each day so clearly, so significantly, and so unmistakably because there is no doubt about their ability to evaluate their importance. Yet, the factors which have contributed to the American economy when viewed over a longer period of time will continue to show remarkable changes in one way or another. This will be the reason to believe we will continue to have these changes over the next decade.

Growth of Private Pension Funds

The growth of the private pension funds, largely in the years 1960-1970, has shown the growth of the industry. In 1960, the total funds of the U.S. pension funds were $3 billion. In 1970, they were $22 billion. In 1975, they were $82 billion. In 1980, they are projected to be $160 billion. If this trend continues, the total pension fund assets of the U.S. pension funds may be $1 trillion by 1990.

Expanding Volume of Scientific Research

One of the fundamental forces in the economy is the rapid expansion of scientific research. More than 5,000 privately and publicly owned universities employ 250,000 scientists. There is a direct need for the development of new industrial and technological products. Just a few of the questions that will need constant study are the importance of the effect of channeling savings and research efforts into the leading edge of new industries. The increasing interest of pension fund assets is increasingly being directed toward the newer technologies. The competition that pension fund assets will create among other forms of savings, which will ultimately be the most important change in our economy.

Increasing capital outlays may be expected for a long time to come. The cost of construction continues to rise. The cost of living grows. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. All these factors add to the cost of living. The cost of labor continues to rise. 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American Water Works
Securities Offered

Offering of 225,000 shares of $25 par value cumulative preferred stock, 5% series, of American Water Works Co., Inc., for a price of $25 per share. The stock was offered yesterday (Feb, 8, 1955) at the annual meeting of the company at 11:30 a.m. at the Hotel Pennsylvania, New York City. The stock was at $25 at the close of business yesterday. The offer will expire in 30 days. An additional share, by the holder of 15,250,000 shares, has been reserved for an additional additional share, will be authorized. An addendum will be provided for the purchase of additional shares under the terms of the offering.

N. Y. Security Dealers
To Hear Demmter

Eugene G. Stetler, of Holt, Rose & Co., President of the New York Security Dealers Association, announced that Ralph H. Demmter, Chairman of the Securities Exchange Commission, will be guest speaker for the association's 29th annual luncheon meeting to be held Friday, March 11 at the Biltmore Hotel, New York City. John J. O'Kane & Co., Chairman of the dealers, expressed the gratitude of the entire representatives of government, finance, and industry, and will be the guest of the association.

Gettman W. Thomas

S. San Francisco, Calif.—Gettman W. Thomas, member of the San Francisco Exchange, announced that the city's limited partnership William M. Rothermack, will celebrate the birthdays of his associates, Heywood and Hortense C. Fitz-Gerald.

Barrett Herrick Addis

ST. LOUIS, Mo.—Edwin J. DeJordy has been added to the staff of Barrett Herrick & Co., Inc., 416 Locust Street.

FREDERICK G. SHULL

In reply to a letter from the Chronicle:

Wishing to purchase

cannot, of course, hold the bank responsible for fluctuations in "jumper" or "step-up" sal- dars; but I am entitled to demand that it carried a "value" of $3 fine ounce of gold, the bank shall re- main faithful to the same "quality." And the same argument applies to insurance policies. When I pay an insurance premium with dollars, I carry a "value" of 1/355 of an ounce of gold per dollar. I am entitled to receive the dollars of the same quality. In other words, it is not my fault if the paper is unhealthy; it is theirs. The point is that it is a pretty wicked thing to consider the possibility that people will make present sacrifices for future protection, and hold dollars of a much lower value.

And if one were to ask: Why not revalue the dollar? I think you must return to the dealers (bankers and insurance companies) in money for future delivery?—my answer would be: This isn't just "peanuts." There are hundreds of billions of dollars. For example, U. S. bonds at 129, 1933, totaled $201 billion; and life in- surance in force in 1940, in the form of policies, totalled, together, $54 billion. Why, that is the equivalent of $389,025,000,000,000 of gold. But the answer is that the present value of the American dollar is not $0.55 per troy ounce—it is 25 cents. If you are out to purchase insurance and are going to be buried at Fort Knox and the other $54 billion are going to be buried, then we cannot do the Standard Gold Standard?

No, it doesn't, and for the following reasons:

People want very little gold, and never like to wait for much gold; for possession of gold pays no "interest"—and it is much more valuable in a bank in a bank or in an insurer's office. But it pays, that is, to have gold hoarded in a bureau drawer or mattress at no interest, and asked, "for convenience, honesty and security"—they are not interested in the value of gold, but in the value of dollars, the American dollar, is not accepted by the public, or by politicians; that it shall be maintained "unchangeable" in "value," maintained, at all times, as "good as gold.

And this aim can easily be accomplished if Congress will only take favorable action on one of the gold-standard bills being cur- rently introduced—bills designed to firmly fix the "value" of the dollar at $33 a fine ounce of gold and restore the aged and respected principle of "redemption," on demand. Continue to accept the theory that the national budget cannot be balanced in terms of "honesty," that it can only be balanced in terms of "printing press" dollars?

FREDERICK G. SHULL

Chairman of the Board, American Gold Standard League.

2009 Chapel Street
New Haven, Conn.
Feb. 8, 1955.

Emmett Powers Opens

(Special to the Financial Chronicle)

DENVER, Colo.—Emmett Powers, head of Twenty-second Street to engage in oil business, has been joined by him and R. J. Batehele, John J. Gurnagen, and N. John McCooey.

THE Exchange Magazine, Dept. E1
500 S. Hope Street, Los Angeles, Calif.
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Address________________________
City___________________________
State__________________________
Bank and Insurance Stocks

BY ARTHUR R. WALLACE

This Week — Bank Stocks

Only a few years ago the specialist houses in bank stocks were being chided, primarily by institutional investors, on what the latter considered to be the lack of New York bank stocks as a market in which short-term gains or, to make progress marketwise. Of course this view has been quickly dispelled. Not only do New York bank stocks now command a large institutional following, but many securities outside the Banking Group, are above all, else, a highly conservative type of investment, one whose status in investment gradations is much closer to that of government securities than to industrial equities, and that therefore they could not be expected to share in the market movements of these.

But let us examine the results of the banks' operations in the past year. First, let us consider the Federal Reserve. For the first time in the past year we find that a group of the leading New York bank stocks, as measured by the "American Banker" index, registered a market gain of 2.6%. Their low in 1929 was 34.4, compared with a rise of, roughly, 150% in the Dow industrial average for this same period. The rise of 150% is compounded of a "too" group of banks, "too" of which for a few years, now, it has often been said that "banks are not in business to lose money but to make their money grow." In the past year, however, it would seem that the banks have been in business to protect their money.
Securities Salesman's Corner

By JOHN DUTTON


"Almost all our human troubles come because of the size and capacity and competency of nothing else." Over four decades ago Mr. Doherty was writing about the changes that marked the era of the automobile. He laid the foundation for the great migrations of people that are so vital to the welfare of this straight forward philosophy was accepted by countless people almost as gospel. In the last few months it has been included in arguments among those who are willing even the certain fact that a man must stand on his own two feet in this world if he wishes to achieve the satisfaction that comes from self reliance. Mr. Doherty said: "I believe that the greatest wealth that we have, the modern worker is to try to teach him to handle his own money. Touching on the matter of pen¬

sion and this to say, "I think many of today's modern worker are of a character by the efforts of the owners to put a premium on pauperism, the man who should exert himself in every way possible for the kind of security for a man to buy who has other business is the kind of security for a man to have at the end of his life. It is the kind of security that is not only a pension of if he is trying to keep the thing, the average man has no pension. It is the kind of security that is reported for by any Can¬

dadians and is likely to be the same thing in Canada that is being sold in the United States where Sun Life has 8% of its business in force, and branches in major cities from coast to coast. Included in the new business figure was $239 million of group insurance, rep¬

resenting an increase of $68 million over the 1953 figure. Total Sun Life mortgage force now exceeds $8 billion. "In the past five years," the Report includes $41,385,000 paid to pension holders, $27,895,000 paid in dividends, $92,755,000 paid in insurance benefits, and $12,013,000 in dividends. This $134 million paid in 1954 brings the total paid by Sun Life in the past 20 years to $904 million. From the report, however, the Sun Life figure of 1805 to $2,868,000.

MORTGAGE LOANS UP

Mr. Bourke declared that the contribution by life insurance to new housing in the United States and Canada looms larger every year. During 1954, Sun Life mortgage loans increased by more than any other type of investment, and by the end of the year the Company had $334,850,000 in mortgage loans outstanding, an increase of $45,410,000 in individual housing in Canada, and 93% of its total business in force in the United States, Canada and the United Kingdom. The Company's in its invested assets in the United States.

Phillips Securities, Inc.

Formed in Milwaukee

MILWAUKEE, Wis. — Phillips Securities, Inc., a holding company, announced today that it has engaged with offices at 5000 North Washington Road. Officers are Michael W. Phillips, Jr., Chairman; Jene G. Woff, Vice-President; Donald E. Bursch, Secretary and Treasurer. Mr. Phillips was formerly associated with the Trust Co. of the Marshall Company, with Mr. Woff also was associated.

Lewin Frank Brokerage

(formerly known as the Sun Life Assurance Company of Canada, are established as separate but affiliated companies, as the President, in his Annual Report to the shareholders for the year ending December 31, 1954. Approximately $28 million was invested in new business for the year 1954, an increase of more than $2 million over 1954. The new business to the end of 1954 amounted to nearly $760,000,000, an increase of nearly $100 million over the previous year. This new business includes $41,360,000 paid to pension holders, $27,895,000 paid in dividends, $92,755,000 paid in insurance benefits, and $12,013,000 in dividends. This $134 million paid in 1954 brings the total paid by Sun Life in the past 20 years to $904 million. From the report, however, the Sun Life figure of 1805 to $2,868,000.

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Still New Frontiers to Conquer

other day, and he was recalling what it was like back home in New York, and over, and Midland was looking back to the days of the incoming City Manager. He thought that Midland was doing quite well, but he didn’t have any idea how good. And he said, “You know, if I was going to have to do things here in three years I wouldn’t think I’d take the job.”

You all know that Midland hasn’t been standing still, but more and more we are looking down to really draw any sort of picture of progress in the last five years of growth. I don’t believe that there is any place in this world of things that one can say that Midland people seem to have a unique way of doing things. And Midland people seem to have a very kind, very dignified, and unassuming way of doing things, and without a government and without a government. 

In five years we have built more than half a million dollars of sewers and put more than $15 million into paved streets. Since 1929 we have completed a $1.1 million school project and reconditioned bonds for another $4,700,000.

Our population has grown at the rate of one to one and a half percent per year without considering annexations. And, as was the case in the beginning of Chipewa’s past, we are seeing the beginning of a new community center. This summer will see the completion of the new M-29 bridge, and within a few days or new library will be completed.

Altogether we have seen nearly $7 million spent in the way of construction. That doesn’t include any Dow construction, by that I mean the half a dozen churches. You may not know that the works of God commercial, but whoever issues building permits around here appear to have a way of looking at things that are for the better. As a result of this, the city has added a bunch of them, and we have the feeling that they are with it. So, I might add, has Dow.

And while they have been busy with the city, they have also bought other land, and somehow they have built more than $6 million worth and have spent another $2 million for alterations and improvements. And that, at least, does not include the improved area prior to its annexation.

All this, to me, is pretty impressive. Ray Fry, who says in one breath that it looks like a sound business to me, turns around and the next calls it “orderly development” and calls it “orderly development” that the city has had to add a bunch of them, and we have the feeling that they are with it. So, I might add, has Dow.

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as happy and cooperative and good-natured a nation of people as we might be.

We have a two-party political system, but I do not see that there are not some political differences over into our business life, or when we refuse to admit that we are making a mistake, or even try to do anything right just because something is said to be the govern-

And in 300 years we have still not resolved our religious differ-
cences. Is this not a better and more progressive piece of legislation than the Articles of Confederation?

As a result of our MEDICINE, we have seen a great deal of progress in the medical profession in this country. But just because it is good for one, it does not mean that it is good for all.

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As We See It

of serious international difficulty? What about funds for the improvement of the defense needs of the poor abroad, or for help in the rehabilitation of the economic status in the world — in the belief that in this way we may win and keep the peace? There are, too, decisions which must in part at least rest upon humanitarian considerations or even upon judgment of risks of the destruction of all mankind — decisions which can not be left at all to any group or individual.

These are all intricate and difficult questions. It is impossible to lay down simple rules for a complex situation. Good hard common sense based upon the results of technical investigations and study and upon careful consideration of many complex factors is, naturally, about our best recourse. Yet it cannot be denied that there are a few general truths which are now all too often lost to sight and which would prove extraordinarily helpful if carefully borne in mind by us all. They are, among these things which we could benefit to any degree if we would but apply them:

1. In one, long known and well understood everywhere, the United States throughout the post-Fair Deal period, that waste, careless management, extravagance, and complete neglect of cost are heavy loads for any defense program or any nation to carry. They can, in point of fact, be the difference between victory and defeat in a close all-out real world war. Only recently have we been hearing much about the "biggest bang for a buck," and even now what ought to be the most useful thing we can do is easily seen to be the thing that is all too often lost in inter-departmental or other rivalry.

2. The bearing of such considerations upon the choice of armament, or the choice of this or that type of defense we can afford, is that there is, in fact, more value to us as a nation than to the defense of the individual, and every dollar devoted to the purpose. This is simply the demand that active competition makes upon industry day by day, for with an end to demand which cannot be for long ignored in private life, the purpose to be achieved. It is an important premise of the fact that all of our services could be much more cost conscious to the benefit of all, including the services themselves.

3. Inconvenient but Necessary

We strongly suspect that it is the fact that they are now at long length being asked to become really cost conscious for the first time in long decades is that is causing so much of the complacency about the influence of "civilians" upon the Administration. It requires great care, hard work, and real ability to produce and at the same time lose. Even the smallest agencies of the governmental authorities doubt that a few such principles as these are to be the responsibility of us all, whether technically oriented or not, is to see to it that the utmost in military production is obtained and that every dollar of the cost be given in so high a degree of management and every dollar devoted to the purpose. This is simply the demand that active competition makes upon industry day by day, for with an end to demand which cannot be for long ignored in private life, the purpose to be achieved. It is an important premise of the fact that all of our services could be much more cost conscious to the benefit of all, including the services themselves.

Economic Trends And Opportunities

The Economic Trend 1954

Last year the strength of our economy, which was at a third major test since the end of World War II. During the early of 1954, most economic indicators were strong, and the flow of money and the economic growth of our country continued to be rapid. Total spending by consumers, business, and government continued to increase from their crises; however, some spending on commodities, as distinct from final goods, continued to be sluggish. In view of this development, some economists predicted that "the pendulum had once again the reduce their inven¬

1. The weather forecast provided that the production of crops will be above normal in many areas. This forecast influenced the prices of agricultural commodities, leading to a decrease in the cost of living for consumers. However, the prices of manufactured goods remained stable.

2. The government announced a new program to improve public transportation. This program aimed to reduce congestion and improve the efficiency of urban transit systems. The program faced significant opposition from private companies, which argued that it would lead to increased costs for taxpayers.

3. The government announced a new healthcare policy that aimed to improve access to healthcare for all citizens. The policy was expected to increase healthcare costs for both the government and private companies, but it was seen as necessary to ensure the health and well-being of the nation.
Railroad Securities

Chicago, Milwaukee, St. Paul & Pacific

During the past couple of months the stock of the Chicago, Milwaukee, St. Paul & Pacific has been the subject of what appears to be a genuine effort on the part of the management to earn the confidence of the market. This is indicated by various activities which aim at improving the financial position of the railroad.

The President's Economic Program

The President's economic program is an expression of faith in the future of American business and betterment that lie ahead. The business man is an important part of the American economy and it is obvious that if business is concerned, the proposal to reduce the national debt is probably the item of greatest interest. If this proposal is accepted, the national debt will be reduced. The national debt will be reduced within 10 years a national net debt of $250 billion. Highways, carrying the capital funds, loaded under the $250 billion will be used in some way by the government of our country. By far, the greatest advantage to this plan is that it allows for the full employment of capital funds and the full utilization of the economy.

The current economic expansion is the result of a large order for civilian goods, exports of capital goods, and the increased activity in national defense.

The budget deficit of the government for the fiscal year 1950 is estimated to be less than $400 million, which is considerably lower than in previous years. The government has taken steps to reduce the deficit and to create a surplus to balance the budget. The government has also taken steps to reduce the national debt and the federal budget deficit.

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Credit Analysis Has a Place
In Mortgage Banking!

risks weaken the portfolio of mortgage lenders. It is of the utmost importance that an effort is put forth to avoid this weakening of the portfolio of any kind of mortgage in any particular mortgage issuer. Many mortgage issuers have found that by taking steps to avoid the risk inherent in the mortgage business, they can avoid the loss of a significant portion of their mortgage portfolio.

The result of this is that the first step in the process of making sure that the portfolio of mortgage issuers is strong is to make a thorough analysis of the mortgage portfolio. This analysis should include an examination of the mortgage portfolio in terms of its creditworthiness, its liquidity, and its overall performance.

The mortgage portfolio of a mortgage issuer is a portfolio of mortgages that have been originated and the results of these mortgages are then analyzed. The analysis of the mortgage portfolio should be done on a regular basis, and it should be done by an independent third party.

The analysis of the mortgage portfolio should be done in a systematic manner, and it should be done with a focus on identifying the strengths and weaknesses of the mortgage portfolio. The analysis of the mortgage portfolio should be done in a way that will allow for the identification of the areas of the mortgage portfolio that are strong and the areas of the mortgage portfolio that are weak.

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The State of Trade and Industry

From the week before due to impending changes at Chevrolet and General Motors Motors. New models for next year are being announced and production is being cut back temporarily. Output and inventories of the automotive industry are being reduced to the levels prevailing during the last few weeks. A large number of assembly plants were shut down during the first week of the year. A large number of assembly plants were shut down during the first week of the year. The automotive industry is experiencing a significant slowdown in production due to increased inventories of new models. This trend is expected to continue in the weeks to come.

Steel Output Scheduled This Week To Be The Largest

Since the Week of Oct. 26, 1953

More attention is now being given to steel production and prices as the steel industry begins to recover from recent declines. The steel industry's output is expected to be the largest since the week of Oct. 26, 1953, with an increase of more than 10% compared to the previous week. This increase is attributed to increased demand for steel products, such as automobile parts and construction materials. The steel industry is expected to continue its recovery in the weeks to come.

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**Incorporated**

**Assets at Peak**

The annual report of Incorporated shows total assets on December 31, 1954 of $197,855,191, the highest in the history of the company. The net asset value per share increased from $45.30 to $53.45, a gain of 5%.

In commenting on the general level of stock prices, the management stated, "We think that the rise that has taken place in stock prices was an adjustment from an abnormally low level to a more normal price level rather than from a normal to an abnormal level.

"We begin to think that business, finance and government had the power to prevent minor corrections from developing into major ones they began to have a new concept of the stability of corporate earnings and dividends. Investors are reappraising values on the basis of confidence instead of doubt."

**Mutual Funds**

**BY ROBERT R. BECH**

Officers and directors to administer the newly chartered Bank Fund Inc. were announced Saturday at a meeting of the New York State Bankers Association.

Charles W. Buek, Vice-President of the United States Trust Company, has been elected President of the Bank.

Other officers elected were: Vice-President—Charles M. Blasius, President—The Bank of New York; Vice-President and Trust Officer, Tampkins Trust Co.; Treasurer—Charles G. E. Lloyd, Secretary, Trust Division, New York State Bankers Association.

The fund, the first mutual trust investment company approved by the New York State Banking Department, is expected to begin operations around May 1, with resources of several million dollars. It will provide a legal investment medium for trusts, estates, and guardianships administered by the banks in the State of New York. It is an open-end mutual fund which will operate entirely on a profit basis and without loading charges. In many respects it will resemble a commercial trust fund. This resemblance is deliberate for the fund is intended to provide current trust fund facilities for use primarily by the two-hundred small banks in New York State.

The fund will take its name, Inc., and officers and directors are not engaged in the operation of an institution of a similar nature. The Board of Directors, Investment Advisor, Transfer Agent, Registrar of the Corporation, and all other associated persons.

Other technical matters being viewed are the Illinois, or the corporation as an investment company under the Investment Company Act of 1940 which requires the filing of a registration statement and possible compliance with the Securities Act of 1933. The fund will apply for exemption until some provision of these acts.

The fund's directors are also preparing permanent certificates that will be purchased by the more than two-hundred smaller banks in New York State having trust powers. The Bank Fund is chartered under the laws of the New York State Banking Department and has received clearance from the Federal Reserve Board in Washington. The Fund's establishment was made possible through special enabling legislation passed at the 1954 session of the New York State Legislature.

The Bank Fund was chartered on December 29, 1954 by a special action of the New York State Banking Board. In a letter dated earlier this month notifying the Superintendent of Banks for the State, the Bank Fund stated: "We are pleased to inform you that the majority of the Board of Directors of the newly chartered Bank Fund, Inc. has as of the date hereof, incorporated the Bank and we have accepted the offer of the Superintendent of Banks.

"We are happy that efforts to offer mutual trust stocks held by the smaller corporate fiduciaries of the State, which began three years ago, have now achieved fruition. We in the Department believe that this Fund will fill a valuable place in the community and will permit corporate fiduciaries to bring better diversification and more effective service to the public.

"This is the start of a new corporation, which will serve without commission, are: Charles W. Buek, Vice-President, United States Trust Company, New York; Robert M. Lewis, Vice-President, The Bank of New York; Charles E. W. Tappan, President and Trust Officer, Tampkins Trust Co.; Chairman, New York Stock Exchange; Robert M. Lovell, Chairman, The Board of Governors, Federal Reserve Board; President, The National Commercial Bank and Trust Co., the Averitt, William T. Nates, President, Mutual Trust Company; President, Western Bank, Buffalo: Pres¬ident, Randell, Jr., Executive Vice-President, Western Union, New York; Vice-President, Pennsylvania Trust Co.; Vice-President, Citizens Trust Co., Inc.; Vice-President, First National Bank and Trust Deposit Company, Birmingham; Robert C. F. Corbit, President, Continental Bank, New York; Chairman, National Bank, Wells, Fargo & Co.; Franklin W. West, New York.

**Fundamental Investors, Inc.**

**Diversified Investment Fund, Inc.**

**Manhattan Bond Fund, Inc.**

**Diversified Growth Stock Fund, Inc.**

**Growth Fund**

**Report Stresses Atom Holdings**

Diversified Growth Stock Fund stresses a special preference for selecting investments in those companies with interests in atomic energy, electronic computers and related fields.

A feature of the report presented pictorially to shareholders of the investments of Diversified Growth Stock Fund at the year end. Fifteen of the fund's holdings at the close of the December 31 were in atomic and instrumentation and 15 in electronics. The fund's investments now spread over some 49 different companies, according to the fund's statement, 38.5% which is a Superintendence of Banks.

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The continued high level of investment activity forecast for 1955 will accelerate the growth of mutual funds again, according to the consensus view expressed at the annual mutual meeting of Distributors Group in New York City, Jan. 24 to 26.

The continuing rapid sales manager from all over the country for discussions which included sales and market studies, the role of Group securities 21 mutual funds in current and forecast conditions, and new sales techniques.

Among those 11 attendance were:
- Robert, left to right: Harold R. Amundson, Executive Vice-President; Kenneth S. Gaston, board chairman; Herbert E. Anderson, President; John S. Mayer, Vice-President.

Continued from page 5

Observations . . .

The company’s expansion efforts even include plans to have saleable plots on its property in an attempt to determine its oil possibilities.

Job Stability

Also of timely interest and now in the public Company’s remarkable record for stability in executive jobs. Only one officer has left the company for reason other than death or retirement (William J. Keene, Jr., at the age of 60, in 1939 to become President of the Marathon Corporation, after about a year that he felt that company also had to sell Paco Products).

After the old days Mr. Avesty was actually a pionner in providing full information to stockholders. In his annual report for 1920 he initiated the practice of showing comparative balance sheets for several years—four years in this particular instance. Now the company gives a seven-year comparison of these figures.

Our iconoclast’s market “a consciousness,” or at least his aver¬

sion to comparing the market, is demonstrated by his detest¬
ence for splitting its stock, despite its price well above 200. Dis¬
approved of the stock’s six stock splits have been quoted as saying that splitting a stock is like getting two checks for your dividend.

His Record at Ward

Park and part of this statement of “the Avesty record” must be made of the emphasis Mr. Avesty places on the company’s gen¬

erous and, in many respects, unique workmen’s benefit programs that he introduced, the most notable being the 35-year long-time service pensions, the company’s regular 1932, 1934, 1936, and 1941 to 1946, 1949 to 1954, 1957 to 1959, at the present in¬

terest.

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Common Stocks Are Respectable

Some Reasons for Common Stocks

Now let us look at some of the reasons why common stocks have been so neglected. There have been many changes in the law and practice regarding institutional investment in the last decade. The Securities and Exchange Commission has liberalized the requirements of the trust funds in New York State, where it is estimated up to 35% of a trust which is restricted to legal investments can be in common stocks. In April, 1932, New York savings bank's were allowed to retain the advantage of putting the very attractive yield equivalent to 3% compounded semi-annually. Yields on savings bonds had been increasing but had not equalled that of common stocks.

As many knowledgeable market analysts have pointed out, it is highly profitable to buy a stock at a higher yield than is obtainable today on a bond, which is very safe and is also higher than the yield obtainable on savings bonds or other Government or corporate bonds. In addition the Series B bond has no price risk and there is no question of default. Young investors are particularly interested in this. The yield on Series B bond was 5% in 1932 in comparison with the yields on the savings bonds.

The Yield of Preferred Stocks

Preferred stocks of high quality such as those of Standard Oil, or Westinghouse Electric yield 4% or 4.1/2% on $100 note. The yields on common stocks range from 2% to 4%, and depending upon the individual company. For stocks that have a high growth factor the yields are well worth the risk. Investors in some cases choose to buy stocks which pay 6% in dividends. It is estimated that on all three of these stocks the yields are at least 15%.

The Yield on High Grade Corporate Bonds

The yields on common stocks have been rising slightly and as a result high grade marketable bonds have been in great demand in the past year. Owners of the marketable U. S. savings bond, the 2% of 1973-83, have a profit in their investment. Many astute investors have been buying preferred stocks to reduce their term government bond issue and the yields on the savings bond to eliminate the risk of putting their money to work in a long-term market obligation.

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As a result of a stock dividend of $5,000,000, the Northwestern National Bank of Minneapolis, Minn., increased its capital as of Jan. 27 that year from $10,000,000 to $10,000,000.

An addition of $200,000 has been made to the capital of the First National Bank of Brattleboro, Vt., by a stock dividend of that amount.

As reported in the Chicago Daily News on Jan. 15 from 100,000 to 400,000.

A stock dividend of $600,000 declared by the National Bank of Commerce in New York, N. Y., has resulted in bringing the bank's capital up to $3,000,000, an increase having effect become Jan. 15.

Under the charter and title of the Industrial National Bank of Dallas, Texas, (capital $300,000) the Oak Lawn Bank (capital $250,000) was an addition of $100,000 for the surplus stock of that amount.

The First National Bank of Pueblo, Colo., as of Jan. 14, declared a capital of $1,500,000, an increase of $100,000 with an additional dividend of $100,000 on the stock dividend of that amount.

As of Jan. 21 the Montana National Bank of Billings, Mont., increased its capital from $750,000 to $25,000, in addition of $50,000 for the stock dividend of that amount.

Promotions of nine members of the staff of the Angelo National Bank of San Francisco, according to the announcement of Jan. 27 by Charles A. Conklin, was named Assistant President Head Office, Vice-President; and Assistant Chairman of the Board.

The First National Bank of Pomona, Calif., on Jan. 27, has been named Assistant Vice-President Trust Officer, the latter of the Board.

The New York Times has been appointed Assistant President, Officer; and Assistant Chairman of the Board.

At the recent meeting of the Board of Directors of the Citizens National Trust & Savings Bank of San Francisco, the following promotions were announced:

As of Jan. 21 the Montana National Bank of Billings, Mont., increased its capital from $750,000 to $25,000, in addition of $50,000 for the stock dividend of that amount.

Continued from page 16
Bank of America Group
Offer Long Beach, Cal. School District Bonds

A group headed by Bank of America's James E. O'Shaughnessy under the charter and title of The United States National Bank of Portland, Ore., announces that it has the privilege to sell $16,250,000 Long Beach Unified School District Bonds, 1952-62 series, dated Feb. 11, 1952. The bonds are interest bearing at 3.12% per annum from July 1, 1952, to July 1, 1955, and from July 1, 1955, to July 1, 1962, at the rate of 3.87% each five years. The proceeds are to be used to provide and equip schools and buildings to accommodate the future expansion of the primary and secondary grade schools in the district. The district has a population of approximately 10,000 and has a comprehensive program of education for all children in the primary grade levels. The district is located in a rapidly developing area and the population is expected to increase substantially in the next few years. The bonds are senior debt and are secured by a first mortgage lien on the real property of the district. The district has a good tax base and a wealthy community. The bonds are sold on a competitive basis and are expected to be sold at par or slightly above par. The underwriters are Bank of America, N. A., San Francisco, and Lebo, Sawyer & Co., Los Angeles.
### Indications of Current Business Activity

#### AMERICAN IRON AND STEEL INSTITUTE:

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<th>Latest Week</th>
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<th>Week Ago</th>
<th>Latest Year</th>
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### BUILDING CONSTRUCTION—C. S. DEPT. OF LABORS—Counties of Standard Metropolitan Areas

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### CONSUMER PRICE INDEX—1917-19—100

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</thead>
<tbody>
<tr>
<td>Jan.</td>
<td>1913-19</td>
<td>79.5</td>
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### FOREIGN EXCHANGE MARKETS

<table>
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<tr>
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### IRON AND STEEL:

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### METAL PRICES:

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### NEW YORK STOCK EXCHANGE—Index of 30 STOCKS

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<tr>
<th>Latest Month</th>
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### UNEMPLOYMENT:

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### WHOLESALE PRICES:

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The following statistical tabulations cover production and other figures for the 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, as of that date:

#### CONSUMER PRICE INDEX—1947-49—100

<table>
<thead>
<tr>
<th>Month of</th>
<th>Base Year</th>
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<tbody>
<tr>
<td>Feb.</td>
<td>1947-49</td>
<td>42.4</td>
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#### ECONOMIC REVIEWS—1948

<table>
<thead>
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<th>Latest Month</th>
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#### INDUSTRIAL PRODUCTION:

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#### NATIONAL PRICES (E. EDISON ELECTRONIC ENGINEERING): Commodity Other Group Round-lot of Production

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<tr>
<th>Latest Month</th>
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#### PRICES OF LABOR:

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#### RHODESIAN AND COLONIAL CAMPAIGN—Volume 3457—Jul. 20, 1948

<table>
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<th>Latest Month</th>
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#### TRANSACTIONS NATIONWIDE—SYSTEM—1947-49

<table>
<thead>
<tr>
<th>Latest Month</th>
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#### VALUE OF GROSS NATIONAL PRODUCT—1947-49

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<tr>
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#### WAGE AND HOUR DATA—1948

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<th>Latest Month</th>
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[Note: The table continues with more detailed statistical data, including commodity prices, industrial production, and other economic indicators, but is truncated for brevity.]
Securities Now in Registration

**Allied Van Lines Terminal Co., Broadview, Ill.** Feb. 2 (letter of notification) $250,000 of 3% subordinated debentures due June 1, 1968. Proceeds—For working capital. Underwriter—None.

**Amcrete Corp., Briarcliff, N. Y.** Dec. 6 (letter of notification) 7,500 shares of 6% participating preferred stock at $10 per share. Proceeds—For working capital. Underwriter—None.


**Audio & Video Products Corp.** Jan. 17 (letter of notification) 450,000 shares of common stock (par one cent). Proceeds—For working capital and current needs. Underwriter—Bids to be received up to 11 a.m. (EST) on March 9.

**Arthur Canteen Co. of America** Dec. 28 (filed) 97,481 shares of common stock (par $5) held previously by subscribers. Proceeds—To refinance current liabilities. Underwriter—To be determined by company. Underwriter—Cantel, Inc., New York.

**Automatic Telex Systems, Inc., Baltimore** Aug. 22 (filed) 4,000,000 shares of common stock (par $4) of which 450,000 shares are common stock (par one cent) to be issued to public and 800,000 shares to be issued to underwriter. Proceeds—For working capital. Underwriter—To be determined by company. Underwriter—International Telephone and Telegraph Corp., New York and the First Boston Corp., New York.


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**Table of Organization**

**Atomic Power Development Associates**

**Management Committee and Executive Committee**

Membership in these groups is open to all interested parties.

Legal Committee: Economic Committee: Finance Committee: Technical Committee: Public Information Committee

**Project Manager, Director, and Assistant (Full-time Staff):** Atomic Reactions Group; Fuel Elements Group; Breeder Reactor Group; Experimental Plant Group; Nuclear Instrumentation and Plant Control Group; Mechanical Handling Group; Nuclear Materials Group; Test Group; Flexibility Group; Administration Group.

**Atomic Power Will Be A boon to Present and Future Utility**

A general appraisal of the outlook for electric utility securities as affected by the recent developments in atomic energy research.

1. Little or no obsolescence—rapid growth of industry is indicated.

2. Area of change is limited to boiler plant. At best only 5% (Boiler Plant Equipment) of total assets can be replaced. For new construction.

3. Existing plants are important—Existing plant has an advantage in that a change-over would only be feasible if the variable costs of the conventional fuel plant exceed the total costs of the nuclear plant. If this is the case, the plant will be kept on the old plant.

4. Federal Regulatory Commission's attitude has been favorable.

5. The National Association of Rail- way Companies is actively following developments. They have issued orders, allowing atomic research and development, subject to certain operating expenses. Regulatory precedent should allow utility to recover from customers the costs of development studies. Perhaps the utility occasioned by the introduction of nuclear power.

6. Atomic energy devices are important—Atomic energy is a heat energy and if ever developed adequately it is a substitute for the electric energy which is distributed around the house or factory over a small copper wire. Today's customer pays for his convenience and lighting and motors as desirable as the telephone. If he uses atomic energy it is desirable as comfort, convenience, and safety. The industry is not 14% of the total energy is used for comfort and utility.

7. Electric utilities can hold surpluses. They have not been an advocate of different rate programs. Electric utilities of today have been built on research of the past. Now it is the present.

8. The introduction of nuclear energy will not change the cost of capital. Capital costs will change because he is a substitute for the old style of capital.

9. Several groups are being formed to develop atomic energy. They are numerous other groups working in the field. Any one of them is a desirable investment.
**NEW ISSUE CALENDAR**

**February 14 (Monday)**
- Arizona Goldonda Metals, Inc., Common
- Dallas Power & Light Co., Debentures
- Calumet & Hecla, Inc., Debentures

**February 16 (Wednesday)**
- British Western Uranium Corp., Common
- Sokad Uranium & Mining Co., Common

**February 17 (Thursday)**
- Central Electric & Gas Co., Debentures

**February 21 (Monday)**
- plastics Molded Arts Corp., Common
- United States Ceramic Tile Co., Common

**February 23 (Wednesday)**
- Chesapeake & Colorado Uranium Corp., Common
- Texas Electric Service Co., Bonds

**February 24 (Thursday)**
- Maryland Cusco Co., Debentures
- Continental Baking Co., Debentures
- First Bank Stock Corp., Preferred

**March 2 (Wednesday)**
- May Department Stores, Debentures
- Pacific Gas & Electric Co., Bonds
- Bishop Oil Co., Debentures
- Westinghouse Electric & Mfg. Co., Bonds

**March 7 (Monday)**
- Atlantic Steel Co., Bonds
- Kansas Gas & Electric Co., Bonds
- Kansas Gas & Electric Co., Preferred

**March 16 (Wednesday)**
- Chesapeake & Colorado Uranium Corp., Common
- Rocket & Martin, Inc., Bonds
- First Bank Stock Corp., Common
- Continental Electric Equipment Co., Common
- Continental Loan Co., Dallas, Texas

**March 20 (Sunday)**
- Federal Reserve Bank of St. Louis, Denver, Colo.

**March 22 (Tuesday)**
- Lone Star Oil & Gas Co., Preferred
- Pan-American Silver Co., Common

**March 25 (Friday)**
- Continental Baking Co., Debentures
- Bank of America Trust Co., Preferred

**March 26 (Saturday)**
- Federal Reserve Bank of St. Louis, Denver, Colo.

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**Chesapeake & Colorado Uranium Corp.**

**Circle Air Industries, Inc.**

**Colonial Acceptance Corp.**

**Colorado Plateau Uranium Co.**
- Dec. 11 filed 1,000,000 shares of common stock (par price, ten cents each). Proceeds—For exploration. Office—Denver, Col. Underwriter—John L. Donahue, 430 16th St., Denver, Colo.

**Consolidated Credit Corp., Charlotte, N. C.**

**Consol. Edison Co. of New York, Inc.**
- Apr. 22 filed 810,000 shares of common stock. Proceeds—To be used for par amount of notes and $1,000,000 in amount of $50,000 new debentures for each $500 of debentures held. Office—New York, N. Y. Underwriter—Carnegie, Halsey, Sturgis & Co., New York.

**Consolidated Gas & Electric Co., New York, N. Y.**
- Feb. 2 filed 5,000 shares of cumulative preferred stock (no par) and 500,000 shares of common stock (no par). Proceeds—For working capital. Office—New York, N. Y. Underwriter—Brown Brothers, New York.

**Consolidated South Pacific Steamship Co.**

**Consolidated Sugar Refining Co., New York, N. Y.**

**Contact Uranium, Mines, Inc., N. Y.**

**Continental Baking Co.**

**Contact Uranium, Mines, Inc., N. Y.**

**Continental Loan Co., Dallas, Texas**
- Dec. 22 (letter of notification) $150,000 of 4% 10-year debentures. Proceeds—For working capital. Office—Dallas, Tex. Underwriter—None.

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**Fuller & Company, New York, N. Y.**
None.

Sachs

Feb.

Lake Lauzon Mines, Ltd., Toronto, Ont.

Aug. 2 filed 660,000 shares of common stock (par one cent). Price—Three cents per share. Proceeds—For development and exploration expenses.

Underwriters—None.

Lee Finance Co., Minneapolis.

Nov. 3 (letter of notification) 13,000 shares of preferred stock (no par) to be offered for subscription by stockholders at par. Price—$1 per share. Proceeds—For general corporate purposes. Underwriters—None.

Lucky Strike Uranium Corp.

Jan. 4 (letter of notification) 4,000,000 shares of common stock (par one cent). Price—Three cents per share. Proceeds—For development and exploration expenses.

Underwriters—For mining operations. Office—38 South Main St., Seattle, Wash. Underwriters—Sea-Board Securities Corporation, Washington, D.C.

Mac Fox Uranium, Inc., Salt Lake City, Utah

Sept. 9 (letter of notification) 30,000 shares of common stock (par one cent). Price—Three cents per share. Proceeds—For development and exploration expenses.


Marble Canyon Uranium, Inc., Salt Lake City, Utah

Feb. 25 filed 1,052,000 shares of common stock (par one cent). Price—At par (one cent per share). Proceeds—For mining operations. Office—38 South Main St., Seattle, Wash. Underwriters—For Investment Co., same city.

Merritt Casualty Co., Baltimore, Md. (2-24)

Feb. 3 filed 296,000 shares of common stock (par $1) to be offered for subscription by common shareholders of the company for the purchase of additional property. Price—$1 per share. Proceeds—For the purchase of $20,000,000 of sinking fund debentures due March 1, 1980. Underwriters—James F. Pierce, Fennar & Beane.

Massachusetts Investors Trust (Boston, Mass.)

Oct. 23 (letter of notification) 10% convertible preferred stock ($100 par). Price—$100 per share. Proceeds—For the purchase of additional real estate, to be held as property for investment. Underwriters—Goldman, Sachs & Co., New York, City.

McCollum & Co., Inc., Baltimore, Md.

Feb. 2 (letter of notification) 1,666 shares of non-voting common stock ($100 par) to be offered for sale at the New York Stock Exchange (estimated at $30 per share). Proceeds—For working capital. Office—21 Light St., Baltimore, Md. Underwriter—None.

Merritt-Chapman & Scott Corp.

Jan. 26 (letter of notification) 6,000,000 shares of common stock (par $12.50) being offered in exchange for outstanding stock of New York Shipbuilding Corp., Devoe & Raymond Co., Inc., Ohio Coal & Coke Co., Osgood Co., and Tennessee Products & Chemical Co. Proceeds—For the purchase of the $40,439 outstanding shares of common stock (par $100) of New York Shipbuilding Corp. and $400,000 in cash. Underwriters—For Investment Co., New York, City.

Missouri Uranium Corp., Kansas City, Mo.

Jan. 24 filed 150,000 shares of preferred stock (par $50) to be offered for subscription by stockholders at par (one cent). Price—$5 per share. Proceeds—For exploration and development. Underwriters—Frank D. Newman & Co., 203 W. Durant, Kansas City, Mo.

Monte Cristo Uranium Corp., Moab, Utah

Oct. 30 (letter of notification) 2,250,000 shares of common stock (par one cent). Price—Ten cents per share. Proceeds—For development and exploration expenses.


Montezuma Uranium, Inc., Denver, Colo.

May 5 (letter of notification) 10,000,000 shares of common stock. Price—At par (two cents per share). Proceeds—Proceeds from sale of 1,000 shares of preferred stock. Proceeds—For working capital.

Mother Lode Uranium Co.

Jan. 31 (letter of notification) 10,000,000 shares of common stock. Price—At par (two cents per share). Proceeds—Proceeds from sale of 1,000 shares of preferred stock. Proceeds—For working capital.

Mountain States Uranium Corp.

Feb. 4 (letter of notification) 2,000,000 shares of common stock. Price—At par ($1 per share). Proceeds—For mining expenses. Office—113 West Broadway, Farmington, N. M. Underwriters—None.

New Canaan Co., Greenwich, Conn. (2-14/19)

Feb. 6 filed 1,052,000 shares of class A common stock (no par) and 1,032 shares of class B common stock (no par) to be offered for subscription by stockholders of the company at par. Price—$50 per unit. Proceeds—To A. L. Stoddard, Box 1069, Greenwich, Conn. Underwriters—Greenwich & Co., New York, New York.

New Canaan Co., Greenwich, Conn. (2-14/19)

Feb. 4 filed 1,052,000 shares of common stock to be offered at the rate of one share for each five shares held.

New Pacific Coal & Oil Co., Toronto, Canada

Dec. 19 (regulation "D") 275,000 shares of common stock (no par) to be offered for subscription by stockholders of the company at par. Price—$25 per share. Proceeds—For general corporate purposes. Underwriters—L. D. Friedman & Co., New York, City.

New Silver Bee Mining Co., Inc., Almira, Wash.


New York Shipbuilding Corp.

Feb. 6 filed 160,000 shares of common stock ($11 per share) being offered in exchange for 374,624 shares of common stock of the company. Price—$11 per share on each of five shares held. Proceeds—For the purchase of 1,052,955 shares of outstanding common stock of the company. Underwriters—For Investment Co., New York, City.

Nipissing Mines Co., Ltd., Toronto, Canada

Jan. 3 filed 1,000,000 shares of common stock (par $1 per share) being offered as "speculative" securities for subscription by stockholders of the company at par. Price—$1 per share. Proceeds—For payment of options, development of properties, and for machinery and equipment. Underwriters—James H. C. Shipley & Co., of New York, with Louis A. Chesler; and Bradley Street; all of Toronto.

North American Television Productions, Inc.

Feb. 3 (letter of notification) 100,000 shares of common stock to be offered for subscription by stockholders of the company at par. Proceeds—For production of films, working capital, etc. Business—Manufacturer of television equipment. Underwriters—Milton D. Blasingame, Boston; Grady R. Broders & Co., both of New York, N. Y.

Petroleum Reserves, Inc., New York

Dec. 27 filed $75,000,000 of 4% debentures due 1970, $1,000,000 of 4% debentures due 1975, and $1,000,000 of common stock (par 10 cents) to be offered for subscription by stockholders of the company at par. Proceeds—For payment of a debt. Underwriters—None.

Petroleum Reserves, Inc., New York

Jan. 19 filed 90,000 shares of common stock (par $1), of which 50,000 shares are for the account of the company and 40,000 shares are for the account of machinery and equipment. Underwriters—A. M. W. Murdin & Co., New York, City.

Plays Matson Arts Corp. (2-21)


Plays Matson Arts Corp. (2-14/18)

Jan. 14 filed 285,000 shares of common stock (par $1), of which 189,000 shares are for the account of the company and 96,000 shares are for the account of machinery and equipment. Underwriters—None.

Plastic Mott material Arts Corp. (2-14)

Feb. 1 filed 10,000 shares of common stock (par $1) to be offered for subscription by stockholders of the company at par. Proceeds—None.

Porter-Cable Machine Co.


Price (T. Rowe) Growth Fund, Inc.

Feb. 7 filed (amendment) 20,000 shares of stock capital. Price—At market. Proceeds—For investment. Business—Investment banking, etc.

Public Service Electric & Gas Co.

Dec. 25 filed 250,000 shares of cumulative preferred stock (par $100). Price—to be supplied by amendment. Proceeds—To reduce bank loans and for construction purposes.


Rainier Telephone Co., Seattle, Wash.


Ranger Lake Uranium Mines, Ltd., Toronto, Ont.

Dec. 30 (regulation "D") 300,000 shares of common stock to be offered for subscription by stockholders of the company at par. Proceeds—For general corporate purposes. Underwriters—James Anthony Securities Co., New York.

Rensselaer Miners' Co., Inc., Canada, Ltd.

Nov. 18 amendment (Regulation "G") 242,850 shares of common stock to be offered for subscription by stockholders of the company at par. Proceeds—For general corporate purposes. Underwriters—James Anthony Securities Co., New York.
Slick Rock Uranium Development Corp.

Oct. 8 (letter of notification) 2,900,000 shares of common stock (par five cents per share) were sold to the public for option to the property owner to be amended.

Price—$10 per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.

Sodak Uranium & Mining Co., Inc. (2/16)

Jan. 13 (letter of notification) 2,900,000 shares of common stock (par $1) to be sold per share.
Price—25 cents per share.
Price—25 cents per share.
Price—25 cents per share.
Price—25 cents per share.

Solomon Uranium & Oil Corp., Inc.

Oct. 7 (letter of notification) 2,900,000 shares of common stock (par $1) to be sold per share.
Price—10 cents per share.
Price—10 cents per share.
Price—10 cents per share.
Price—10 cents per share.

South Carolina Electric & Gas Co.

Feb. 2 sold 210,000 shares of common stock (par $1) at $2 per share. Proceedings—For mining expenses.

Price—$2 per share.
Price—$2 per share.
Price—$2 per share.
Price—$2 per share.

Star Oil Co., Salt Lake City, Utah.

Aug. 2 (letter of notification) 6,000,000 shares of common stock (par one cent) to be sold per share.
Price—$50 per share.
Price—$50 per share.
Price—$50 per share.
Price—$50 per share.

Stewart Uranium Drilling Co., Inc. (2/14-18)

Jan. 3 (letter of notification) 500,000 shares of class A convertible debentures (par five cents per share) to be sold per share.
Price—$100 per share.
Price—$100 per share.
Price—$100 per share.
Price—$100 per share.

Superior Uranium Co., Las Vegas, Nev.

Sept. 21 (letter of notification) 2,500,000 shares of common stock (par $100) to be sold per share.
Price—$125 per share.
Price—$125 per share.
Price—$125 per share.
Price—$125 per share.

Sydro Uranium Mining Co., Inc., Dallas, Texas.

Sept. 9 (letter of notification) 2,975,000 shares of common stock (par $1) to be sold per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.

Talcorp Uranium, Denver, Colo.

Aug. 17 (letter of notification) 1,700,000 shares of common stock (par five cents per share) to be sold per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.

Temple Mountain Uranium Corp.

Oct. 7 (letter of notification) 2,500,000 shares of common stock (par $1) to be sold per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.

Texas Electric Service Co. (2/23)

Jan. 17 (letter of notification) 3,000,000 shares of common stock (par five cents per share) to be sold per share.
Price—$20 per share.
Price—$20 per share.
Price—$20 per share.
Price—$20 per share.

Wallace, Idaho

Nov. 22 (letter of notification) 2,900,000 shares of common stock (par $1) to be sold per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.

Uranium Discovery & Development Co.,

Dec. 22 (letter of notification) 26,000,000 shares of common stock (par $1) to be sold per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.
Price—$10 per share.
For mining expenses.

Federal Reserve Bank of St. Louis

July

funds, to pipeline. 20,

Office—1818 Beverly Way, Las Vegas, Nev.

Vada Uranium Corp., Ely, Nev.

Colorado Uranium Mines, Inc., Walla Walla, Idaho

West Coast Pipe Line Co., Dallas, Texas

Barry Controls, Inc.

Bishop Oil Co. (3/16)

Maine Power Co.

Central Maine Power Co.

Central National Bank of Cleveland

Chicago & Eastern Illinois RR

Chicago, Rock Island & Pacific RR

Citizens National Trust & Savings Bank of Los Angeles

Progressive Offerings

Alabama Power Co. (5/31)

Arkansas Power & Light Co. (February 4)

Baltimore & Ohio RR

Catalin Corp. of America

Central National Bank of Cleveland

Chicago & Eastern Illinois RR

Chicago, Rock Island & Pacific RR

Citizens National Trust & Savings Bank of Los Angeles

continued on page 42
We & Webster Securities Co. (jointly); Lehman Brothers and Bear, Stearns & Co. (jointly); Kidder, Peabody & Co. (jointly); and Tom P. Walker. President, Announced that the company plans to sell $5,000,000 of first mortgage bonds (in par) in the Pacific Northwest to finance the construction of a new, 1,400-foot natural gas pipeline which is to be built on the Canadian border. In addition, 1,500,000 shares of common stock will have to be sold among the present stockholders who already own 700,000 shares.

<quote>
**Pan American Sulphur Co.**

Feb. 3 it was reported company is considering offer late in March for 5 million common convertible debentures (first to stockholders). Underwriters—Kuhn, Loeb & Co., and Carl M. Loeb, Rhoades & Co., both of New York.

**People's Finance Corp., Denver, Colo.**

Jan. 31 it was reported company plans to issue and sell 100,000 shares of preferred stock ($1 par). Bids—Expected to be received late in February or early in March.

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Missouri Natural Gas
Common Stk. Offered
Straus, Blosser & McDowell, Chicago, Ill., and associates on Feb. 9 publicly offered 120,000 shares of common stock (par $2.50) of Missouri Natural Gas Co. at $8.50 per share. Of the total, 114,000 shares are offered for public sale by the issuing company and the balance is sold by certain "selling stockholders." Net proceeds to the company of its stock sale, together with outstanding bank loans of $250,000, will be used to fund, in part, cash to be derived from operations, to defray the cost of estimated expenditures for physical property additions to be made during 1955 and 1956. Associated with Straus, Blosser & McDowell in the offering were Cramton & Cramton, G. Edwards & Sons; H. M. Bylesley & Co. (Inc.); Central Republic Co.; and G. H. Walker & Co.

Joins Gresham & Co. (Special To The Financial Chronicle)
BEVERLY HILLS, Calif.—Kenneth R. Munce has become associated with Robert G. Gresham & Co., 111 North La Cienega Boulevard.

Fabian & Co. Adds (Special To The Financial Chronicle)
BEVERLY HILLS, Calif.—Merl E. Shelden has become affiliated with Fabian & Company, 80 Santa Monica Boulevard.

DIVIDEND NOTICES
LION OIL COMPANY
A regular quarterly dividend of 48 cents per share has been declared on the Common Stock of this Company, payable March 15, 1955, to stockholders of record on March 1, 1955. The stock transfer books will remain open until March 18, 1955.

William H. Drayton, President

DIVIDEND NOTICES
PEPPERELL MANUFACTURING COMPANY
Boston, January 25, 1955
DIVIDEND NOTICE
To the stockholders of record on January 28, 1955, the Board of Directors of Pepperell Manufacturing Company, Inc., 123 Pepperell Street, Manchester, N. H., declares a dividend of $2.12 convertible preferred stock, common stock at par.

A. E. Weidman
Treasurer

DIVIDEND NOTICES
TENNESSEE GAS TRANSMISSION COMPANY
DIVIDEND NO. 30
The regular quarterly dividend of $3.50 per share has been declared on Tennessee Gas Common Stock, payable April 1, 1955 to stockholders of record on March 15, 1955.

J. E. IVINS, Secretary

DIVIDEND NOTICES
PREFERRED STOOG DIVIDENDS
The directors also declared regular quarterly dividends of 53 cents per share, payable February 15, 1955, to stockholders of record on February 1, 1955.

A. E. WEIDMAN
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A. E. WEIDMAN
Treasurer
WASHINGTON, D.C.—There is much less than meets the eye behind the current chatter to the effect that the Administration is scheming up what kind of controls to assert in case.

This is not to imply that controls are not a serious issue, because anytime anybody gets say-deeming about how the government can get some more power and can get this power to work with, like dynamite left lying around.

However, the present drive has a low head of steam both within the Administration and Congress. It will be a serious project only if the good old Cenennials, who have done so much to boost full employment and the expanding economy, really mean it and really give people a great deal more.

The President—Dr. Arthur Flemming—stands out in the direction of studying the ways to mobilize and protect the United States in case of all-out war. He has, however, been given little attention or interest from the rest of the government—particularly in this direction. A major part of the war will be directed to counteract and finally to withdraw from government the wide spread of the free world in repeating economic and social programs. Projects, of course, has been to study what kind of controls to have.

Meanwhile, one of the lesser say-deemings is that it is the inescapable curse of any Presi¬denthood to have one with a sense of personal social insecurity—thinking he will win teacher's smile, or forward the argument that the President should get himself some of this control power arrangements for if the good old defense officials horned in that the way, and studies are being made.

**Take a Brief View**

Ed Phelps, who rates highly as the former capable Defense Administrator of the Office of Price Stabilization, has been sent back to Washington to solve the question of controls undertaken.

Phelps understood to hold in his view that controls over wages, prices, rents, and credit are subordinate to the problem of finding a way to damp inflation at its source. With the public debt at $278 billion and the real total burden in terms of disposable income at almost the peak, the public policing—be it recognized there is a problem.

The problem is how to avoid the merry manufacture of credit as has been done during the war and the late war in Korea. This in¬volves meeting up with two problems: 1. direct controls, and 2. interchange of government and business policies. One of them is an even more structure problem of the essential issue which obviously will have to hit the present say-deeming, for even 100% taxation of the military rich will not begin to do the job of avoiding extensive manufacture of credit money.

The other problem is the "guarantor" or a system like in Russia whereby every loan is "guaranteed voluntary contribution" of so much a proportion that it may be invested in some kind of Treasury bill.

So the current thinking is that in view of the present enormous inflationary base, it will be necessary to curb the further expansion of that inflationary potential before dealing with price, wage, rent, and credit controls. It will be done not only by the inflation that slips by the basic inflation-manufacturing machine. The new controls don't want to content themselves with playing with the irresistible effects of large inflationary doses.

**Pentagon Plans Differently**

This broad approach is some¬what in contrast with the planning of the Defense Department, or at least the brass fittings therein. The military are supposed to be assuming that the war which with Russia will be fought should be financed in the terms of War II, and the United States would end up with a national debt of $7,000,000,000 ($1 trillion).

There are three centers of standby controls on prices, wages, credit, and rents is made inseparable from a broad-package program of the character mentioned to avoid the creation of monetary infla¬tion, then that is something. That one thing is something, doing, for no Congress one hour before it is necessary to get to write down a bill of particulars for all contingent purposes to see, as to what war would take out of people's pocket books.

The current by control situation is further complicated by the intervention of the Civilian De¬fense officials who are talking about some kind of price wage controls program at the city or county level on the assumption that the feds somehow can and will dare to just about murder national life in the United States. This is another one of those abstract "if only" things that the President expects because of Congressmen innocently en¬gaged in their usual business of getting reelected.

**Will Improve**

Hence the final outcome in all these planning and controls is an im¬provement after the effect of the war and wages and rents in almost in¬variable that prior to wars and wages that the federal government builds up elaborate schemes for controlling the problem and when it comes basel, and equally customary for these best laid plans to be forgotten, come the actual hostilities.

If the current China incident should end up in fighting in¬stead of extricating maneuvering before the United Nations and a few men and an occasional ship get wiped out, then per¬haps both the Eisenhower en¬couragement and the Congress would go for standby price, wage, credit, and rent controls in the form of some kind of a freeze.

Without an honest-to-good¬ness war scare, however, the attitude of Congress is that this price control stuff is passe. They are as much interested in embrac¬ing in it as a hand¬some way of making government would be in dating his high school sweetheart who in the meantime has grown fat and ugly.

**Plants New Way**

To Tay Bank Money

Era T. Benson is planning a new scheme whereby Uncle Sam can evade the appropria¬tion process and go directly into the strong rooms of banks and get money for Federal pur¬poses. In fact, it is two schemes.

It is recalled that last year Congress, sided and alleted by the Secretary of Agriculture, passed a bill which loans to farmers for building up their soil, planting woods, or improv¬ing recreational pastures "in¬sured" by the Farmers Home Administration. The farmer goes to FHA (or FIA) version. The Farm-FHA approves the loan, and makes out a note for the farmer, Uncle Sam puts a guar¬antee on the note and the loan is made. The note itself is to be issued to the farmer, Farm-FHA co¬ver checks, and otherwise services the loan.

Eisenhower in his Economic Report message praised the beauty of this easy way to get money, so Mr. Benson is going ahead on two new large vari¬ations thereof.

**Has Two Variations**

The first of these is a re¬spect to mortgage loans. Farmers Home Administra¬tion, Rex Tugwell's old Resettle¬ment Administration, with its name changed twice, for years struggled along on some $25 million a year to make mort¬gage loans to farmers on the basis of loans at 100% of ref¬erence for something like 40 years.

Under Truman the farm-FHA got wise and concocted itself an "insurance" scheme, but with mortgage loans limited to 90% of value. In this case a farmer would, after being blessed by farm-FHA, go to a bank, and the loan. Farm-FHA would "insure" the loan, and at the same time enter into a firm contract with the lending bank to take the loan off the hands of the bank after a given period, which was once five years and now is 10. So the bank in effect was making a 10-year loan dis¬guised as a 40-year loan, the farmer got the money, farm-FHA got around asking for more appropri¬ations, and the problem of raising the cash was left to the dim and distant future when maybe the mortgages would come home to the gov¬ernment to roost.

The new scheme—which will be along shortly—proposes that Farmers Home will itself make the mortgage loan of govern¬ment money within its "insurance fund." Then the note, en¬roned, will be sold to the bank. The Comptroller of Currency will rule that the bank is mak¬ing inost of the loan, and not a mortgage loan, and this will re¬move this business from the customary limits upon banks on the amount of real estate loans they can make.

Farm-FHA also makes liberal 7-year production loans. The second and possible to the farm like the soil conservation loans, in which banks by buying gov¬ernment-guaranteed paper will become more digestive partners for Mr. Benson's boys.

Together with the suggestion of the guaranteed production and guaranteed loans of numerous other kinds, the timing is tight when banks will be engaged primarily in the business of dis¬bursing funds "without risk and with guaranteed return" on be¬half of the government. They will then become de facto sub¬Treasuries of the United States.

This will not be socialism, however. Mr. Benson, the author says he is against socialism and government in business.

**Conclusion**

It is intended to re¬flect the "behind the scene" inter¬pretation from the nation's capital and may not be consistent with the "Chronicle's own views."

### Business Man's Bookshelf

**French Revolution Inflation—Least of Irredeemable Currents**

1951, page 516. The book is in great demand for copy; 10 copies, $2.00; 50 copies, $7.50; 100 copies, $10.00. Published by The Commerce Press, Chapel Street, New Haven 15, Conn.

18 Best—"Investment booklet next 12 issues of "The Ex¬change Magazine" by T. H. Phil¬ly, Jr., Jackson Brown, Jr., DE 1, 11 Wall Street, New York, 5, N. Y.

Ten Year National Highway Program: Investment Impact of Government Aid to the President—John Nuwee & Co., 135 South La Salle Street, Chicago 3, Ill. (paper).


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**We recommend at the market**

**W. L. MAXSON CORPORATION**

**CAPITAL STOCK**

CAPITALIZATION: 330,397 shares Capital Stock

This is a real GROWTH Company (Electronics)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (in thousands)</th>
<th>Net Earnings (in thousands)</th>
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<tr>
<td>1950</td>
<td>$3,229,817</td>
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<tr>
<td>1951</td>
<td>$3,353,965</td>
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<tr>
<td>1952</td>
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<td>$3,377,128</td>
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<tr>
<td>1954</td>
<td>$37,143,000</td>
<td>$1,496,000</td>
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</table>

*On an increasing number of shares yearly due to stock dividends

Trading Market for Brokers and Dealers