EDITORIAL

As We See It

Last week in Washington the Federal Court of Appeals, in reversing a decision of the National Labor Relations Board, ruled that there is no "inconsistency between a genuine desire to come to an agreement and the use of economic pressure to get the kind of agreement one wants." Hence, said the court, a labor union in the instant case had not failed to bargain in good faith because it used a number of now all too familiar tactics to bring the employer to his knees—including the "slowdown" technique.

We are not familiar with the details of the case out of which this ruling came, and shall not undertake to pass directly upon the judgment as issued. We do feel quite strongly that a great deal of balderdash is daily heard in this country about "collective bargaining" and related matters. The law—and the courts—have their own concepts of "good faith," and we have no intention at this time to go into the question of what constitutes good faith in the "negotiations" which are practically always in process between employer and employee organizations. Much of it, indeed most of it, may be in "good faith," but the term bargaining is hardly applicable to them. It may be in perfectly "good faith" in the sense that the robber means what he says, but to label any such thing real bargaining would be absurd. "Bargaining" implies substantial freedom of choice by the parties.

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It's Time To Think of Tax Savings on Stocks

By GORDON Y. BILLARD
Partner, J. R. Williston & Co., New York City Members, New York Stock Exchange

Holding, because of the heavy tax rates applicable to this year's income, it is imperative for taxpayers to take advantage of tax saving opportunities, Mr. Billard offers a list of suggestions which may prove helpful to security holders for minimizing tax burdens between now and the end of the year.

Heavy tax rates applicable to this year's income make it imperative that taxpayers give full consideration to such tax saving opportunities as may exist.

Holders of securities are presumably familiar with the tax provisions pertaining to capital gains and losses and I shall therefore merely review them briefly.

Capital assets held for six months or less are classified as short-term holdings and those held for over six months as long-term holdings.

The amount of gain or loss on short-term transactions is recognized at 100% for tax purposes as compared with 50% on long-term transactions. Short-term losses may be applied in full against both short-term and long-term profits. An excess of long-term losses over long-term gains may also be applied against any balance of short-term profits. An excess of losses regardless of type can be deducted from other income to the extent of $1,000, and any losses in excess of this amount can be carried forward to the five succeeding years and applied against future capital gains and also up to $1,000 maximum in each year against income.

If there is an excess of short-term gains over losses, the excess is taxable to income and is taxable at prevailing normal and surtax rates. Conversely, if there is an excess of long-term gains over long-term losses the taxpayer may aggregate this amount from other incomes.

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Common Stocks as Insurance Company Investments

By SHELBY CULLEN DAVIS
Partner, Shelby Cullen Davis & Co., New York City Members, New York Stock Exchange

After discussing investment in securities on the basis of company growth and the effects of inflation, Mr. Davis contends: (1) common stocks have no place in an insurance company portfolio, but "uncommon," or quality, issues do; (2) the amount of quality stocks held should vary with the asset and risk situation of the company, and (3) that the current market for quality stocks is not too high. Finds, through ownership of shares of insurance companies, these concerns can respond benefits of nation's growing economy.

I'm going to open this address with a bold statement: common stocks, of the garden variety that is, have little place in an insurance company portfolio. I wonder how many of you expected me to say that! One day they're up, another day they're down—like a tug of war between the bulls and the bears. But before you begin to label me truly reactionary in my thinking, let me proceed.

Uncommon stocks, in whose future you justifiably have faith, have an increasingly important place as investments for insurance companies. Maybe this is the century of the insurance man—but it is also the era of the uncommon stocks.

Now far be it from me to be a stickler for words—but if I had my way, I think, the expression common stocks would be abolished. Common stocks to many seem to connote ticker tape, tips and trouble. That all goes back to 1929. Instead of talking about common stocks, I prefer to talk about what these common stocks represent—shares in the expanding industry of growing corporate America.

*An address by Mr. Davis before the National Association of Independent Insurers, Chicago, Ill., Nov. 1, 1956.
The Security I Like Best

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

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

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A $400 Billion Output in 1956

By BENNETT S. CHAPPLE, JR.
Assistant Executive Vice-President, Commercial Credit Corporation of the United States Steel Corporation

U. S. Steel spokesmen, predicting a peak in 1956 production of goods and services, but a "completely" flattening out in the steel industry, see (1) continued higher product sales, (2) greater emphasis on the quality of the product, (3) a significant increase in the number of new and expanded steel plants, (4) no greater production costs than in 1955, (5) increased capital investments, and (6) some slowing down in the rate of equipment additions. These spokesmen also see the steel industry's position as comparable to that of other large-scale manufacturing industries in this country, with the production of steel remaining about the same and prices rising, but with more emphasis on quality and customer satisfaction.

At present, the steel industry's mills are not running at any capacity outside of which they are capable of producing. The industry has already been driven to the point where most of its mills are operating at a significant degree of capacity. This is in contrast to previous years when the industry was operating at only a fraction of capacity. The steel industry is now in a position to increase its production if demand increases. This is possible because the steel industry has made significant investments in new and expanded mills, which will allow it to produce more steel if necessary. Additionally, the steel industry has made significant investments in new and expanded mills, which will allow it to produce more steel if necessary.

To give you purchasing men an idea of the size of the material in this apparatus, I can tell you that the material we produce is approximately one half cubic feet of air to produce the frame itself. And it will contain 16,000 tons of steel, coke, and coke. This is very significant since this material is made up of the metal and coke, which are in great demand in the United States. This production is significant because it can only be produced in the United States. This is because the United States is not large enough to produce this material in one country.

Furthermore, in the immediate future, we expect that it will be necessary to continue to produce steel at the same rate as the present. This is necessary because the United States is not large enough to produce this material in one country. We expect that it will be necessary to continue to produce steel at the same rate as the present. This is necessary because the United States is not large enough to produce this material in one country.

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THE COMMERCIAL and FINANCIAL CHRONICLE

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The Stock Market Outlook

BY WILLIAM R. WHITE*

Stock Market Analyst of Hornblower & Weeks
Members New York Stock Exchange

Market analyst maintains market will not re-affirm its September 1929 high new lows by nearly 700 cities as depressants Presidentials uncertainties and credit restrictions.

No "1929" in prospect.

In order that there may be no misunderstanding on which side of the fence I stand, I think I shall present my conclusions and then fill in the details — as all good reporters are taught to do in stories for publication. I shall begin by expressing the opinion that the stock market has recorded its extreme situations for the year, having registered its low in January and its high in September, as measured by almost any average without much error. I should be surprised if support levels established in the first sharp decline early this month proved effective in withstanding pressure during the rest of the weeks ahead. I have an idea the trend reversal that began in September may endure well into the winter—and perhaps into spring.

I would not like to convey the impression that I think the setback will develop into a bear market, however, for I expect a vigorous recovery in 1929 from the current intermediate recession and the outlook of the market the first six months of next year should more closely resemble whether the longer-range advance can be reinitiated. We cannot get any conviction on the probable price trend beyond the fiscal policies of 1926. As a matter of fact, any market letter writer's opinion may be subject to change, without notice, and it would seem rash to attempt any long range forecasts, such as is looming ahead with many unpredictable political de-

The Commercial and Financial Chronicle — Thursday, November 3, 1928

Coming Copper Titans

BY JEAN U. COBLEIGH

Enterprise

Presuming some timely comment on the current trends of copper prices and production; plus a swift look at and coming-copper-sponsored events of the popular red metal

Concern over copper is not difficult to understand. Copper prices have been understood to some extent, although in 1929 the dollar still stands at .82 and, for all practical purposes, is not expected to break below .80. With the copper industry being one of the largest in the world, the condition of the red metal is constantly monitored by many speculators. Copper prices are currently influenced by a variety of factors, including supply, demand, and the general economic conditions. However, these factors can be understood by analyzing the current market trends and understanding the factors that influence copper prices.

Unfortunately, the current market trends for copper are not favorable, and the prices are likely to remain low. In the coming years, the copper market is expected to face significant challenges, including increased competition from other metals, rising production costs, and geopolitical factors. As a result, the price of copper is likely to remain low for the foreseeable future, and investors should be prepared for a prolonged period of low prices.

In conclusion, copper prices are likely to remain low for the foreseeable future due to increased competition from other metals, rising production costs, and geopolitical factors. Investors should be prepared for a prolonged period of low prices, and it is essential to diversify investments across different sectors to minimize risk.

* William R. White

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Robert J. Frapiere, Welfred L. Coppen announced by Howard W. Calkins, Chairman. He has been associated with the firm's predecessors since 1919. He has run the San Francisco office for many years and Mr. Coppen is a native of San Francisco and has been associated with the firm for many years.

Richard E. Cruikshank, resident in the company's San Francisco offices, was elected a vice-president.

Jamieson Adds to Staff

(Special to The Financial Chronicle)


Joins Mitchell, Jones

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif. — Leonard M. Bucklin III has joined the staff of Mitchell, Jones & Co., 465 Montgomery Street.

With Wilson, Johnson

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif. — George H. Johnson has been associated with Wilson, Johnson & Co., since 1923. He is a member of the San Francisco Stock Exchange and has been associated with the firm previously with Harris, Upham & Company.

With Norman Dacey

BURLINGTON, Conn. — Joseph V. Malloy is now affiliated with the firm of Dacey & Associates, 114 State Street.

The Commercial and Financial Chronicle — Thursday, November 3, 1928

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reserves of 2% million tons of 2% copper (40 lbs. to the ton); and the expected current price per ton is the same in the same company.

The miners are being operated in the highly profitable Falcobridge Mines, a joint venture of Balfour and others, which is one-third interest in both companies.

Here we have not to wait too long, for, as you are aware, since it is planned to have the mine delivered 2,000,000 tons a day by Dec. 31, 1955, it is expected to come into production in a matter of a year or two.

These two companies—Balfour and Maritime—are unique in that they are twins. They each have the same ownership and shares outstanding; and the same companies have been to buy one share of common stock by Dec. 31, 1955, the companies will be known as The Balfour, Inc., and the "B" warrants will be at 60. By early 1956, the shares will be split 2 for 1 and be traded as scheduled in the mining industry.

Just when the prices of copper, oil, and coal begin to emerge, it will be expected to cut back on operations of 17. Two midwestern manufacturers, not only, are setting up conversion arrangements, where prices are rising off customers who are not in the nickel business.

There is even talk of a gray market again, but if much business is done, it's a world to watch. It's also a world in which copper shares less than 200 shares of nickel. If you want to buy, you have to buy the whole bag of chips. The more so, the more interesting it becomes to watch. You will find the balance of the shares, 800,000 shares, in three shares, Bathurst and Maritime.

The next Canadian entry is an African one. Lest this confuse you, we now have a Canadian company, Kibele Copper and Cobalt Ltd., a Canadian company and a subsidiary of the Alcan Aluminum Corp., of Providence Rd., Toronto, Ont., Canada. The mining property here, Street, 1955, the company has to buy one share of common stock at 3 times the cost of being converted. It is believed that these equities can earn $200 million a year, and that the nickel will be similar to the nickel.

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Chairman of Senate Finance Committee holds a balanced Federal Budget is a prospect, but warns that it will be a surplus sufficient for tax reduction. Says there is opportunity for reduction of non-military expenditures and cites cases, such as the Federal Housing Administration, to point out, to preserve our solvency, we must not depend on boom revenue, which may be temporary, as a justification for reducing taxes.

The latest estimate of the Treasury Department for the fiscal year 1954-55 is $63 billion, and income $62.1 billion. It may be a balanced budget in eight or nine years, largely to the increased revenue from the present boom business conditions. But this does not mean there will be a surplus sufficient to put the tax reduction on a permanent basis.

I think I have always opposed and will continue to oppose any tax reduction that necessitates a reduction of debt. I think such a policy is a menace to economic stability. It would be wise to make a permanent tax reduction based on present boom conditions. We will always have peaks and valleys in our business condition.

The Federal budget is a program based on no-balance, no-tax reduction. It is true that the present Administration has reduced the 1955-56 budget by more than $10 billion as compared with the budget of the previous Administration. The fact is that the balanced budget is accounted for by reduced military expenditures since the end of the Korean war.

Expenditures for strictly non-military programs in this fiscal year are estimated at $27.7 billion. This is about three times the cost of these programs in 1940.

There is a field for reducing non-military expenses in practically every agency of our government. Our public debt is already over $66 billion in aid of foreign countries. Every dollar of this has been added to the public debt. There is a need for a more appropriate foreign aid appropriation.
$30,000,000

STATE OF CALIFORNIA

5%, 2 1/4%, 3% and 4%

School Building Aid Bonds

AMOUNTS, RATES, MATURITIES
AND YIELDS OR PRICES
(Accepted interest to be added)

| Principal and semi-annual interest (May 1 and November 1) payable at the office of the Treasurer of the State of California in Sacramento, California, or at the office of the holder or at the office of any duly authorized agent of the State Treasurer, including the agent of the State Treasurer in New York City. Coupon bonds are denominated of $1,000 each only as to both principal and interest. Bond maturing on and after November 1, 1977, are subject to redemption at the option of the State, as a whole or in part, on November 1, 1976 (but not prior thereto) and on any interest payment date thereafter, at the principal amount thereof and accrued interest then due on date of redemption. Publication of notice of redemption shall be made for one week. With less than 30 days or more than 60 days prior to said date of redemption, in each of the cities of San Francisco, Sacramento and Los Angeles, California. If less than all the bonds should be redeemed, they shall be called in inverse numerical order, the part not called to become callable on the bonds maturing in any year ever. In the opinion of counsel, interest payable by the State upon its bonds is exempt from all present Federal and State of California personal income taxes under existing statutes, regulations and court decisions. These bonds will mature in accordance with the requirements of the Federal and state laws and the bond laws in New York, California and certain other states and for savings banks in Massachusetts and will be eligible as security for deposits of public money in California. These bonds, to be issued under provisions of State School Building Aid Bond Laws of 1972 (Chapter 20, Division 5, Education Code at amended) for school purposes, in the opinion of counsel will be valid and legally binding obligations of the State of California payable in accordance with their terms out of the General Fund of the State, and the full faith and credit of the State of California is pledged for the payment of the principal and interest. Under the enabling statute the State is obligated to collect annually, in the same manner and at the same time as other state revenue is collected, such sum in addition to the ordinary revenue of the State as shall be required to pay principal and interest on the bonds as the same become due. The bonds were authorized by the electorate on November 4, 1972, for the purpose of providing aid for school construction in the State, the amounts thereof to be repaid, in whole or in part, by the diminution of aid.

<table>
<thead>
<tr>
<th>AMOUNTS</th>
<th>RATES</th>
<th>MATURITIES</th>
<th>YIELDS or PRICES</th>
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<td>$30,000,000</td>
<td>5%</td>
<td>1952</td>
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<td>1957</td>
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<td>4%</td>
<td>1958</td>
<td>1963 (1/2)</td>
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<td>3%</td>
<td>1959</td>
<td>1964 (1/2)</td>
</tr>
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<td>2%</td>
<td>1960</td>
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<td>1%</td>
<td>1961</td>
<td>1966 (1/2)</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1962</td>
<td>1967 (1/2)</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1963</td>
<td>1968 (1/2)</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1964</td>
<td>1969 (1/2)</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1965</td>
<td>1970 (1/2)</td>
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<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1966</td>
<td>1971 (1/2)</td>
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<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1967</td>
<td>1972 (1/2)</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1968</td>
<td>1973 (1/2)</td>
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<td>$1,000,000</td>
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<td>1969</td>
<td>1974 (1/2)</td>
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<td>$1,000,000</td>
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<td>1970</td>
<td>1975 (1/2)</td>
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<tr>
<td>$1,000,000</td>
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<td>1971</td>
<td>1976 (1/2)</td>
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<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1972</td>
<td>1977 (1/2)</td>
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<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1973</td>
<td>1978 (1/2)</td>
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<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1974</td>
<td>1979 (1/2)</td>
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<tr>
<td>$1,000,000</td>
<td>1%</td>
<td>1975</td>
<td>1980 (1/2)</td>
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s on was elected President of the bank, will continue to serve as President until a successor is appointed by the board of directors and members of the Executive Committee.

At the annual meeting held at 61 Broadway, New York 5, N. Y., Mr. Histon and Mr. Mayer were elected Vice-Presidents. Mr. Histon has been Senior Vice-President for the past four years.

Mr. Morgan became associated with the Morgan firm in 1883. He became a partner in 1929 and was elected Vice-President and director in 1940. Mr. Mayer became associated with the firm in 1933. He was elected Vice-President and director in 1940. Mr. Meyer became associated with the firm in 1935. He was elected Vice-President and director in 1940.

Mr. Morgan joined the firm in 1906. Prior to that time, he was a partner in the firm of Morgan, Histon & Co. as a partner in 1929. Upon incorporation of the firm in 1940, he became a Vice-President and director. He was elected Senior Vice-President in 1940.

Mr. Morgan became a partner of the Morgan firm in 1906. He joined the firm of Morgan & Co. as a partner in 1929. Upon incorporation of the firm in 1940, he became a Vice-President and director. He was elected Senior Vice-President in 1940.

Mr. Histon became associated with the Morgan firm in 1922. He became a partner in 1929 and was elected Vice-President and director in 1940. Mr. Mayer became associated with the firm in 1933. He was elected Vice-President and director in 1940. Mr. Meyer became associated with the firm in 1935. He was elected Vice-President and director in 1940.

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New Issues

Interest on these Bonds is Exempt from any Federal Income Tax, now or hereafter imposed, under the provisions of the United States Housing Act of 1937, as amended.

$109,990,000

New Housing Authority

2 3/4%, 2 1/4% and 2 5/8% Bonds

Legal Investment for Commercial Banks, Savings Banks and Trust Funds in New York and many other States and Legal Investment, without limitation as to amount of investment, for all National Banks organized under the Laws of the United States.

Principal and semi-annual interest payable, at the option of the holder, at the office of the First Agent of the respective Local Housing Authorities or at the office of the Alternate Paying Agent in the City and State of New York or in the City of Chicago, Ill. Coupon bonds in denominations of $1,000, irreducible as to principal only, or as to both principal and interest, with the privilege of resurrection at the option of the holder, in coupon bonds.

These Bonds, to be issued by the various local housing authorities listed below, will constitute, in the opinion of counsel, valid and legally binding obligations of the respective local housing authorities, secured by a first pledge of annual contributions unconditionally payable pursuant to the Annual Contributions Agreement with the Public Housing Administration (an agency of the Federal Government) in an amount which, together with funds of the local agency actually available for such purpose, will be sufficient to pay the principal and interest on the bonds when due.

LOCATION OF AUTHORITIES AND AMOUNTS

<table>
<thead>
<tr>
<th>Scale A</th>
<th>Scale B</th>
<th>Scale C</th>
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</thead>
<tbody>
<tr>
<td>$6,410,000 National Capital</td>
<td>$17,615,000 Cleveland, Ohio</td>
<td>$14,400,000 St. Louis, Mo.</td>
</tr>
<tr>
<td>Washington, D. C.</td>
<td>$13,150,000 San Francisco, Calif.</td>
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<table>
<thead>
<tr>
<th>Scale D</th>
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<tbody>
<tr>
<td>$12,345,000 New York, N. Y.</td>
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</table>

<table>
<thead>
<tr>
<th>Scale B</th>
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<tbody>
<tr>
<td>$1,200,000 Waterbury, Conn.</td>
</tr>
<tr>
<td>$12,345,000 New York, N. Y.</td>
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</table>

<table>
<thead>
<tr>
<th>Scale C</th>
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</thead>
<tbody>
<tr>
<td>$11,400,000 Chicago, Ill.</td>
</tr>
<tr>
<td>$13,330,000 Tacoma, Wash.</td>
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MATURITIES AND YIELDS

<table>
<thead>
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<th>Date</th>
<th>Scale A</th>
<th>Date</th>
<th>Scale B</th>
<th>Date</th>
<th>Scale C</th>
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<td>1951-56</td>
<td>2.375%</td>
<td>1951-56</td>
<td>2.375%</td>
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<tr>
<td>1957-58</td>
<td>2.375%</td>
<td>1951-56</td>
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<td>1957-58</td>
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<td>1951-56</td>
<td>2.375%</td>
<td>1951-56</td>
<td>2.375%</td>
</tr>
</tbody>
</table>

The bonds of each issue will, with the exception noted herein, be redeemable on any interest payment date or at any time thereafter, at a redemption price of par and accrued interest at the time of redemption, subject to the provisions of the bond documents. The bond documents will provide for a call price that decreases over time. The call price is the price paid by the holder to the issuer at the time of redemption. The call date is the date on which the bond is called by the issuer.

These Bonds are offered when, as and if issued and received by us and we are subject to prior sale and approval of legality, with respect to such issues, by recognized municipal bond counsel.

Descriptive Circular upon request.

The Chase Manhattan Bank
Banks Trust Company
Chemical Corn Exchange Bank
 Guaranty Trust Company
Harris Trust and Savings Bank
The First National Bank
 of Chicago
The Northern Trust Company

Mortgage Trust Company

The First National Bank

of New York

The First National Bank

of Portland, Ore.

The First National Bank

of Kansas City, Mo.

The First National Bank

of Denver

The First National Bank

of Dallas

The First National Bank

of Charlotte, N. C.

The First National Bank

of New Orleans

The First National Bank

of San Francisco

The First National Bank

of Seattle

The First National Bank

of Chicago

The First National Bank

of New York

The First National Bank

of Cleveland

The First National Bank

of Dallas

The First National Bank

of New York

The First National Bank

of Dallas
Investment Potentials Of Atomic Energy

By NEWTON L. STEERS, Jr.*

President, Atomic Development Mutual Fund, Inc.

Mr. Steers, holding that the potentials in atomic energy have never appeared more promising than at present, and that these potentials are not at present over-capitalized, enumerates the various aspects of industrial and energy progress. Discusses prospects of uranium production and costs of producing uranium ore. Concludes that after 1962: (1) supplies of uranium will shrink, unless the gas $1.25 per pound is extended; and (2) reduced "bomb" demand, will be offset by demand from other sources.

First, it may be of interest to refer to a table I compiled a year ago. Fifty-five large and 34 mid-sized uranium companies were selected at that time on the basis of their belief in their long term investment opportunities and, for example, in the SW region of the United States. Ten of these companies have failed, including the Roundup Corporation, having issued $115,000 in bonds and never produced a pound of uranium. Had I been alive when President Roosevelt entered the White House, and had I been aware of the advances in atomic weapons, I would have been alive to watch the future of the uranium industry. The potential of the uranium industry has been demonstrated in the rapid technological and industrial advances made.

Nevertheless, a number of factors have served to make people more realistic in their thinking and forecasting about the future, primarily of uranium. This is not to say that we feel that the uranium industry is unfounded. This is because uranium stock prices are well supported, even if speculation in uranium has become more restrained inasmuch as the preceding causes of speculation are assumed to be true. It is true, however, that the three factors referred to are: (a) Fusion, (b) Over-supply of uranium and these are discussed below in turn.

Fusion

The public has been closely followed by our Fund Managers during the course of the Fund's inception. Public interest in fusion was further energized by the Indian delegate at the Atomic Congress in Geneva during the fall of 1955. It is during this period that the first and only demonstration of controlled fusion was achieved in the experimental Tokamak, a device developed by the Russian scientists. The demonstration of controlled fusion occurred in 1942, in the phenomenon has taken place in the laboratory since then at a few hundred degrees. In contrast, the conditions under which fusion has been achieved at enormous light-water reactors were previously occasioned by an atomic bomb.

The problem of controlling fusion is, therefore, essentially the problem of discovering a way to contain the uncontrollable, or, for example, physical vessels would all vaporize at the high temperature. Again, past two decades, efforts have been directed at utilizing electrostatics to confine the plasma, or, to a lesser extent, the use of magnetic fields, and others have been through the use of explosive-type thermonuclear bombs. (See Table 1.)

It is clear, however, that there is no assurance that controlled thermonuclear reactions will ever be achievable, but it appears certain that it will require a very long development period for practical realization even after feasibility is demonstrable. Notice that fusion is now beginning commercial production at the rate of about 150,000,000 pounds per year after its demonstration in 1942.

It might be well to point out that the role of research is relatively smaller at the present time than in the earlier days of the industry. This is because the government has decided that the number of research projects is too large and that the government should get more return on its investment. The government has decided that the number of research projects is too large and that the government should get more return on its investment. The government has decided that the number of research projects is too large and that the government should get more return on its investment.

There is no question that the costs of the development of the fusion industry are very high. This is because the government has decided that the number of research projects is too large and that the government should get more return on its investment. The government has decided that the number of research projects is too large and that the government should get more return on its investment.

For the benefit of those who may not know this, the meaning of the term, we would like to point out that it is the same essential meaning, is simply the reverse of fission. Fission, of course, involves splitting atoms in certain circumstances, which is some 200 times as large as the total energy produced by the fission of a ton of uranium. Fission, in fact, involves splitting atoms in certain circumstances, which is some 200 times as large as the total energy produced by the fission of a ton of uranium. Fission, in fact, involves splitting atoms in certain circumstances, which is some 200 times as large as the total energy produced by the fission of a ton of uranium.

Again, the key to understanding fusion is the sun's rays, which result from atomic fusion. Like fission, it appears to be two processes that work together to produce an even more efficient change than that of the sun's rays. In this case, the fusion of two atoms produces an even more efficient change than that of the sun's rays.
Industry's Contribution to Atomic Energy

By LEWIS L. STRAUSS
Chairman, U. S. Atomic Energy Commission

Chairman Strauss praises role American industry has played in the development of atomic energy, and reveals the extent of atomic plants, laboratories and other installations located now in 22 states, housing the costliest machines ever built. Says our atomic program is a crucial matter of free enterprise, and that nuclear power reactors are being installed not only for providing domestic power, but also in foreign countries, as part of the "Atoms for Peace" program.

American industry can be justly proud of the leadership it has given in the development of the nuclear art, not alone in America, but all over the world. It is under the Atomic Energy Act of 1946, but extending back to those days of the Grand品牌的 era when industry began its part-nernship with the Government in the Great Scientific project ever undertaken... (continued)

Lewis L. Strauss

We could not have succeeded in that project without the unselfish benefit of the ingenuity and inventiveness of industry. No more can America have the atomic energy without that same competitive resourcefulness which free enterprise alone can provide. The Atomic Energy Commission from the time of its inception and every dollar of its accomplishments has been based heavily upon industry. It is a fundamental policy and is being continued.

The development of nuclear power is a case in point. Even before enactment of the 1946 Atomic Energy Act relaxed the government monopoly over nuclear development, the Commission had moved to end industry a greater role in our reactor technology, with the object of providing economically competitive atomic power. I refer to the Five-Year Reactor Program, now in its second year. This was followed in January of this year by the Power Demonstration Reactor Program, with which you are acquainted.

These are parallel and complimentary efforts each aimed at the same goal—that is to say, the development of reactors capable of producing electric power which can produce economic nuclear power.

But whereas the Five-Year Program was financed largely with previous loan funds, the Power Demonstration program draws the bulk of its financing from the risk capital of industry. So great is the faith in the potential of atomic power that an increasing number of industries are prepared to risk their own capital to foot the entire cost of building and operating experimental reactors, even though they know in advance that those installations will not be economic if one excludes from the return, the knowledge we gain of the investment in the future on the same industry.

Not alone in the development of atomic power but throughout the length of the history of the atomic energy program, American industry has played an aggressive and extensive role than private industry in the energy field. Industry, under the Atomic Energy Act, has been enabled to expand both our weapons activities and to peaceful applications. The development of scientific and industrial complex, with plants, laboratories and other installations...

...completed proposal to reevaluate the "first round" invitation from the Consumers Public Power District of Nebraska, a group of publicly-owned utilities. Certain changes were necessary in the proposal. These revisions have been completed and it is now able to announce, on behalf of the Commission, that the revised proposal has now been approved in principle as a basis for negotiations.

The contract details will, of course, be subject to review and approval when the negotiations are completed.

The Consumers group proposes to build a sodium-cooled graphite moderated plant with a net capacity of 75,000 electrical kilowatts and 100,000 thermal kilowatts. Because of the technological promise of the sodium-graphite concept, the AEC has determined that the development of a full-scale plant, in the firm belief that this would advance the time when economic atomic power will be attained.

For proposals were received to that "first round" invitation of this program and two were accepted for consideration. These were the proposals of the Detroit Edison Company and Associates for a fast-breeder type of nuclear power plant, with about 190,000 kilowatts of gross capacity, to be completed late in 1959 and one by the Nuclear Power Group which proposes to build a light-water reactor plant of 180,000 kilowatt-capacity, to be in operation in 1960. Later, the Nuclear Power Group proposal was converted to a straight lease arrangement since it sought no financial assistance from the Government.

A third proposal, from the Yankee Atomic Electric Company, has recently been revised. It combines a 134,000 kilowatt plant designed to meet the requirements of the States of Delaware and Rhode Island. These installations employ about 100,000 people, and it is interesting to note that only 6,000 of them are employees of the Atomic Energy Commission—about 5% of the total. The great majority of the men and women who operate our program are the employees of your industry.

A Matter of Free Enterprise

It is clear that the American atomic program is very much a matter of free enterprise. I have referred to the expanding scope and response to the Commission's experimental power reactor project.

When the Commission launched the Power Demonstration Reactor Program, the 1946 Atomic Energy Act was only four months old. The objective was to enlist the maximum participation of industry in the development of nuclear power technology. In the firm belief that this would advance the time when economic atomic power will be attained.

Not a New Issue

November 2, 1955

28,000 Shares
International Business Machines Corporation

Capital Stock
(Without Par Value)

Price $800 Per Share

Reynolds & Co., Inc.
Blythe & Co., Inc., The First Boston Corporation
Bache & Co. Dominick & Dominick
Francis L. duPont & Co. Hallgan & Co.
Kidder, Peabody & Co. Model, Roland & Stone
Smith, Barney & Co.
Goodbody & Co. F. S. Smithers & Co.
Commercial Financing Keeping Pace With the Growing Economy

By HERBERT R. SILVERMAN*

Chairman, Commercial Financing Conference

Mr. Silverman, in reviewing the current expansion of the economy, warns of danger to some business concerns that expand beyond their financial capacity. Holds finance companies have a more responsible economic rule during current inflationary period than in 1929. He also cautions against unwisely. Comments on the consumer debt issue, and concludes, so long as we maintain high levels of employment and rising productivity, we will have continuing expansion of consumer credit.

Statesmanship in the management and execution of monetary and credit policy in the recent past may well determine whether in 1956 we shall see the first year of a new period of economic growth, or the start of a new period of economic decline and depression. The Federal Reserve System, like all other major economic institutions, has a joint responsibility for maintaining statesmanship with government in achieving these results.

The government adopts the right policies and rules for the economic future—particularly the financial industry of which we are a part—pursues responsible policies, we could easily have in 1956 a total of business activity of between $400 and $500 billion, that is, a total of 5% or 6% above the total of goods and services in 1955.

That would be enough expansion for the commercial financial industry, which exists because it has demonstrated its ability to see that the funds which businesses need are made available to the right places in the right amounts. But there is much more to the business outlook. So much more that the institutions should be worriers not to those who think "boom- ing" is the same thing as something to celebrate.

Some companies have announced expansion programs calling for substantial investments in equipment and expansion of facilities.

* Federal Reserve Bank of St. Louis

The Commercial and Financial Chronicle . . . Thursday, November 3, 1955

From Washington Ahead of the News

By CARLISLE BARGEON

By way of keeping the record straight: Eugene W. Castle, who made several million dollars by producing commercial and home films and who is in retirement, looking for something to do to satisfy his savings, has published a book exposing the nonsense early in the year that "Billings, of the Wall Street Journal, is a Baloney." It sold around 60,000 copies and succeeded in getting the book endorsed by some organizations and several editors to indictment wrath. But the nave talking USIA laughed if and since there was no real publication of approximately $100,000,000. They also report that the book" has been out of print for several months.

One chapter in the book described Castle's experience in Turkey. There he met and talked with the two leading Turkish publishers and talked to them saying as the Voice of America served no purpose whatever. The USIA officials in Turkey promptly got a letter from the two publishers saying they had never talked to Castle all right but that he did all the talking and the views he expressed were his own views. According Castle well for many years I couldn't help thinking the USIA probably had him tabbed before the Turkish Government and they were probably the first gentlemen ever to have that experience with him. He talks like the late Lloyd Gibbons, a mile a minute as they say.

At any rate, with this letter from the two Turks and other criticism from the Voice of America, it seems to show Castle didn't know what he was talking about, Congressman Rooney, Chalmers R. W. Castle, Jr., the USIA's son, whose name has been in the New York Times for the past year because he is second in the Voice of America, has had a merry time with the fiery Castle. Instead of being interested in some of the criticism, he got, the Brooklyn Congressman seemed to be pretty interested in the prize that the result was that the USIA appropriation went through Congress without opposition.

This story is only one of a series of warnings to Congress that the USIA's budget is a vast add-on to the $250,000,000 which the Republicans are always attacking the program and the Democrats are always urging it. It is now, the expenditures are going right along sponsored by the Eisenhowen Administration. If the Republicans are not the program are the government to make it an issue against the Republicans, and the Democrats also are in control of Congress. So, for the moment has ceased to be an issue between the two parties.

An automobile dealer, a real estate man and a prosperous fisher broker, all members of my county club, went separately to trips to Europe this year. It was a case of last year is the Joneses. The automobile dealer went first and the other followed him. They met in Rome. At this time they must have got together on their respective banks.

They will never again criticize the Marshall Plan, they report, after seeing what he's got up with the Joneses. Of course, they like to see what they know anything about the Marshall Plan. One of them was under the impression that it built the Leaning Tower of Pisa.

NASD District No. 13 Receives Nominees

The Nominating Committee of the District 13, National Association of Securities Dealers has submitted four nominees for the dual posts of District Chairman and Director. The Board of Directors will consider these nominees at its December meeting. The names of the nominees are:

District Committee: W. Scott Chett, Harrison Ripley & Co., Inc.; and Harry H. Rockwell, Joseph Ludin, Dillon, Read & Co., Inc.; and Charles E. Glavin, First Boston Corporation; Graham Jones, Cooley & Co., Hartford, Conn.; to succeed Henry Bulkhead, Hyde, Putnam & Co.; Eugene G. Young, Rockwell, O'kane, Rose & Co., to succeed John J. O'Kane, Jr.; John J. O'Kane, Jr., to succeed J. H. Doolittle, Rockwell, O'kane, Rose & Co., to succeed J. H. Doolittle. The names of the nominees are:

The District Committee: W. Scott Chett, Harrison Ripley & Co., Inc.; and Harry H. Rockwell, Joseph Ludin, Dillon, Read & Co., Inc.; and Charles E. Glavin, First Boston Corporation; Graham Jones, Cooley & Co., Hartford, Conn.; to succeed Henry Bulkhead, Hyde, Putnam & Co.; Eugene G. Young, Rockwell, O'kane, Rose & Co., to succeed John J. O'Kane, Jr.; John J. O'Kane, Jr., to succeed J. H. Doolittle. The names of the nominees are:

Joints Waddell & Reed

By CARLISLE BARGEON

SAN DIEGO, Oct. 5—P. Rockwell is now with Waddell & Reed, Inc., 2324 Fifth Ave., Rockwell was previously with B. E. Evans & Co.
The Federal Budget Outlook

By GROVER W. ENSLY*

Staff Director, Joint Committee on the Economic Report

Dr. Ensly, in pointing out a balanced Federal budget for the current fiscal year now seems possible, says it is unlikely that the Federal Government could be balanced from the current levels during the years ahead. Looks for Federal receipts to rise with the expanding economy, and this may mean a budget surplus in fiscal 1957. Discusses the question whether or not to be balanced the traditional administrative budget or the consolidated cash balance. Cautions against premature and inflationary tax reductions.

Unless the International situation changes drastically, deflationary expenditures in fiscal 1956 and in the current fiscal year ahead will continue at approximately current levels, and thus represent a decline in per cent of the Nation's growing production and income. Hence, if the economy continues in line with the increase in the labor force and rising productivity, we may anticipate a balanced Federal budget and surpluses on the basis of present tax rates and expenditure programs. This poses important questions of fiscal policy. For one thing, should the budget be regarded as the occasion for deliberate changes in Federal tax or expenditure policies? What priority should be given to reducing taxes as compared with reducing the national debt or with expanding Federal financial support for education, highways, and similar programs?

On the basis of the present favorable economic outlook, these and similar questions may again become major policy issues.

Prospects for Balancing the Federal Budget

A balanced Federal budget for the current fiscal year ending June 30, 1956, now seems possible. The "Review of the 1956 Budget" issued last August by the Executive Office of the President, estimated that Federal expenditures will amount to $63.8 billion in the current year ending next June 30. This is about $1.4 billion more than was estimated by the President last January. The principal increase is in the estimated expenditures for agricultural price supports.

Furthermore, among others, could result in higher expenditures in the current fiscal year estimated last August. First, the estimated total of $64 billion for the Legislative Branch of the Federal Government in the August "Review" anticipated there would be a further reduction of $1 billion from projected programs for the current fiscal year. Recent statements by Secretary of Defense Wilson have indicated it would be impossible to achieve reductions in expenditures on major military programs. A new announcement to do nothing to reduce the Federal budget has been made, including goods and services the Government buys are 8.4 cent in the budget total.

The August "Review" estimated receipts for the current fiscal year at $61.5 billion. This is $2.1 billion higher than estimated by the President last January. The estimated cash surplus if all taxes are raised $2.5 billion, and the estimated tax receipts were revised upward upward $1.8 billion and the fleet improved business. There is reason for believing, however, that recent factors, especially because the Treasury's assessment of personal and corporate income in calendar year 1955 is $1 billion more than previously estimated as annual rates are assumed by the Treasury to average $40.6 billion an increase of $2 billion for the first half of the year. Similarly, the assumed personal income or $300 billion for the current year at least $2 billion too low.

The August "Review" estimated the administrative deficit for the current fiscal year at $1.7 billion; it estimated the consolidated cash surplus, including trust fund accumulations, at $2.1 billion. It looks as though Federal revenues for this fiscal year could be high enough to offset the deficits and to produce a significant cash surplus. Total expenditures are held to the August estimates.

Prospects for balancing the Federal budget in 1957 and the next few years are also generally favorable on the basis of present tax rates and expenditure programs and continuing prosperity. It seems unlikely that total Federal budget deficits can be reduced from the current fiscal year levels during the years ahead. Reductions in defense expenditures, while tending to reduce the fiscal 1956 level will be much harder to achieve than the reduction of $1.5 billion made since the end of the Korean War. Present fiscal year expenditures are estimated to be about $3.5 billion higher than in the current fiscal year ending June 30, 1956. Non-defense spending will likely rise moderately on the basis of present programs. In the last three fiscal years these non-defense programs have added up to about $1.5 billion, annual rate. Veteran's services and benefits, interest on Federal debt, expenditures for agricultural price supports, and for Federal housing are expected to continue. This last year has little immediate effect so far as the Treasury budget is concerned. This has contributed to this rise. Necessary adjustments in Government pay-scales have increased the total, and rental prices are being reflected in the budget. As the Federal Government is a large buyer of such goods. On the other hand, government tax rates, Federal receipts should continue to rise; it the economy continues the same trend, expansions and projections at high levels of pro-

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The First Boston Corporation
Kalb, Lock & Co. A. G. Becker & Co. Incorporated
Lehman Brothers Merrill Lynch, Pierce, Fenner & Beane Smith, Barney & Co.
Union Webster Securities Corporation Securities Corporation
White, Weld & Co. Dean Witter & Co. C. F. Allen & Company Incorporated

The Southern Company
Common Stock

Holders of the Company's outstanding Common Stock are being offered the right to subscribe at $17.50 per share for the above shares at the rate of one share for each fifteen shares of Common Stock held of record on November 1, 1955. Subscription Warrants will expire at 3:30 P.M. Eastern Standard Time, on November 22, 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 shares of Common Stock as set forth in the Prospectus.

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

NEW ISSUE
November 2, 1955

1,110,307 Shares
Commonwealth Edison Company
Common Stock

For Value $25 per Share

1,507,303 Shares
The Southern Company
Common Stock

For Value $5 per Share

* An address by Dr. Enslcy before the Financial Affairs Committee of the National Tax Association, Montreal, Aug. 13, 1955. The views expressed are those of Dr. Enslcy and do not necessarily reflect the views of the Joint Economic Committee or any of the individual members or the Committee.

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The First Boston Corporation
Ludingen & Co. Warner & Company

The First Boston Corporation

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The Durability of Prosperity

By HAROLD J. KING, PH.D.,
Professor of Economics, Duquesne University

Economists contend that toward collectivism has prevented the appearance of genuine prosperity. Yet the pseudo-prosperity we now have is likely soon to disappear. Claims of a genuine prosperity have led to confusing business with prosperity. Expresses confidence in the regulation of consumer credit, and holds Keynesianism provides capitalist with better depression insurance than do the highly touted Keynesian "built-in-stabilizers.

Just before President Eisenhower's recent trip to China, a stock market rally was heating up for the stock market. The steel mills were pushing out the mighty metal as rapidly as they could. Business was booming. The people were optimistic.

The Role ofOptimism

To nip the doubts and fears in the bud, the economists, the businessmen, and others, promptly came forward with reassuring statements, predicting the continued upward course of business. This they had done before, just after the Great Depression of '29 which ushered in the present prosperity.

There can be no doubt that optimism is a powerful force, and that it is a prime ingredient of business booms and "prosperity" in a capitalist economy. But it is an emotion, an emotional force, like love, hate, fear, and hope, that we all know how difficult, if not impossible, it can be to turn off or control on or off like a faucet, at will.

Pessimism is a highly contagious emotion. The spread with which it spreads through an economic anxiety is almost invisible. It starts with groups, consumers, businessmen, bankers, brokers. Trying to click it with a switch, like the control on a radio, is like optimism is like whistling in a greasepaint. The doubts and fears persist.

The Possibility of Genuine Prosperity

You young ladies may wonder how far gone economists can get when they talk about the "prosperity" of '35. For these days don't seem too prosperous to you. The inflated prices definitely restrict your purchases, and make your struggle for an education a difficult one.

The real, unvarnished, truth is that we do not have the genuine prosperity of '35. There have been tremendous strides that have been taken in the scientific, technological, and economic advancement of the world. But unfortunately, the chemists, physicists, and engineers have been contributing so much to a better world, that economists—along with the politicians, the lawyers, and the teachers—are making us all feel that we are having a good time in the years of our so-called "prosperity".

The Meaning of Genuine Prosperity

Scientifically speaking, what makes for economic progress and prosperity is simple. On the one hand, the enjoyment of an ever greater abundance of goods to the public, on the other, more genuine leisure.

By genuine leisure I refer not only to physical recreation, but to the mental recreation, the art, the literature, the travel, the dancing, or, if you prefer it, I will forgive you the chromed cocktail lounge.

Genuine leisure does not include time spent making like a third-rate carpenter because you can't afford to hire a first class one. Leisure should make for gracious living—such as the upper classes, cannot be forecast with certainty. But it is plain that the time may be near at hand.

The competent economic physi- cians recognize the necessity to consider it a malady which should not be ignored. Consumers furnish the driving power for the prosperity that the economic physicians prescribe. As they spend, they determine its course, and rate of speed. They may judge to scale down production to buy from their current income. But if they do, the machine may be nearer at its maximum rate of production than it is at present. The machine is designed to run at an excessive rate inde¬ lictedly, and continuously, but it may become so narrow minded as to become reckless. I, at least, to refuse additional credit, the way of reckoning, the car is to be kept on the road, a reduction in speed becomes mandatory.

Long, long, ago in the days be¬ fore the great depression, living within one's means were thought to be a matter of pride; we lived within our means, and India must be among the most prosperous nations of the world.

I don't have the slightest idea what tool you use in elementary arithmetic. But, as a couple of questions, how frequently do you use the term "full employment," and how frequently do you use the term "full employment" in a serious and complete sense? If you do not use the term "full employment" in a genuine sense, you are using it as a term which should be used to indicate a current state of the economic situation of the country.

For a man and for a woman, and for a man and a woman, the economic situation of the country is by the term "full employment" in a genuine sense. If you use the term "full employment" in a genuine sense, you are using it as a term which should be used to indicate a current state of the economic situation of the country.

Unfortunately, we have no such a term to use. And, I have heard every economist speak of the present economic situation in our present economic situation in our present economic situation of the country.

As citizens of the United States, or any other country, we have a right to expect that the economic situation of the country is by the term "full employment" in a genuine sense. If you use the term "full employment" in a genuine sense, you are using it as a term which should be used to indicate a current state of the economic situation of the country.

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Local Real Estate

By ROGER W. BABSON

Assembling big fortunes in stocks, commodities and real estate have been made by a recognition that nature is constantly working for a balanced situation, Mr. Babson urges applying Newton's Law of Action and Reaction to real estate invest¬
ments. By diversifying in dozens of down sections he bet, but real estate in a booming area be sold.

As I look out at the trees, from where I am writing, I am amazed at their balanced shapes. How do the limbs know when to stop growing in height or diameter? I am told that if several limbs should be cut off one tree, the tree will par¬
tially replace these limbs before growing in height. I know that if you pull off two of the big claws of a lobster so as to throw it out of balance, it will grow two new claws to get back in balance.

What About Us Humans?

We are surrounded by miracles of nature; the greatest miracle of all is seen when we look into a mirror. A close examination of this fact that our two legs grow equally so as to keep us in balance with the earth and girth. The same applies to the arms, hands, and feet. As food, drink, and air enter our bodies, our wonderful automatic systems adjust the proteins, fats, and minerals so that the same number of nutrients go to both sides of our bodies to keep them in perfect balance.

But our brains do get out of balance. The insane and senile people are the composite illustration of this; but every one of us gets tipped on some one subject. Furthermore, some persons get enthusiastic over every new fad and are always optimistic, while others are like my friend Mr. Humber B. Nell of Saxon River, Vt., who has been success¬
fully taking the "contrary side" of every proposition. Few investors have made any fortune by always being either bearish or bullish. The big fortunes in stocks, commodities, and real estate have been made by recognizing that nature is con¬
stantly working for a balanced situation. Hence, base your inves¬
tments on Newton's Law of Action and Reaction.

Applying Newton's Law to Your Real Estate

Some communities today are booming, and some are not. It is still. It is safe to forecast that this situation will change. It is conceivably possible for any part of America to become such a nuisance, that "Main Street" property may be worth nothing. I foresee that many vacant lots, formerly having no buyers, will sell at a premium for parking purposes. So it goes in all parts of America. Fortune is always slowly revolving. Those few who have the courage to buy low and sell high, make money. Those optimists who buy when everyone else is buying, usually lose money, but the few who help launch the wheel through speed and thoughtful, can make a fair profit with serenity.

Curttenden Adds to Staff

(Special to The Financial Chronicle)

DEERFIELD, Ill., May 16.—R. H. Curttenden has been added to the staff of Curttenden & Co., First National Bank Building.

This is under no circumstances to be construed as an offering of these securities for sale, or as an offer to buy, or as a solicitation of offers to buy, these securities. The offer is made only by means of the Prospectus.

NOT A NEW ISSUE

Rancho Incorporated

400,000 Common Shares

Price $20 Per Share

Copies of the Prospectus may be obtained from the undersigned only in compliance with the securities laws of the respective States.

Smith, Barney & Co.

Glore, Forgan & Co.

Goldman, Sachs & Co.

Harriman, Ripley & Co. Incepted

Kidder, Peabody & Co.

Merrill Lynch, Pierce, Fenner & Beane

Stone & Webster Securities Corporation

Dean Witter & Co.

November 3, 1955
THE MARKET ... AND YOU
By WALLACE STREELE

Interest in the stock market dropped to a low ebb this week with a couple of daily movements by the industrial average down to two-cent gains and a few sizable losses running, for the most pronounced stalemate of the year.

It didn't prevent a rotating succession of wider special moves as earnings, dividends and various deals continued to pour forth, largely on the favorable side. Where the good news had been well anticipated, the market life for the specific issues was definitely on the dull side, but enough surprises were in the reports to keep the listed issues from floundering on a completely dreary showing.

Standard Oil of New Jersey was the center of the high split hopes for a bit in this week's trading. Directors of the company met Monday (Nov. 3) for dividend action. However, the appearance of a rather large block, usually offerring of 50,000 shares, presumably from trust account, served to chill the enthusiasm. The deal would have been made with a stock split implicit, the logic ran. It was enough on the stock definitely erratic.

United Dye, which was able to hold prices in price right through the market reaction that started in late September, was also definitely erratic and at times zapped by multi-point swings. The stock sold this year at 81/8 but recently reached a peak of 123/2 which is a pinnacle never before reached by the stock in its modern-day history.

Merger Casualty

Warren Petroleum, which has been linked with all manner of "logical" oil firms as a merger candidate, without any official notices to accompany the matchmaking, finally ran out of steam and appeared in the casualty column. It had pushed to an all-time high before turning reactionary, and with falling price of the other oils, Warren had been largely bypassed by the bull market rhythm earlier this year, and until its recent popularity had held in a range of around a dozen points for the year.

International Business Machines, which is no stranger to having its strength blunted by large block liquidation, came in for another incident this week when a secondary distribution of 28,000 shares—a $10,600,000 bundle—was enough to tumble the stock price $16 a share on a mere 300-share turnover. It meant a write-down in the value of this one block by more than $400,000.

Westinghouse Perks Up

Westinghouse, for the first time in a while, was able to show a bit better stability and at least ended its repeated appearances on the new lows list. It wasn't a performance that was improving but its ability to head up the list of most-active issues on a modest advance was better popularity than the issue had enjoyed in weeks.

Steel were still under something of a pall of disappointment largely due to the failure of the Steel directors to split the stock as had been widely anticipated. That the company had declared a memorandum on new orders, and the entire industry was operating at record high levels, did keep the stock from being an outstanding casualty. Carpenter Steel, which took to some wide gains as is not its wont, was cut back rather quickly when the extra payment didn't come up to expectations.

As a matter of fact, expectations generally were far more optimistic than the directors' actions in a great many cases. On the management side there appeared definite reluctance to go along dividend-wise with the excellent earnings improvements. The fear was that such action would lead to market excesses diametrically opposed to the declared motive. Washington authorities to curb the market that, for two years had soared in a nearly perfect secular ascent. The point wasn't lost on traders, apparently.

Some Popular Recommendations

There was some disposition, among market analysts to cull the list for issues of definite value that have overlooked, certainly haven't been going wild on strength lately. Where the yield even without the grandeur of the higher yield, in the 5% range, some tentative recommendations are being made. In interest in the quality issues, like American Telephone which is available at a 4½% yield, and American Telephone which is still in the 5% category, there is a definite preference at the moment for the latter. Although the market has been one that the lower barrel of the trading range built up between the September high and the October low which leaves the industrial list definitely neutral.

The editors in this article do not necessarily at any time coincide with those of the "Chamber" and are presented as those of the author only.

Joins Merrill Lynch (Special to The Financial Chronicle)

GRAND RAPIDS, Mich.—Carl R. Dobbe has been associated with Merrill Lynch, Pierce, Fenner & Beane, Michigan Trust Company Building Mr. Dobbe has recently been with McDonald & Co. Prior thereto he was with Kidder, Peabody & Co. and was Grand Rapids manager for Blyth & Co., Inc.

Hobart, Others Join J. Logan Co. Staff

(Special to The Financial Chronicle)

LOS ANGELES: Roger S. Hobart has become associated with J. Logan & Co., 210 West Seventh Street, which is formerly an officer of the Rutland Company. Louis D. Bluman, Charles C. Wilson and Frederick Prado have also joined the firm's staff.

Correction on Terms of Penn-Texas and Colt's Mfg. Merger Plan

The item which appeared in the "Review of Recent Revaluations" column in the issue of Oct. 27, page 14, relative to the proposed acquisition of Colt's Manufacturing Co. by the Penn-Texas Corporation was incorrect. The terms of the merger proposal, on which Colt's stockholders will vote Nov. 17 call for the latter to receive three shares of $10.00 voting cumulative common of Penn-Texas for each of Colt's 480,000 shares of common stock outstanding. In the original item, the amount was inadvertently omitted.—Es.

Sidney E. Tiras With Warren Clark & Co.

HOUSTON, Texas—Sidney E. Tiras has joined the sales department of Warren Clark & Company, C. & I Life Building.

Two With Merrill Lynch

(Special to The Financial Chronicle)

LOS ANGELES, Calif.—George A. Murray and Stanley P. Strum of the New York office have joined with Merrill Lynch, Pierce, Fenner & Beane, 1954. Mr. Strum was formerly with Stern, Frank, Meyer & Fox.

King Merritt Adds

(Special to The Financial Chronicle)

LOS ANGELES, Calif.—Richard C. Paige is with King Merritt & Company, Inc., 1151 South Broadway.

Hunter Nominated Chairman Of N. A. S. D. Governors

WASHINGTON, D. C.—Frank H. Hunter of Pittsburgh has been nominated Chairman of the Board of Governors of the National Association of Securities Dealers, Inc. His election will take place at a meeting of the board next May.

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Behind the Ships that Set the Pace... a Master's Touch in Oil

Every Atlantic Blue Ribbon Winner since 1910—from the Mauretania to the swift, sleek S. S. United States...

The world's fastest propeller-driven boat, Slo-Mo-Shun IV, skimming water at 178 mph...

Maiden voyage of the world's first atomic-powered submarine...

Two-fifths of the world's freighters...;

The race horses and the work horses of the seas—all have one thing in common—SocOny Mobil's master touch in lubrication.

Good reason! When the chips are down—when records are at stake—when schedules must be met—the men who know marine machinery look to SocOny Mobil for its protection.

★ ★ ★

Wherever there's progress in motion—in your car, your factory, your farm or your home—you, too, can look to the leader for lubrication.

SocOny Mobil Oil Company, Inc.
Leader in Lubrication for Nearly a Century

Affiliates: General Petroleum Corporation and Magnolia Petroleum Company
The Appliance and Electronics Industry in Next Decade

By PARKER E. ERICKSEN
Executive Vice-President
Crocker and Company Divisions
Avco Manufacturing Corporation

The expansion of the American home, as called the "Golden Decade," had necessarily to be accompanied by an increase in each family's purchasing power. For another, there will be new and probably even more specialized products to revitalize present markets and stimulate new ones. As buying habits change, new appliances will be devised to insure a steady flow of goods from factory to consumer.

As a representative of the appliances industry, one would like to talk about the changes that industry may see in the next 10 years. I leave to you the amusement that comparison of appliance and tourists is possible in every industry. (In the vernacular of a full line company like mine, we often include radio and television in the term "appliances." To you this may come out of the way in the course of this talk.)

A Steady But Not Spectacular Growth

Our economists and market researchers generally agree that appliance and electronics consumption during the next five years will be steady, if not necessarily spectacular. However, the next 10 years may see a more general acceleration of growth.

The growth will come about several factors which dictate the rate of change: the present face of the home will be immensely different from that of only a few years ago. In one thing, the population and household structure will be accompanied by an increase in each family's purchasing power. For another, there will be new and probably even more specialized products to revitalize present markets and stimulate new ones. As buying habits change, new appliances will be devised to insure a steady flow of goods from factory to consumer.

As a representative of the appliances industry, one would like to talk about the changes that industry may see in the near future. I leave to you the amusement that comparison of appliance and tourists is possible in every industry. (In the vernacular of a full line company like mine, we often include radio and television in the term "appliances." To you this may come out of the way in the course of this talk.)

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What's Happening to the Big Harvest...

Here's the story of how steel brings America's rich harvest to your table...

Harvest time.

Pumpkins and cornstalks. Warm, hazy days. Slightly chilly nights.
The earth leans back to rest. Man has taken its gifts, moved them along to your table.
Just the wonders of how much we grow, how much we harvest, how much it takes to feed the hunger of millions, might obscure another wonder—Imagine, half of our entire food supply is preserved in tin cans!

Look at these figures

The remarkable volume and variety of foods brought to you in cans certainly attest to the importance of this all-purpose container.
On an average, 80 percent of all sweet corn and tomatoes harvested is canned. About 75 percent of the green peas and beets, and about one-half of the asparagus, are canned.
And as to fruit—almost 60 percent of sour cherries, 45 to 50 percent of peaches, pears, apricots, are brought to you in tin cans. Besides, a tremendous variety of juices, soups, meats, fish, milk and other specialties.

Advantages of tin cans

There are, of course, many reasons why so much of our food comes in the tin can.
It is strong, approximately 99 percent steel, with a coating of tin to make it resistant to corrosion. It won't break or shatter. It's easy to carry.
It's compact, adding only the thinnest fraction of an inch to the dimensions of its contents. It's sanitary, too, used only once. It's economical, saving greatly in automatic canning, shipping, storing, and storage space. And it's the most versatile container, used for foods, paints, oils, soaps, beverages and many, many more things.

National's role

Our Weirton Steel Company is a leading supplier of the electrolytic and hot-dipped tin plate required for the more than 2 billion cans made each year.
Of course, tin plate is just one of the many steels made by National Steel. Our research and production men work closely with canners in many fields to provide steels for the better products of all American industry.
At National Steel, it is our constant goal to produce still better and better steels of the quality and in the quantity wanted, when they are wanted, at the lowest possible cost to our customers.

NATIONAL STEEL CORPORATION
GRANT BUILDING PITTSBURGH, PA.
Congress Answers Criticisms of Its Policy Toward Gold Standard

By ROBERT DE FREMERY

In April, 1955, the National Association of Manufacturers — upon advice of its Committee on Money and Banking — courageously took a stand in favor of domestic convertibility of our dollar. In June, 1955, this action was followed by a strong and vigorous statement of the pamphlet published and distributed by the Economic Committee of the National Association of Manufacturers. The title of this pamphlet is "The National Association of Manufacturers and Convertibility of the Dollar.

The avowed purpose of the Economic Committee's pamphlet on Monetary Policy is "to enlighten and interest the general public concerning monetary questions and issues of the monetary policy of the country." The Committee, in fact, states that "no opinion among specialists in the field of monetary standards can be found that those opinions can be found in the publications of the Economic Committee of the National Association of Manufacturers, and that any opinions that are presented are in the interest of confusion, lack of knowledge, or both."

It is vitally important that the American people realize that there is nothing obscure or difficult about the basic fundamentals that are the subject of this pamphlet. They can understand it and come to the "correct answers" without years of study.

In contrast to this, the N.A.M. feels that there is a lack of knowledge concerning the well-defined science of money, nevertheless there is a widespread misunderstanding of the basic fundamentals that the American people are not capable of grasping and that will enable them to vote intelligently — with the result that their votes will be utilized — and without having to listen to the advice of "experts."

The Concern of the Manufacturer

It should be clear that nobody is more concerned about the stability of the American dollar than the manufacturer. He knows that an inflationary policy results in the demand for government controls which will interfere with his own freedom of action and may eventually lead to the confiscation of his business. He also knows that a decrease in the purchasing power of the dollar means a reduction in the value of his inventory and is a threat to the stability of the gold standard which would in turn place the country in the same position experienced in the 1920's, when the banking system collapsed. Answers argued for maintaining convertibility of our dollar, the pamphlet concludes, have created a disservice to the American people by deadening "impulse to think."

In the pamphlet, the Committee members — led by Robert De Fremery — argue that the question of monetary policy is too complex for the average citizen to understand. They state that the pamphlet was written "as a statement of the views of the Committee members that could be readily understood by the man on the street."

The pamphlet's conclusion is that the Committee believes in the convertibility of the dollar and that the American people should support this policy. The pamphlet states that "convertibility means that the dollar is a stable world currency, that the value of the dollar is fixed to the price of gold, that the dollar is convertible into gold on demand, and that the dollar is a medium of exchange which is convertible into gold."

The pamphlet also states that the convertibility of the dollar is essential for the stability of the economy and that the American people should support this policy. The pamphlet concludes that "convertibility is not a luxury, but a necessity for the stability of the economy."
Economic Impact of Automobile Industry Labor Contracts

By ROBERT C. HENDON

Railway Express Agency, Inc.

Mr. Hendon, in commenting on the Ford-Chrysler-General Motors labor contracts, which provide for lay-off pay, holds that, because of the heavy nature of industrial relations, they certainly emphasize the trend toward a stabilized labor force. Holds that this trend will not become less severe when more and more fluctuations, it will expand and have an effect on all.

I will not dispute the brochure on this meeting which says that this year, 1965, saw the beginning of an era in industrial relations which, let us hope, is the beginning of another, but I am not yet ready to go that far. What happened at GM last week left no tables unturned for explanations of the events. Stabilized tables might not explain it, but probably that of his wife and children if they get sick, even if they lost their jobs. Wages weren't standing still. Nineteen out of twenty rounds of increases since the big war. Matter of fact, the income of manufacturers has risen, productivity has increased, but also increased our wage costs. That is why the major manufacturers have been engaged in work simplification programs. There has been a very complete revolution in manufacturing—partly by means of new techniques. They are these that have permitted us to reside and, in fact, produce a smaller product. Peter F. Drucker has called it the "disenchantment of the man in the machine and the machine at the machine and the man at the desk are being eliminated. While unions may plan a GM type, such parallel cases of employment stabilization and industrial relations of this kind, we are left with the question of how far this is to be expected in terms of what the companies (including my own) are granting. But they were the exception. The shop worker in most manufacturing concerns received no wages if he took a vacation. Pensions and company-furnished health care were rare. And such benefits as pay for jury duty, pay for reserve training, funeral leave, pay for election day, were seldom even seriously discussed. Yet, as everyone will agree, this has all changed. Today an hourly rate employee expects, and usually gets, benefits for which his parents or grandparents had been on the job five years; three years ago he had not been on the job two years or even two years, and he is entitled to at least a week's time off a year's service. He counts on paid holidays, and he knows that he has existed in my industry for some time. That is a change in a common pattern. This hourly worker no longer expects to come when he retires, in many cases completely paid for by the company, and in an amount that will allow him to do things he has never been able to do. And his unemployment protection will probably increase from 14 weeks in the year to 16, if not more. And his insurance program protects his family should he be and, of course, his dependents. Moreover, another policy pays for medical treatment, but probably that of his wife and children if they get sick. And his insurance program protects his family should he be and, of course, his dependents. Moreover, another policy pays for medical treatment, but probably that of his wife and children if they get sick.

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The 1936 Economic Outlook

By ARTHUR R. UPPGREN

Dean, Amos Tuck School of Business Administration, University of New Haven College

Holding that "the economic outlook is excellent," Dean Uppgren says that in the short-run there are only three important forces which could generate any recessionary consequences. The three forces are: (1) a decline in consumer expenditure on durable goods, and (3) a decline in housing construction. Foreseen

Gross National Product in 1956 exceeding $400 billion.

The economic outlook for 1956 is very good. That is a pleasant and simple statement to make. The reason we want to make it is that we don't accept the prevailing optimism because it is an illusion.

The reason for this decline in the short run is not simply the downward movement in durable goods expenditure. We have not yet reached the stage where the economy has contracted in a spiral of unequal gains and losses.

The present economic position, however, is different because it looks like a period of widespread optimism. The present optimism is based on the assumption that economic conditions will improve in the future. This optimism is shared by almost everyone in the business community.

Arthur R. Uppgren

Housing Construction

It is interesting to look at the rate of change in consumer expenditures. About 1935 President Eisenhower said that our total national income was about $40 billion. By the year 1956 might reach the figure of $100 billion. If this is the case, then the estimates of the econimists about the future of the economy are correct.

These men estimated that total gross national product (GNP) in 1935 might reach a figure of $35 billion. This figure is based on the assumption that expenditures for housing will increase from the $11 billion level in 1956. This is a very optimistic assumption. It seems that the actual rate of growth is not much higher than the one mentioned for the year 1956.

As a result of the decline in consumer expenditures, there is a danger that the economy will slow down. This could happen if the government decides to restrict consumer expenditures.

The Recovery

Now let us turn to the recovery. The decline in the level of consumer expenditures is not as great as it was in the 1930's. In fact, it is only a small reduction. In 1934 the level of consumer expenditures was about $10 billion. In 1956 it is only about $1 billion. This decline is significant because it is a sign of the recovery.

But it is not a complete recovery. The recovery is not yet complete. The level of consumer expenditures is still below the level of 1934. This is a sign of the recovery.

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Inventories

Another important aspect of the recovery is the increase in inventories. The level of inventories fell sharply during the depression. In 1934 the level of inventories was only about $2 billion. In 1956 it is about $6 billion.

This increase in inventories is significant because it indicates that business confidence is returning.

The Federal Budget

At the present time the Federal government is on a tight budget. This is due to the high level of consumer expenditures. The level of consumer expenditures is still below the level of 1934. This is a sign of the recovery.

The reduction in consumer expenditures is not due to a decrease in the overall level of consumer expenditures. The reduction is due to a decrease in the level of consumer expenditures on durable goods.

The attractiveness of the present products of durable goods is not as great as it was in the past. The level of consumer expenditures is still below the level of 1934. This is a sign of the recovery.

But the strength of the economic recovery is not as great as it was in the past. The level of consumer expenditures is still below the level of 1934. This is a sign of the recovery.
An Independent Oil Man Views The Petroleum Industry

By CURTIS A. KINARD
President, Kin-Ark Oil Company

The independent oil companies have made an important contribution to the growth of the petroleum industry. However, the oil business is not a glamorous one, and the independent man has had to struggle hard to establish himself. The end result of this struggle is that the independent oil companies have been able to produce a significant proportion of the oil in the United States.

The independent oil companies are not a closed group, but they do have some common characteristics. They are usually smaller in size than the large, integrated oil companies. They are often owned by individuals or families rather than by large corporations. They tend to be more inventive and aggressive than the large companies, and they are more willing to take risks. These characteristics have made the independent oil companies a vital part of the petroleum industry.

The independent oil companies are not a threat to the large, integrated oil companies, but they are a valuable supplement to them. The independent oil companies have been able to exploit new fields and to find new ways of producing oil. They have also been able to develop new technologies and to improve existing ones. The result is that the independent oil companies have been able to contribute to the growth of the petroleum industry in a significant way.

The independent oil companies are not perfect, however. They are not as well capitalized as the large, integrated oil companies, and they are more vulnerable to fluctuations in the price of oil. They are also more likely to take risks that could lead to financial disaster. However, the independent oil companies are an important part of the petroleum industry, and they are likely to continue to play a significant role in it.

The author of this article, Curtis A. Kinard, is the President of Kin-Ark Oil Company. He is a well-known figure in the petroleum industry, and he has written extensively on the subject. He is a member of the American Petroleum Institute, and he has served on the boards of several other organizations.

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The Commercial and Financial Chronicle... Thursday, November 3, 1955

Will the Proposed British Budget Stop Inflation?

By PAUL EINZIG

Commenting on the proposed new budget for the British Government, Dr. Einziger contends none of the measures proposed, in themselves, appear to be effective in curbing inflation. Setting aside the question of increased sales taxes, it is not likely to be substantially reduced and may even increase in the tax on dividends is not likely to discourage dividend increases. Find proposed cuts in public expenditures not likely to amount to much.

LONDON,—Mr. Butler, the British Chancellor of the Exchequer, has proposed a tax upon the interest received by banks on deposits with each other, an attempt to resist pressure in favor of an increase in the interest rate. The measure, however, has supplemented the effects of the credit squeeze and restrictions on installment selling by a series of fiscal measures, in which, it is claimed, their joint effect would be sufficient to check the inflationary trend. These measures consist of imposing a 5% sales tax on the charging of additional tax, discouraging dividend increases, cutting down capital expenditure, and raising artificially low rates of interest.

None of these measures, taken individually, appear to be very impressive. The yield of the increased Purchase Tax amounts to a mere 5% of the national financial year, barely sufficient to make the approach of the Budget, or from the point of view of the inflationary demand, a hollow sound. It is assumed that the national income remains unchanged, it should mean that, as a result of higher prices, the volume of goods bought by consumers would merely be reduced by something like 5%. And for the sake of this trifling reduction the government chose to irrate tens of millions of consumer goods, and additions of Purchase Tax on a very wide range of consumer goods and other necessities.

In fact, the consumer demand is not likely to be reduced to any extent, as the plans described by the measure directed primarily toward curbing the inflationary pressure, and also to the inadequacy of the export drive. The increased demand for cars, motor vehicles, television sets, etc., is likely to further increase the inflationary pressure, and also to the inadequacy of the export drive. The increased demand for cars and motor vehicles, television sets, etc., is likely to further increase the inflationary pressure, and also to the inadequacy of the export drive.

Mr. Butler could choose between two alternative ways of checking the wages spiral—by budgetary action or by conciliation. The Budget and its accompanying measures will certainly not be sufficient to reduce the inflationary spiral. The test of the government's success in the economic area may turn on its ability to bring the wages spiral under control. The rate of increase of the prices index appears to be no ground for optimism. The productivity of the full employment continues to prevail, the workers will continue to exploit the employers to get an even higher wage demand will be pressed forward to a level that will not be supported by the Budget.

The purpose of the offering is to bring $150,000,000 of securities to the market. The flotation of such securities is not without some risk, given the current high level of interest rates. The Federal Reserve Bank of St. Louis has a 5-year duration for these securities, which means that they will remain on the books for five years, even if there is a significant change in the market for these securities.

The development of the Federal Home Loan Banks is an effort to increase the supply of mortgage credit to the American housing market. The banks were established by Congress in 1932 to provide a funding mechanism for state and local housing authorities. The banks have since played a crucial role in the American housing market, helping to finance the construction of millions of homes.

Conventional transportation services have been provided by railroads, steamships, and motor vehicles for many years. The development of highways and airports in the United States has led to the growth of air transportation, which has become an important mode of travel. The development of automobiles and other vehicles has also led to the growth of personal transportation, which is now a major aspect of the economy.

The route of the train in both directions will be Pennsylvania Railroad, West Virginia, and Maryland, then the track will continue between Richmond and Hollywood. It is anticipated that there will be two sections on the going trip and one on the return, with schedules as follows:

Going
Lv. New York Saturday, Nov. 26 11:35 a.m. 11:15 a.m.
Lv. New Orleans 12:35 p.m. 12:35 p.m.
Lv. Richmond 12:44 p.m. 12:44 p.m.
Lv. Baltimore 12:15 p.m. 12:15 p.m.
Lv. Washington 12:30 p.m. 12:30 p.m.
Lv. Richmond 5:55 p.m. 5:55 p.m.
Ar. Richmond Sunday, Nov. 27 11:23 a.m. 12:23 a.m.

Returning
Lv. Richmond Friday, Dec. 2 4:00 p.m.
Ar. Richmond Saturday, Dec. 3 9:40 a.m.
Lv. Baltimore 11:30 a.m. 11:30 a.m.
Lv. Washington 11:23 a.m. 11:23 a.m.
Lv. Richmond 2:44 p.m. 2:44 p.m.
Ar. Richmond Sunday, Dec. 4 9:40 a.m.
Lv. Newark 4:10 p.m. 4:10 p.m.
Ar. New York 4:25 p.m.

PULLMAN RESERVATIONS—Pullman reservations for the going trip should be made through the New York Transportation Committee, of which Robert A. Powers, Smith, Barney & Co., 14 Wall Street, New York, is chairman.

Drawing rooms, compartments, bedrooms, duplex single rooms, and roomeets will be available. Every effort will be made to assign the rooms reserved to the guest, and any given type of room not reserved, but when the supply of a given type has been exhausted, it will, of course, be necessary to
assign another type instead. One-way Pullman fares (including federal tax) to Hollywood are as follows:

<table>
<thead>
<tr>
<th>City</th>
<th>Bedroom (2 persons)</th>
<th>Bedoom (1 person)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
<tr>
<td>Detroit</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
<tr>
<td>Denver</td>
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<td>$44.83</td>
</tr>
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</tr>
</tbody>
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Certifier covering Pullman space will be issued in lieu of record of reservations. Certifiers will not be issued if reserva-
tions are received promptly. Otherwise they may be picked up at the ticket office. Reservations in New York prior to 5 p.m., Friday, Nov. 23. Refunds cannot be made on cancellations which are not made prior to time of departure.

Pullman reservations for the return trip should be made at Hollywood—at Transportation Headquarters on the lobby floor of the hotel. Reservations should be made as promptly as possible after arrival at Hollywood.

Railroad tickets to be purchased from local ticket agents. Those in charge of Pullman reservations will not be able to supply railroad tickets. Round-trip railroad fares (including federal tax) to Hollywood from points served by the special trains are as follows:

<table>
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<td>Detroit</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
<tr>
<td>Chicago</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
</tbody>
</table>

RETURN ARRANGEMENTS

Pullman reservations for the return trip, if made at Hollywood—at Transportation Headquarters on the lobby floor of the hotel, will be made as promptly as possible after arrival at Hollywood.

No special train has been scheduled for the return trip, as there has been no recent train operated on the operation of such a car. Pittsburgh passengers may, however, leave 3:15 p.m. train No. 5 for New York and then transfer to regular trains or planes for Pittsburgh.

Railroad tickets should be purchased from local ticket agents. The special Pullman train from Pittsburgh to Hollywood and Philadelphia-Baltimore-American service is as follows:

<table>
<thead>
<tr>
<th>City</th>
<th>Bedroom (2 persons)</th>
<th>Bedroom (1 person)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baltimore</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
<tr>
<td>Washington</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
<tr>
<td>Richmond</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
<tr>
<td>Pittsburgh</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
</tbody>
</table>

CHICAGO SPECIAL TRAIN

DETOUR-ST. LOUIS SPECIAL CARS

A special train from Chicago, with special cars from St. Louis to be attached at Cincinnati, will be operated provided there are sufficient reservations. Its route will be New York, via Cincinnati to Chicago, Washington.

Pullman Reservations

Chicago Special Train—Reservations for the going trip (with the exception of the Detroit and St. Louis cars, for which see below) must be made at least 2 weeks in advance. Special trains will be run to and from Cincinnati to St. Louis, and also to and from Chicago, at the following rates:

<table>
<thead>
<tr>
<th>City</th>
<th>Bedroom (2 persons)</th>
<th>Bedroom (1 person)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>$64.83</td>
<td>$49.00</td>
</tr>
<tr>
<td>Detroit</td>
<td>$64.83</td>
<td>$49.00</td>
</tr>
<tr>
<td>St. Louis</td>
<td>$64.83</td>
<td>$49.00</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>$64.83</td>
<td>$49.00</td>
</tr>
</tbody>
</table>

Drawing rooms, compartments, and bedrooms will be available. Everyone making a reservation may assign the type of space requested, but whenever space of any given type has been exhausted, it will, of course, be necessary to assign another type just before departure.

One-way Pullman fares (including federal tax) to Hollywood are as follows:

<table>
<thead>
<tr>
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<td>$44.83</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>$59.61</td>
<td>$44.83</td>
</tr>
</tbody>
</table>

Harlow H. Curtice, President of General Motors, has given the outlook for 1906.

"I am optimistic about all phases of our business in England, Germany, France and other countries on the continent as well as in the United States," he said. "I see no thing in the present picture to indicate any change in the high level of economic activity and prosperity which we now are en-
joying." Mr. Curtice said automobile production in England and Germany is up this year. They won't go on to any great extent by this year, 18 to 20% over 1905, and should increase substantially in the next year. General Motors production of passenger cars, trucks, and motor cars is well ahead of last year's figures. The number of refrigerators likewise is breaking all records this year, the GM president said.

"The market for our products in Europe and throughout the world is still expanding," he said, "and we expect our exports to be substantial in 1906. He said that part of our exports will come in the form of ships and other equipment which will be made through Harry Theis, Albert Theis & Sons, Inc., 314 N. Fifth St., Cleveland, Ohio.

The Curtice statement was made by the president and chairman of the board at the annual meeting of shareholders. The company has been in existence for 18 years, and Mr. Curtice said that General Motors has been the "leader in the world's automobile industry." He said that the company is now "the largest manufacturer of passenger cars in the world," and that its sales for the year are expected to be "well over $1,000,000,000."
The Hanover Bank of New York announced, Oct. 28, the appointment of Colin MacLellan as Comptroller. Mr. MacLellan was formerly Assistant Comptroller of the Hanover Bank of New York. Mr. MacLellan has served in the capacity of Assistant Comptroller for the last 15 years. He has served as a member of the Board of Directors of the Hanover Bank of New York since 1935.

Herbert J. Fadedly, Jr., Paul A. Fadedly, Edward H. Rigby, New Assistant Treasurer; Howard T. Bache, George F. Dickson, Reuben L. Atwood, Secretary; and Robert E. Fisher was named as Assistant Auditor. The announcement of the new officers was made by the Hanover Bank of New York.

A merger of the Bright Street Tramway Company with the North River Tramway Company was announced on Oct. 27, page 1703.

The election of William E. Ullman, Howard T. Lodge Jr. and Harry A. Bean as Vice-Presidents of the National Bank of Commerce & Trust Co. of Philadelphia, was announced on Oct. 27, page 1703. Mr. Ullman, Mr. Lodge and Mr. Bean have been with the bank for many years and are well known in the business community.

The closing of the National Bank of Commerce & Trust Co. of Philadelphia, was announced on Oct. 27, page 1703. The bank has been in operation for over 100 years and has served the community well.

The Burlington City Loan & Trust Co. of Burlington, N.J., has increased its capital by $50,000, to $250,000, according to the Governor of the Federal Reserve Bank of New York, the Burlington City Loan & Trust Co. & Co.

A stock dividend of $50,000, declared by the Citizens National Bank of Hampton, Va., has increased the capital of the bank from $200,000 to $250,000, according to the Governor of the Federal Reserve Bank of New York, the Burlington City Loan & Trust Co. & Co.

The Third Northwestern National Bank of Minneapolis, Minn., has raised its capital of $1,000,000 to $1,500,000, by the sale of $500,000 of new stock. The bank has been in operation for over 30 years.

William R. M. Knowledge, Chairman, and Benjamin F. Sawn, President of the Treasurer of Montreal, Canada, announced on Oct. 31, that the Third National Bank of Delaware County, at Media, Pa., has been organized and will commence operations on Nov. 1. The bank has been incorporated with a capital of $1,000,000, and will provide banking services to the community.

A stock dividend of $100,000, declared by the First National Bank of Jersey City, N.J., has increased the capital of the bank from $250,000 to $350,000, according to the Governor of the Federal Reserve Bank of New York, the Burlington City Loan & Trust Co. & Co.

The sale of new stock to the amount of $50,000 has served to increase the capital of the City National Bank of Iowa, from $400,000 to $500,000, according to the Governor of the Federal Reserve Bank of New York, the Burlington City Loan & Trust Co. & Co.

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Investment Clubs—A Growing International Force

By GEORGE A. NICHOLSON, JR.

National Association of Investment Clubs
Head, Investment Research Department, Letcher & Co., Detroit
Members New York Stock Exchange

Mr. Nicholson, recalling that only four years ago a few investment clubs founded a national association, points out that the number of investment clubs in the U.S. now exceeds ten thousand. Such clubs, he says, have emerged into one of the finest educational programs in the field of economics. Concludes big task of the National Association of Investment Clubs is to cross barrier that exists in public mind for "investment clubs for average people." Four years ago on Oct. 20, 1951, four small investment clubs gathered in a Detroit hotel to establish the National Association of Investment Clubs. Less than a score of pioneer clubs launched a movement which we might have deemed would have no national significance. Today, however, investment clubs are scattered throughout the state of Michigan. We can be sure that there will be as many as 400 clubs in Dow Chemical Company, and in the South we find partners of Hayden, Stone & Company who are helping to broaden the aspect of our movement so we can make equally good gains in the years ahead.

Mr. Thomas is indeed a symbol of our Association. He was the first president; he is the president who came to Detroit from afar. He caught the significance of the investment club movement and contributed the greatest amount by his efforts. But good example has been followed by many others.

The keynotes of this movement must be sounded on: Investment Clubs—A Growing International Force. But we are only halfway toward our goal. In Asia and Australia, the investment club movement is beginning an irresistible growth. In the United States there are now more than 400 clubs with over 100,000 members.

The significance of international growth should not be underestimated in the Cold War. We are fighting over the vital issue of democracy. The first is the most fundamental: nationhood and the political system which derives from a belief in the brotherhood of men; and the third is the economic and material reformation of the world. It is on this last issue that investment clubs are able to attack by producing grass roots understanding, and directly savings into a more productive economy.

Foreign Investment

The international growth of our movement—particularly outside the United States—is foreign investment. In 1952, for the first time, we had permission of the United States Department of Agriculture, to export plants and properties abroad for development of agricultural projects in foreign countries. This act applies only to the export of certain species of grasses, with the purpose of improving the economy of the importing country by the introduction of high yielding varieties of grass.

The United States is one of the world's great grain exporting countries. We have been able to sell our grains and other agricultural products all over the world. But the demand for our agricultural products is growing, and we must find new markets for our exports. The development of new agricultural projects in foreign countries will help to meet this demand and will also provide an additional source of income for our farmers.

Investment clubs are a valuable tool in promoting foreign investment. They provide a means of educating people about the benefits of foreign investment and of encouraging them to become involved in this important activity. Investment clubs can also help to identify potential new markets for our agricultural products and to develop effective strategies for expanding our trade with other countries.

The National Association of Investment Clubs is proud to have contributed to the growth of foreign investment in the United States. We are committed to continuing our support of this important cause, and we encourage others to join us in this effort.
Railroad Securities

By GERALD D. McKEEVER

SeaBoard Airline

The four salient characteristics of the SeaBoard Airline from an economic and investment point of view is the evidence of its outstanding growth record over a number of years, its efficiency, its potential for operating cost saving, and the steady improvement in its efficiency year after year. The latter is more evident in certain operating statistics than in operating ratios that are based on an annual average of the cost per mile flown, since, at one time or another by a change in the level of gross revenues. All these characteristics are of sufficient importance to warrant an investment investigation. It is, therefore, somewhat of an enigma why SeaBoard Airline common at $100 a share in the period of five times the redemption of the preferred in 1952—should attract so little interest in the current market. The problem of the yield ratio is

SeaBoard Airline stock is also modestly valued by the other commonly used measure of the price-earnings ratio. It is estimated that the road will earn about 8% per share this year and the current price of 74 is about 0.8 times this per share earnings figure. The stock of its companion road, Atlantic Coast Line, at 42 sells at 8.4 times the 1955 estimate of $5 per share, and yields less than 5%. It therefore can not be said that SeaBoard stock's price-earnings ratio is inflated because of the increase in the dividend rate to 100% annual basis last June 7.

For a while it seemed that the strike against the phosphate producers in Florida might have been an adverse market influence. Phosphate is the largest single traffic item of the SeaBoard and represented 13% of 1954 freight revenues. For several weeks after the strike began, Aug. 31, a sharp drop in railroad earnings could be noted, but after a few days the yardmen returned to work. The effect of the strike on SeaBoard's revenues was not of great moment because the phosphate trade is seasonal in nature. The next perceptible drop in SeaBoard's earnings was brought about by the drop in loan collections due to the drop in the corporate loan stock which ceded the corporate loan stock at a lower average per share, and some 27% of its estimated net of $11 per share at 7% times estimated earnings—not much of a concession for the different growth rates. It will yield $6.75 per share at present prices only if the contemplated post-split increase in dividends is achieved.

In the case of the SeaBoard (and the Coast Line) secular growth in earnings is expected to be at a substantially higher rate in comparison to the gross loss of the tax deferral credit. Another point is that earning power may be bolstered by economies arising from operating and raising fuel which gave rise to the tax credits.

In search for refutation of negative elements. "The big story of SeaBoard is the growth in business and efficiency and the recorded profitable power of its relatively small capitalization. Surface is to say on the latter more that the ratio of the stated capital of the SeaBoard of 1.38 times estimated 1955 revenues places it among the leaders of the four roads. SeaBoard's assets are working assets. SeaBoard earned 8.15% on its net earnings in 1954, while the Coast Line's returns on the road did well with a decline of only 0.4% in ton mileage as compared to 1953 while the average decline for Class I was 10%.

This is a clear case of growth elements currently in phase.

Growth in both business and efficiency have been the most consistent features of SeaBoard, and its present regional and state railroad services has recently issued a tabulation of ten-mile indices based on 1938-39. The SeaBoard, Coast Line, Southern Pacific and Union Pacific led the list, all on 111 on this basis. The road itself has prepared a table on 1936-39 as 100 showing the following arresting comparison of 1954 indices:

SeaBoard Southern Region Class E

| Freight Revenue | 391 | 280 | 244 |
| Passenger Revenue | 264 | 196 | 181 |
| Total Revenue | 362 | 272 | 238 |

*Gross ten miles per freight train hour—average operating efficiency.

What the index is depended on what base period or base year is selected. The 1936-39 is selected to show the present condition of the base period.

Hoping to be able to make a comparison of 1933 and 1954 indices based on 1946 as 100 for SeaBoard and the Coast Line and Southern, and the major southern lines crossing the same area or in part:

Atlantic Southern

SeaBoard Carload Atlantic Southern

Revenues | 123.1 | 120.6 | 117.5 | 139.0 | 130.1 | 129.7 |

Ton-Miles | 183.1 | 180.8 | 177.1 | 208.4 | 204.5 | 202.8 |

CTM per FTI 150.5 | 147.0 | 149.0 | 152.5 | 150.0 |

*Gross ten miles per freight train hour—at least operating efficiency.

The above gives the greatest reliaability of the SeaBoard to the general decline in traffic and revenues in 1954. Looking at the over-all figures for 1954, however, it is a fact that the SeaBoard was due to its lowering start in 1946. The dieselization of the railroad was more recent, having been completed in June, 1953.

The question is impressive. What was the cause for the backward market action may be, it appears to satisfy an opportunity for the longer term investor.

The largest debt refinancing program ever undertaken by an American railroad was successfully completed Oct. 27, 1955, with the transfer from the securitization underwriting syndicate headed jointly by Gloré, Forgan & Co.; Halsey, Stuart & Co., and Alex. Brown & Sons. Left to right above are: Howard E. Simpson, President of the Railways; Dr. H. M. B. Haring, Jr., Vice-President of Halsey, Stuart & Co.; Jr. Walter F. Price, Vice-President of the firm, the B. O. Co., and Wright Purkey, partner of Gloré, Forgan & Co.

Hooran Commission Findings Furnish Blueprint For Better Government

November issue of the "Survey" magazine, issued by the Guarantee Trust Company of New York, contains the report of the recommendations of the Commission pinpoints definite ways and means of achieving the twin objectives of governmental economy and strengthening of government.

By pinpointing definite ways and means of achieving the twin objectives of governmental economy and strengthening of government, the second Hooran Commission has performed an even more notable public service than the first. The first Hooran Trust Company of New York has been the recommendation of the commission's work in the bank's monthly publication, the "Survey.""Survey"

Commenting editorially on the commission's report, the "Survey" lauds it as "providing a general plan for the financial program of the Government and strongly advocating freedom of the government.

"Government grows in scope, complexity and cost, the harmful effects of wasteful practices and unnecessary expenditures. The findings of the second Hooran Commission have been even more comprehensive and potentially important.

"Government in size, scope, complexity and cost, the harmful effects of wasteful practices and unnecessary expenditures. The findings of the second Hooran Commission have been even more comprehensive and potentially important."

For Belter & Co.

Saint Petersburg, Fla.—(Special to The New York Times)—John Hall Allen has been appointed manager of the new office of For Belter & Co., 80 East 42nd Street, New York City. Mr. Allen joins the firm as a simple partner of For Belter & Co., which is now in Cohu & Co.

J. Herbert Evans

Opens Own Firm

ST. PETERSBURG, Fla.—(J. Herbert Evans opened a brokerage house here last week under the name of J. Herbert Evans & Co., Stuart; Robert W. Warren, Vice-President; and C. Roy Hollis, Secretary-Treasurer. Mr. Evans is the former manager of the municipal department for Bell & Hough, Inc.

Forms Johnson Enterprises

CLIFTON, N.J.—Charles F. Johnson, Jr., is going into an investment business from offices at 1050 Bloomfield Avenue under the name of Johnson Enterprises.

Now Perkins, Clark

DALLAS, Tex.—The firm name of Perkins, Clark & Company, Inc., has been changed to Perkins, Clark, & Company, Inc.

Joints First Calif.

LOS ANGELES, Calif.—William F. Marshall has joined the staff of Perkins, Clark & Co., 13 South Spring Street, Mr. Marshall was formerly a member of the firm of C. B. Shearman & Co. and California Investors.

Mitchum, Jones Adds

(Special to The Financial News)

LOS ANGELES, Calif.—Charles W. D. Fletcher has been associated with Mitchum, Jones & Co., 1150 Temple Street, Los Angeles, Calif., and California Investors.

Andrews, Burchell, and Satterfield

The Commercial and Financial Chronicle...Thursday, November 2, 1955
It's Time to Think of Tax Savings

The steep capital gain is taxable at a 28% rate—applies to only 50% of the actual gain, however, for those over 65 and marital rate-savers. The surtax rate applies to only 75% of the actual gain for those over 65 and marital rate-savers. The surtax rate applies to only 75% of the actual gain. The surtax rate applies to only 75% of the actual gain. The surtax rate applies to only 75% of the actual gain. The surtax rate applies to only 75% of the actual gain.

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Continued from page 12

Commercial Financing Keeping Pace With the Growing Economy

staffed to appraise business situa-
tions realistically and speedily and
that their appraisals of credit and help are indicated by the facts. The economic upturn of 1955, one of our best years in our recent history. We do not wish to be too sanguine in this matter of course. Indeed, I wonder how long it will take to make our customers no less critical than the bankers. But what that performance contrib-
uted to the development of this busi-
tivity this year.

Let us review it with you for a moment, as an effort to clear the air, and to show what may not have occurred to you that is significant. The High Economic Activity of 1955

Many hope in business were cast aside in 1955 as the recession of 1954-55 dawned on the horizon, but the recession of 1954-55 would not alter the belief that the banks, like the commercial bankers who are the custodians of these funds, did not share their pessimis-

We realized that the temporary economic upturn would not be followed by a permanent economic recovery. We were convinced, as we faced 1956, that the banks had moved forward from a recession to a peacetime economy, but that the many corrections in the business indica-
tors of the peacetime economy to a recession of company situations that could recover lost ground and move into a new period of eco-
nomic growth. One obvious aspect was that if American businessmen seized the opportunity that came to them, the way ahead would be clear. Business in our country is at a level comparable with the high-
est peaks of the postwar period. Even a mild recession could be expected to reverses the downturn could see the phenomenal rates of growth that were interrupted by the re-
cession of 1949-50 and the out-
break of the Korean War.

It was obvious that if business was to achieve these goals, the commercial banks would have to expand their lending programs not only to all the other financial institutions but also to all the industries and to all the businesses that need funds to finance them. Our com-
panies and our banks are considerably more active now than we were in 1951. Two reasons are at work in this increased activity. First, the public market for additional capital, for which, at the time, there was a critical shortage, has been accurately forecasting the future recovery and the banks have been making new advances here that are entering into the present quarter.

As the demand for funds ex-

Because in that quarter, our institutions were ready to meet it. Financial pre-
parities are no less important to the strength of our economic fortress here than they are in other parts of the world.

So it was that in keeping with this general perspective, the situa-
tion, the nation's financial institu-
tions, on which rest the nation's capital and short-term investment capital, made these very important decisions, and readied it for their role in the big picture of the present. In the quarter of 1955 come and more goods.
The next question, we must remember the fi-
nancial history of the past 75 years can call this quarter.

So here is one of those who play an active role in carrying out our monetary policies. In the days that followed the withdrawal, guided sharper tools for probing into the secrets of the economic situation. Advances of 3% and 4% to $30 billion in 1954, longer the privilege of the large, heavily-financed company. In our democratic economy, they are

available to the small and the medium-sized company as well, and the small businessman and the top income wage earner. Our activities seek only to influence and to enable one's contracts and commit-

tments. Many during this year companies in a situation in which they believed in the capacity and the opportunity to operate, or in which they believed that the banks would not be able to expand, or expand, or expand into new ones, sought financing programs to do so.

In many instances, the commercial finance companies were called upon to finance large projects to partic-

ipate in the financing of the banks' customers. We were able to provided needed services not otherwise available, with speed that is so pec-
inular to our industry. A large number of shared accounts developed between mem-
bers of our industry and the commercial banks. They are an au-

tority of the future.

The Consumer Debt Issue

One of the advantages our con-


tinnence affords us is that we can, in some instances, get a g

eat deal out of the consumer, in business debts, and in personal debts. Indeed, our financing often makes possible the first installment of a car or a home.

Moreover, the level of consumer sales is indicative of the future. We anticipated, consumer sales for 1955 promise to exceed the record level of 1954. In prospective, there is growth in soft goods sales and an 15% to 18% expected increase in retail sales. Consumer spending should be con-

mected to the process of income expansion, the market beyond present indications that the expansion in consumer durables is likely to turn around next year.

Clearly, the changes in the level of consumer purchases are an important factor in the consumer of this country. In 1954, the Department of Commerce data indicates that 4.5% of personal income was devoted to consumer purchases. Thus, it is unlikely that we shall see a fall in consumer spending this year, as we did in 1953.

In the face of a slight decline in total activity in 1956, personal income rose 1.3%. A further rise, perhaps on the order of 2% to a level in the neighborhood of $295 billion, is being registered this year, and that means that there should be a drop in auto-

clearly, in sales total activity.

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clearly, in sales total activity.
Investment Potentials of Atomic Energy

In any case, it is important to point out that the point that the power costing more than $7 million for 12 million Kwh. of power during 1987, that year also saw blocky, much less, useful for atomic power, to provide, it is interesting nonetheless to assess our potential for 6 million Kwh. will be atomic— that is, that we can supply. Indeed, we may Absolutely, we assume that 40.5% of Therefore, the 6 million Kwh is not pursued during the year depending on whether the cost will be up, 7.5%, or only 1.4% of the 12 million Kwh. metal. Both U-238 and thorium are suitable for a time-consuming variety of uranium which constitutes 7% of natural uranium. Uranium present no threat to The price of uranium has been guaranteed until 1962. Uranium stockpiles are largely protected by mining profits which will be realized before the expiration of the price guarantee. The price guarantee is not contingent upon any developments in thorium technology.

Energy and Uranium

As mentioned earlier, the price of uranium is unique in the extent to which it is protected from adverse economic factors. All uranium ore presented to the Atomic Energy Commission is purchased, and the price cannot be lowered before April 1, 1962, in the U. S. and Europe, where uranium concentrates (other than ore) have not been made for 13 months, and in the price range from 10,000 tons will be paid.

It has been explained that net loss and net profit are the most well-established uranium stocks. Improved reasoning shows that uranium's limitations and capabilities if we knew how it fit into the uranium of our country.

Thorium

Those of us who have believed in the future of thorium have been borne out by recent discoveries. It is a fact that one of the promising reactor designs, the thermal (or slow) reaction, for use in a fertile fuel system, although it is far from clear whether the thermal reactor will ever be a widely used type. The fast breeder reactor is a more vigorous proposition than the slow reactor; it is the U.S. is expected to add about

TABLE II

<table>
<thead>
<tr>
<th>Variable</th>
<th>Constant</th>
<th>Iodine</th>
<th>Uranium</th>
<th>Natural</th>
<th>Thorium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost per Unit</td>
<td>$5.00</td>
<td>1.4</td>
<td>12.0</td>
<td>14.4</td>
<td></td>
</tr>
<tr>
<td>Reactor Type</td>
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<td>12</td>
<td>10</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Fuel</td>
<td>High</td>
<td>12</td>
<td>10</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Breeder Reactor</td>
<td>Fixed</td>
<td>12</td>
<td>10</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Power</td>
<td>High</td>
<td>12</td>
<td>10</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Capital Cost</td>
<td>High</td>
<td>12</td>
<td>10</td>
<td>12</td>
<td></td>
</tr>
</tbody>
</table>

Thus, the question of an excess supply of uranium.

On the surface of the uranium supply at the over-all energy situation, it is clear that the universe is covered with a capable uranium, shortage. Whether the cost and type of ore treated, as well as regional differences in cost. For example, it is possible to buy uranium for $500 million.

Now the tonnage being procured, this year, as well as the tonnage to be procured in the future, is over the big plants for the most part are not very well known. We still know very little about the Canadian industry which has expanded to 14.4 million tonnes of ore.

This figure may be a little high, although it is to be hoped that öld in the gross value of concentrates produced. The tonnage of 5.7 million tonnes of ore is a little more than the amount of ore used, the figure earlier arrived at. What then are the chances that this gap will be filled? We know that any excess supply will exert a strong depression effect in 1962, assuming the price guarantee is extended. Here, we have to be truly entitled.

First, most of the major mines now located will be mined out by 1960. Some of the present deposits will not be, and this places the industry in a position in the light of their low-cost operations (by Canadian standards). But it will be sharply reduced by 1962 unless the government maintains the uranium price policy.

If the guarantor is strong, we will demand and the price will not be sold to us. If the guarantor is not strong, we will demand and the price will not be sold to us.

On the demand side, our comparison of 4.24 million tonnes of ore has assumed that the price of uranium is set at zero. No one except those with access to the very top most secret production figures can say how much nuclear weapons can answer that.

However, we can draw some inferences. It is true that highly placed officials have stated that we will approach the saturation point on aerial bombs. Even assuming that they have now ever accept the idea that they had enough of any weapon; while the actual production of atomic power, it is interesting nonetheless to assess our potential for 6 million Kwh. will be atomic—and that is, that we can supply. Indeed, we may Absolutely, we assume that 40.5% of Therefore, the 6 million Kwh is not pursued during the year depending on whether the cost will be up, 7.5%, or only 1.4% of the 12 million Kwh. metal. Both U-238 and thorium are suitable for a time-consuming variety of uranium which constitutes 7% of natural uranium. Uranium present no threat to

De Witt Conklin Firm Adds McDowell to Staff

De Witt Conklin Organization, 100 Broadway, New City, New York, has made the following important personal and financial relations, announces that Lloyd A. McDowell has become associated with this firm.

Two With L. Schneider

L. Schneider has engaged in the practice of law in Los Angeles, Calif.—Harvey S. Janis and Richard C. Mills are announced as associates, under the firm of L. Schneider, 3508 Melrose Avenue.
Continued from first page

As We See It

both parties. Where no such thing exists it may be almost anything. This is all part of the process.

In increasing degree of late years the labor unions have been operating from a position which leaves employers very little freedom of choice. To be sure, the unions often operate as bargaining representatives and continue to make contracts, but they are in an essentially free market. And in the case of the Office of Price Administration and of commission on the part of government have had a major part in bringing this state of affairs to pass. It exists —let no one deny it—notwithstanding the so-called Taft-Hart Act about which union leaders have had so much to say.

"Economic Pressure"

The last week politely referred to some of these tactics as "economic pressure," and that they certainly are. But they are more than that. In the cases which come most directly and conspicuously to the attention of the public, the union contract, as it is known, is an extreme attempt to affect the membership loyalty and are within the range which the employer is able to grant, by passing the cost on to the general public.

For among many individual instances with which the public generally is not so familiar, the situation is rather different but no more admirable. There is, first of all, the ubiquitous picket line—which the courts to their eternal shame have held as an exercise of the right of free speech. And, no less disturbing is the fact that most of us have become accustomed to the notion that somehow the constitution guarantees the unions the right to form a cordon around an employer's place of business, and virtually cut it off from access to supplies and other things essential to doing business.

As the labor director managed to reach the status and standing it now has among so many of us we shall never be able to understand. A surprising number of people still adhere to the New Deal inspired notion that this is somehow an exercise of the right of free speech. And, no less disturbing is the fact that most of us have become accustomed to the notion that somehow the constitution guarantees the unions the right to form a cordon around an employer's place of business, and virtually cut it off from access to supplies and other things essential to doing business.

Picket Line Technique

This device often enables labor leaders to close down places of business by pulling out small numbers of workers who are at once supported by picket lines. Thus anything in the nature of democratic management of the union is out of the question. As a matter of fact there is nothing with less of the democratic about it—notwithstanding all that is said on the subject and all the formalities through which the unions go in dealing with any individual case. Small groups invariably, or almost invariably, govern decisions and tactics.

The labor court has now ruled—to the effect that there is nothing wrong with the using economic leverage in support of legitimate demands, the politicians and, with deep regret be it said, the voters of this country have long ago asserted. And it cannot be said that those who have used all the words of the politicians, and very nearly all the words of the great rank and file support the notion. They are for, as may be seen in the Weekly Labor Report. These are some of the economic facts of life of this day and time, and although they are familiar enough to the student of current trends they will bear repetition.

Continued from page 3

A $400 Billion Output in 1956

thinking yet. But we have de¬

cided as to the general type of
capacity the country will need

to grow and demand in most segments of
economic activity. While we have been
made much that is today being said on the subject, that men
were producing more each hour by reason of some action
of the unions. One week the policy of
time, it is the ever-continuing oc-
curring further capital costs that is increasing produc-
tivity. It may or may not bring warrant for higher pay
to labor.

The outlook for 1956

It is evident time we look stock and seriously
asked ourselves where all this is going to

Let no one be soothed by smooth talk about increased "productivity," which is defined by the econo-

The outlook for 1956 is one of

trends and prices. One might be surprised to learn that the 1956 bill for

The outlook for 1956 is one of

trends and prices. One might be surprised to learn that the 1956 bill for
standard of living to noticeably higher levels almost every year is the result of the in¬
ventious, healthy people who have not put the brakes on old, established forms of
industry to develop a new way of life in these changing con¬
tions. The aggressiveness, the willingness to break away from the time-honored
instinctive rejection of the past while striving for the future, are traits of the
American people as a result of our history. If it is much easier for us to bear the
burden of change and to forget about the class distinc-
tions of the past, it is because we have had impeded rapid change in so many
other countries of the world.
It also is apparent that we have developed appropriate organiza-
tions for carrying out far-reaching en¬
volution so comprehensively that for the
first time in our history we have com¬
manded the capital necessary to develop new products and to expand facilities on a basis
designed to ensure good weather busi¬
sness. The semi-annual production or another is a major renewable commodity. Likewise,
the development of well-being and leadership both in industry and in our national life form a significant step forward in the development of our nation.
There are, of course, many other developments under way which are con¬
tinued to contribute to the ever-
increasing productivity which is the hallmark of the nation's well-being.
Careful research by historical leadership in this field has taught us many things which we did not know even a few years ago, thereby enabling us to pro-
duce better products more cheaply than ever before. We have developed new methods of 1940 or even earlier. The country has provided a more intelligent work force and a more mature and more stable group of consumers.
To me the most striking thing about the ever-increasing material prosperi-
ty is that many of these reasons lie outside and beyond the realms of our own control. The new con¬
ditions are too complex and too vast for us to grasp all of them. However, it is possible for us to do many things together ... how to trust each other ... are willing to risk, to dare, and to go on. We can continue to develop the future.
Let us never lose sight of this important fact: we are using our material prosperity and our na¬
tional intelligence to build a better world for ourselves and for others.
I believe that we have it today. I believe that it will continue.

Kammen Co. Admits
On Nov. 10 Meyer Orol will be admitted to limited partnership in 1000 Delaware Ave., 23 Broadway, New York City, members of the company include:

Oil Well with FIF

DENVER, Colo.—John W. Col¬
jins and William S. F. Land are
set to be the staff of FIF Management Corporation, 444 S. Moore St., Denver.

Harry A. Silvey
Harry A. Silvey, member of the New York Stock Exchange, passed away at the age of 65 following a heart attack.

Continued from page 5

Trade and Industry

ability to pass on higher costs may pinch some firms. It is as¬
sumed that this will be more important in expectation than in reality.

The noteworthily high prices of the national product will be $400,000,000,000, with the Federal Reserve Board industrial commodity price index reflecting a rise of this amount. The final total cost of the national product will be $400,000,000,000.

Hogs, now $6.05 per 100 pounds, are expected to increase in price $6.05, from 2.66 to 9.71, the corresponding price rise being about $6.05.

Trade and Industry

laborers, beans, potatoes and tomatoes. Lower in price were wheat, corn, beef, cattle, canned oil, cocoa, eggs, beans and hogs. Sugar prices were lower by about 7.5%.

Cash grain market continued to weaken under restricted de¬
mand. Wheat prices at Chicago dipped to the lowest level since 1948, reflecting increased offerings of new crop corn, the sharp drop in hog prices and limited export demand.

Wheat was the market aided the picking of corn and the corn was said to be of good quality. The United States De¬
partment of Agriculture placed total stocks of corn as of October 1, 1944, at $2,900,000,000 bushels, setting a record for that date. Wheat in wheat on death beds helped to make large quantities of wheat out of Sept., 29,000,000 bushels. Wheat with shell has been a bumper crop.

A moderate volume of business in hard winter wheat flour was handled in the early part of the week, aided to a large extent by mill price concessions.

Burlington, C. H. Wood and J. H. Brown, however, re¬
mained bearish owing to the burdensome wheat supply situation.

The cotton market was easier under pressure of scattered liquidation and spot sales. In New York the market remained established forms of commodity price index showed a further decline to the lowest level since June 27, 1951.

Wholesale Commodity Price Index Holds to Downward

The downward course of the wholesale commodity price index continued, and the Dun & Bradstreet daily wholesale commodity price index showed a further decline to the lowest level since June 27, 1951, as compared with 276.6 a week earlier, and with 277.4 on the corresponding day a year ago.

Price changes last week were for the most part minimal, with 31 raw foodstuffs and meats in general use and its chief


Cars and consumer durables were 1954 commodity price index showed a further decline to the lowest level since June 27, 1951, as compared with 276.6 a week earlier, and with 277.4 on the corresponding day a year ago.

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Common Stocks as Insurance to Company Investments

America. Would you rather share a significant part of your investment in a company and possibly risk losing all your money in a company if it was to fail? Would you rather "play it safe" and invest in a diversified portfolio of common stocks which is not at all exposed to company risk? That in essence is the problem the investor faces today, in contrast to the situation that existed even a decade ago. The problem has been clearly stated in a recent study by the U.S. Department of Commerce which showed that the percentage of shares held by individuals reached 50% in 1961, but had declined to 45% by 1966. The study also pointed out that the purchases of shares by individuals were no longer driven by the desire to own a piece of a company, but rather by the desire to achieve a higher rate of return. This indicates a shift in investment behavior, with individuals becoming more interested in the potential for capital gains rather than the underlying earning potential of the companies they own shares in.

Selection of "Inexcess" Shares

The selection of "inexcess" shares that will outperform the average consumer's diversified stocks and bonds is a critical step in the investment process. The choice of shares should be based on thorough research and analysis of the companies' financial health, management, and potential for growth. It is important to choose companies that have a strong track record of profitability, stable earnings, and a solid financial foundation. Companies that have a history of dividend payments are often preferred, as they provide a regular source of income for the investor.

In addition to the annual earnings report, the investor should also consider other factors such as the company's growth potential, the quality of its management team, and the strength of its competitive position in the market. It is also important to consider the company's debt structure and its ability to service its debt. Companies with a low debt-to-equity ratio and a strong cash flow are often preferred, as they are better able to withstand economic downturns.

The investor should also consider the company's industry and its position within it. Companies that operate in growing industries or have a competitive edge over their peers are often more likely to outperform the market over the long term. It is also important to consider the company's dividend policy and whether it is increasing dividends regularly. Companies that increase their dividends regularly are often viewed as more stable and have a better chance of outperforming the market.

By carefully selecting "inexcess" shares, the investor can increase the likelihood of outperforming the market and achieving a higher rate of return. However, it is important to remember that investing in stocks involves risk, and there is no guarantee of future performance.
The Federal Budget Outlook

Index terms increased, or both. Similarly, if the economy is booming, most industries operating at capacity, and with rising prices, Federal policies should dampen down expecta-
tions of rapid growth and underwriting capacity in future. We need to be on the watch for a decline against the upward pull of costs of the claim reserves. However, the growth of insured ownership of shares in American business and the portfolio plays the full benefit of what history shows to be one of the most exciting and dynamic periods in American business history. America is still in the morning of its destiny.

Continued from page 13

tax reductions. A tax cut next Jan-
uary in the fact of a booming economy would be inflationary. Certainly, the cost of living will go up as the months pass. A tax cut move quickly to provide revenue to the needs of the economy.

After observing what he called a "budget blow" accompanying the August "budget blow", former Chairman of the House Ways and Means Committee, stated: "...that Federal fiscal policies are again appar-
tently in order to edge upward in the wake of wage and price increases. This is an extremely high level. I have al-
ready mentioned that when the economy begins to show signs of weakening, a tax reduction is necessary stimulant and will re-
result in increased revenues. Re-

ersent events have proven this soundness of position. On the other hand, the fiscal econo-
y is operating at record-breaking levels, the inflationary impact of tax reduction should be carefully appraised. Inflation is a more deadly enemy of a nation's security than taxes will ever be." (Press release, Sept. 4, 1955.)

It should be noted that the expenditures of the administra-
tive budget is largely through the built in flexibility mentioned earlier and the current deliberate tax and ex-
penditure actions by the govern-
ment. This balance will not develop as the result of further increased deficit of the Admin-
istration and the Congress.

Thus in 1953-54 when economic activity was declining and unem-
ployment growing, the fiscal pol-
cy that emerged from the Cong-
gress was one of tax reduction over-
coming a budget deficit. On the other hand, in 1955 and taxes and provided other measures aimed at encouraging business re-
covery. The deficits of 1954, even those targeting the deficit were so large that personal dis-
posable income less presen-
tations. The difference in such a surplus in 1953 compared to 1955 was the conclusion that it automatically justifies tax
returns 40% more than bonds and even more than the interest on less than 260% more bonds.

(4) Because of the inflationary effects of increased ownership of shares by insurance companies, the Federal government underwriting capacity in future. We need to be on the watch for a decline against the upward pull of costs of the claim reserves. However, the growth of insured ownership of shares in American business and the portfolio plays the full benefit of what history shows to be one of the most exciting and dynamic periods in American business history. America is still in the morning of its destiny.

Our Reporter on Governments

BY JOHN T. CHIFFENDALE, JR.

The tone in the Government market is still good, and not a specific report on which pension funds and other institutions are quite accurate overall in the present period. The market has been growing, but the future is not quite as bright as it has been in recent months. Many investors have been forced to sell stocks in the lower yield on Treasury bills and the reduction in rates on bankers' accept-
cance. The reduction rate is still subject of much discussion, but no one can be quite sure in this rate unless the inflationary forces get stronger.

Tax Switches Feature Market Activity

There appears to be considerable in the way of tax switches being made, even in the market. The trend of these exchanges is now more pronounced in the direction of lump-sum capital gains taxes from the future to the present. Institutions which can make use of tax losses, accord-
ing to advisors, are not only the usual public and private institutions, but also the larger corporate entities, for the same reason. The trend is growing.

The longest Government bond, the 3% due 1995, continues to be well bid, and has been for many weeks. We believe that the charitable organizations among the prominent buyers of this issue. On the other hand, certain of the large institutions which are owners of the longest Government bond are still sellers, with holdovers, however, that there is not the same desire now to let this security out as was the case in the not distant past. It is reported that positions in the 3% due 1995 have in some instances been taken as a "hedge", the status of which certain of these institutions are not inclined to go at this time.

The attitude towards the longer Government bonds continues to be very much the same as has been the case for some weeks. Funds on set-back will still be availed of by investors as well as some dealers and traders. Also, funds are being shifted from the equity market into selected maturity of the more distant 2, 3, and 4 years. This is reported to be on a solid basis. The market which is going into Government bonds is for foreign accounts.

Less Pressure on Short-Term Market

It is evident that the short-term money market is under trend of affairs in a fairly high liquidity buyers have come back into these securities. Not only have corporations increased somewhat their purchases of Treasury bills, but money which has been raised through the flotation of corporate and other obligations has been finding an outlet in the liquid market as well.

The fact that the bill rate is under the discount rate has also taken some of the tension away from the near-term market.

Active Credit Restrainment Policy Continues

Even though there is a more favorable feeling towards the money market as a whole, there are no indications yet of any change in the policy of the powers that be. Likewise, it is the opinion that any further tightening on the Fed side will be very gradual and small. This pattern of any change as long as the forces which caused the policy of "active restraint" to be adopted continue to be as powerful as they have been. The powers that be should be noticed as mortgage money. Consumers credit is still expanding, and com-
modities prices continue to rise, with the economy virtually oper-
atlng at capacity. This means that the forces making for inflation are still very strong and so far they have shown any signs of tapering off.

On the other hand, if these forces should get stronger, it is believed that there will be another increase in the rediscount rate. Such a rise in the Central Bank rate would be further confirmation by the monetary authorities that the policy of active restraint is definitely an active one. It is quite evident that the
Investing in Common Stocks for Income through National Stock Series

**Mutual Funds**

BY ROBERT R. RICH

Medical Profession Develops Electronic, Atomic Energy Uses

The atomic age has brought electronics and atomic energy fully together with the medical profession. As a result of the discovery of X-rays in 1895, according to the "Medical Profession" recently let published by National Securities & Research Corporation.

The interest in physicians in atomic energy dates back almost to the turn of the century when Madame Curie isolated radium, and the medical use of electronics was pioneered by Roentgen's discovery of X-rays in 1895, the letter says.

"While the use of radium for medical therapy is well understood," explains the late Dr. Colton, "the use of atomic energy is not generally recognized that the phenomenon is a true nuclear reaction and that radium therapy was probably the earliest example of the use of atomic energy.

"Like other nuclear reactions, the disintegration of naturally occurring radioactive radium is a stable nucleus. It is accompanied by penetrating energy emanations which can destroy unhealthy cells and tissues. Radiation, however, is highly expensive; it therefore is applicable to a few undesirable cases and for medical and other chemical properties superficially serious
derivable.

With the advent of the atomic era, many active industries of radioactive elements are now officially made in atomic reactors or with particle accelerators, the letter says.\n
...radioactive materials and synthesized compounds," Mr. Colton explains, "possess not only the desired health effects, but also other excellent properties.

A PROSPECTUS ON REQUEST from your investment dealer.

DISTRIBUTOR GROUP, INCORPORATED

50 Wall Street, New York, N.Y.

The fully administered fund

GROUP SECURITIES, INC.

A mutual fund investing in bonds, preferred and common stocks, with the proportions "balanced" in accordance with market conditions.

The Keystone Company

DUNCAN HAMILTON, Pres.

Please sent the prospectus indicating your Organization and the shares of your firm.

**Keystone Custodian Funds**

BOND, PREFERRED AND COMMON STOCK FUNDS

The Keystone Company

236 Tainter Street, N.W.

WASHINGTON, D. C.

**Investing in ATOMIC SCIENCE through MUTUAL FUND.**

ATOMIC DEVELOPMENT MUTUAL FUND, INC. is designed to provide a managed investment in a variety of companies participating in the atomic industry, from Atomic Science.

GET THE FACTS AND FREE PROSPECTUS

Atomic Development Securities Co., Inc.

300 NORTH TARRANT STREET, N.W.

WASHINGTON, D. C.

10

**OPEN END COMPANY STATISTICS—SEPTEMBER 30, 1955**

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
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<tr>
<td>Paid-In-Cap.</td>
<td>$40,000,000</td>
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<tr>
<td>Reserve for Unc.</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Shareholders' Equity</td>
<td>$50,000,000</td>
</tr>
</tbody>
</table>

**In the "engineering dream" stage of development, the "see through" equipment will permit the measurement of the total cost of the average missile.**

"Investors" DIVERSIFIED SERVICES, INC. 815 S. Wabash Ave., Chicago, Ill. 
SYNDICATE OF AMERICA, INC.

---

**Bullock Analyzes Missile Step-Up**

The nation's guided missile program has been stepped up during the next few years and the Government has invested much more than the present estimated development costs. The letter is written following the recent approval of the Missile Development and Production Act of 1955, according to an analysis by the investment management department of Bullock, Graeff & Co.

The "proven companies," those which have demonstrated their ability, are now able to go back to the Government for additional developmental funds. The new funds will be used for both their own research and development and for that of other companies.

"With possible broad changes indicated for the future, the investor will have to alert his interest to determine which companies are to benefit the most," the letter concludes.

Massachusetts Life Fund, a balanced mutual fund, reports for the quarter ended September 30, 1955 total net assets of $25,035,548, a gain of $12,308 per share on 670,891 shares outstanding. This compares with $1,011,500, or $33.08 per share on 99,452 shares outstanding for the same period a year ago.

On Sept. 30, 1955, common stock of Bullock, Graeff & Co.'s fund was sold, with a 0.73% in preferred stocks, and 27.65% in bonds and cash.

"Large investors holding in the common stock moved on Sept. 29 in public utilities, oil, steel, automotive, and aircraft, and rubber."

Additional funds "drew the following with considerable strength in U. S. Treasury notes, high-grade corporate, and preferred stocks. Utility stocks were increased in the common stock holdings of the fund."

---

**Total** $39,071 $1,759,065 $6,109,390 $5,369,700

<table>
<thead>
<tr>
<th>Month of Issue</th>
<th>1955</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>$126,251</td>
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<tr>
<td>August</td>
<td>$123,400</td>
</tr>
<tr>
<td>September</td>
<td>$124,900</td>
</tr>
<tr>
<td>Total</td>
<td>$374,551</td>
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</tbody>
</table>

**Total** $8,772 $65,214 $238,643 $330,587

**Number of Accumulation Plans Opened**

<table>
<thead>
<tr>
<th>Month of Issue</th>
<th>1955</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>9,855</td>
</tr>
<tr>
<td>July</td>
<td>10,582</td>
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<tr>
<td>August</td>
<td>29,971</td>
</tr>
<tr>
<td>Total</td>
<td>58,422</td>
</tr>
</tbody>
</table>

**Number of Shareholder Accounts**

<table>
<thead>
<tr>
<th>Month of Issue</th>
<th>1955</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>35,815</td>
</tr>
<tr>
<td>July</td>
<td>38,699</td>
</tr>
<tr>
<td>August</td>
<td>40,796</td>
</tr>
<tr>
<td>Total</td>
<td>115,220</td>
</tr>
</tbody>
</table>

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**The FULLY ADMINISTERED FUND**

GROUP SECURITIES, INC.

A mutual fund investing in bonds, preferred and common stocks, with the proportions "balanced" in accordance with market conditions.

A PROSPECTUS ON REQUEST from your investment dealer.

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DISTRIBUTOR GROUP, INCORPORATED

50 Wall Street, New York, N.Y.
Eaton-Howard
Assets Now Over $210 Million

Combined assets of the two Eaton & Howard departments were at a new high of $210,707,577 on Sept. 30, 1954. Eaton & Howard Funds (6.5% coupon) increased to $80,493,219 during past 12 months, an increase of $11,831,937 since Sept. 30, 1953. Eaton & Howard, which reported shareholders, shows assets of $168,259,902 on its balance sheet. The outstanding is $210,707,577. A dividend of 4.5% will be declared and paid out to those holders of $210,707,577. A dividend is expected to be paid on Sept. 30, 1954, totaled $7,453,431 compared with $7,073,377 on Sept. 30, 1954.

Common stocks totaled 65.5% of the total of all property invested in preferred stocks; 14.8% in corporate bonds; 5.5% in cash, U.S. Government securities or short-term notes. Largest common stock holding was a $1.5 million balance in a short-term note held by the company in the United States. The company in the United States was in U.S. governments, government-insured institutions, and corporate bonds, amounting to $5,351,899, equal to $8.13 per share, it was reported.

The Federal Reserve Bank of Boston net assets on Sept. 30, 1954, was $134,444,737, $3,531,899, equal to $8.13 per share, it was reported. It was a large increase of 5.5% over the net assets on Sept. 30, last year, equal to $8.13 per share. During the 12 months' period, the net assets of shareholders increased from $93,398,601 to $342,426. The report notes that at the end of the 12-month period, the bonds owned were of bank quality, with 50% of the bonds owned by the company in the United States. The company in the United States had sold a number of bonds at par to investors in the United States. The company in the United States had a number of bonds at par to investors in the United States.

National Investors Corp. income for the first nine months of 1955, as shown in the most recent report, was $115,000,000. In 1955, a record high of $115,000,000, the company in the United States had a number of bonds at par to investors in the United States. The company in the United States had a number of bonds at par to investors in the United States. The company in the United States had a number of bonds at par to investors in the United States.

Eaton-Howard, which is a leader in the retail field, has announced that it will increase its dividend from 3.5 to 4.5%.

Roger G. Johnson Opens
PT. LAUDERDALE, Fla. Roger G. Johnson is engaged in insurance work. Two new insurance offices at 2007 Northeast 29th Court under the firm name of Johnson & Company, Mr. Johnson was formerly associated with Hopwood of Minneapolis and Andrew B. Knox & Co.

Invest. Research
WASHINGTON, D.C.—Investment in securities by the company in the United States for the quarter ended Sept. 30, 1954, was $32,457,315 on Sept. 30, as compared with $17,071,923 at the beginning of the period. No changes in the company's investments were reported.

Lloyd Arnold Adds
SAN ANTONIO, Texas—Shupp Inv. Co. has been merged into the Arnold organization. The Arnold organization, which is a subsidiary of Arnold & Company, 401 North Camden Drive. Arnold & Company, which is a subsidiary of Arnold & Company, 401 North Camden Drive.

That Little Bit Extra
There is nothing that will bind your customers closer to you than this simple little gesture. Pay special attention to such details as a telephone call when news of the birth of a child comes through to your office, or an extra special attention to a customer who is in the hospital. This is something that will be appreciated. It will be remembered and will help hold your customers and get you more business as a result of their recommendation.

But Sinister Must Be Real
There is something about a genuine bargain that cannot be counterfeited. No man can act like the friend of his customers and say, "I have been doing business with you. Why not take advantage of this offer and save more money?" If you say to your customer, "Why not take advantage of this offer and save more money?" he will not be interested. You have to sell the idea in such a way that he will be interested in it.

It's Not What You Ask for
You can't ask for a bargain or a discount on your goods or services. You have to sell it. Why? Because it's not what you ask for but what you give that counts. You have to give your customers something that they want, and they will be interested in it. They will be interested in it because they know that it's worth their while to take advantage of it. They will be interested in it because they see that it's a good deal for them. They will be interested in it because they know that it will save them money. They will be interested in it because they want to save money.

Business, trade and service industries have been affected by the trend toward lower prices. In the retail trade, the trend has been toward lower prices. In the retail trade, the trend has been toward lower prices. In the retail trade, the trend has been toward lower prices.

H. J. Farnsworth & Co.
700 S. Dearborn St.
Chicago 4, Ill.

Public Utility Securities
The Southern Company
BY OWEN ELY

The Southern Company, controlling four large subsidiaries through its consolidated holding company, is the largest electric system in the South, with a gross capacity of over $200 million. This is virtually an increase of 50% over 1954. This is about the same as the increase in the gross capacity of the Southern System, the major system of the South, which increased by about 50% in 1954.

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

**Federal Reserve Bank of St. Louis**

**Digitized for FRASER**

<table>
<thead>
<tr>
<th>Year</th>
<th>Month</th>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
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<td>1934</td>
<td>Jan</td>
<td>Gross National Product</td>
<td>123,825,310</td>
<td>13.6%</td>
</tr>
<tr>
<td>1934</td>
<td>Feb</td>
<td>Gross National Product</td>
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<td>Dec</td>
<td>Gross National Product</td>
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<td>13.6%</td>
</tr>
</tbody>
</table>
Securities Now in Registration

Nov 3rd (Thursday)
 Chesapeake & Ohio Ry.... Equip. Trust Cfs. (Ohio & Int'l. Sub. Cfs) $1,000,000.

Nov 4th (Friday)
 Wisconsin Southern Gas Co., Inc. Common (term after 1958) $500,000.

Nov 7th (Monday)
 Commonwealth Life Insurance Co., Inc. Common $200,000.

Nov 8th (Tuesday)
 Chicago, Rock Island & Pacific RR. Equip. Trust Cfs. (Ride Cept) $2,500,000.

Nov 9th (Wednesday)

Nov 10th (Thursday)
 United Gas Co. Bonds $100,000.

Nov 11th (Friday)
 Keys Keyes Co., Inc. Preferred (offering to underwriters) 100,000 shares.

Nov 14th (Monday)

Nov 15th (Tuesday)
 International Metals Corp., Inc. Common $1,000,000.

Nov 16th (Wednesday)
 Marquette Cement Manufacturing Co., Inc. Common $1,000,000.

Nov 21st (Monday)
 General Foods Corp. Common $1,000,000.

Nov 22nd (Tuesday)
 New England Tel. & Tel. Co. Preferred Common $1,000,000.

Nov 23rd (Wednesday)
 Arizona Public Service Co. Common (First Boston Corp. and Blyth & Co., Inc., Boston, Mass.) $200,000.

Nov 24th (Thursday)
 Crystallex Industries, Inc. Preferred Common $1,000,000.

Nov 25th (Friday)
 Michigan Consolidated Gas Co. Preferred Common $1,000,000.

Nov 28th (Monday)
 Old Empire, Inc. Preferred Common $1,000,000.

November 17 (Thursday)
 Colorado Interstate Gas Co. Preferred Common $1,000,000.

November 19 (Saturday)
 Continental Illinois National Bank & Trust Co. Preferred Common $1,000,000.

November 20 (Sunday)
 Mobil Oil Corp. Preferred Common $1,000,000.

November 21 (Monday)
 American Motors Insurance Co., Inc. Preferred Common $1,000,000.

November 22 (Tuesday)
 Republic of China, Government Bonds $1,000,000.

November 29 (Tuesday)
 Wm. H. Saalfeld & Co. Preferred Common $1,000,000.

December 4 (Sunday)
 New York Life Insurance Co. Preferred Common $1,000,000.

December 5 (Monday)
 First National Bank of Chicago, Corp. Preferred Common $1,000,000.

December 7 (Wednesday)
 North Shore Bank Co., Inc. Preferred Common $1,000,000.

December 11 (Monday)
 Washington & Jefferson Corp. Preferred Common $1,000,000.

December 12 (Tuesday)
 Wm. H. Saalfeld & Co. Preferred Common $1,000,000.

December 18 (Monday)
 New York Life Insurance Co. Preferred Common $1,000,000.

December 19 (Tuesday)
 First National Bank of Chicago, Corp. Preferred Common $1,000,000.

December 22 (Friday)
 Wm. H. Saalfeld & Co. Preferred Common $1,000,000.

December 23 (Saturday)
 Washington & Jefferson Corp. Preferred Common $1,000,000.
Continued from page 39

**Big Sandy Syndicate, Inc.**
Oct. 25 (letter of notification) 1,510 shares of common stock ($1 par value, to be publicly offered at $20 per share). Proceeds—For mining expenses. Underwriter—James E. Reed Co., Denver, Colo. Underwriter—None.

**Big Ute Uranium Corp., Overton, Nev.**

**Bishop Canyon Uranium Corp., Hobbs, N. Mex.**

**Black Panther Uranium Co., Oklahoma City, Okla., July 22 (letter of notification): 400,000 shares of common stock (par $1). Price—$1 per share. Proceeds—To explore and develop a uranium mine. Underwriter—William F. Turner, St. Louis, Mo. Underwriter—None.

**Blackhawk Fire & Casualty Insurance Co.**
Oct. 28 filed 200,000 shares of common stock (par $2.50), of which 170,027 shares are to be publicly offered at $5 per share, and 29,475 shares are to be purchased by Town and Country Insurance Agency, Inc., at 51 cents per share. Proceeds—to acquire through merger the Blackhawk Mutual Insurance Co. Office—Rockford, Ill. Underwriter—Arthur M. Kremsky & Co., Chicago, Ill.

**Blenewood Mining & Uranium Corp., Denver, Colo.**

**Bolling & Co., Detroit, Mich.**
Oct. 31 (letter of notification) 90,000 shares of common stock (par one cent). Price—$1 per share. Proceeds—Proceeds to be used for payment of 5% sinking fund mortgage bonds, and for working capital. Underwriter—Hobbs, Scott, Horner & Co., Lawrence and Levy and Williams, both of San Francisco.

**California Electric Power Co.**

**California Limestone Producers, Inc.**
Oct. 7 (letter of notification) 38,880 shares of common stock (par $5). Proceeds—To acquire interest in common stock holders of record. Oct. 25 on the basis of one new share for each five shares held. Price—$11 per share. Proceeds—to be used for working capital. Office—345 Scotton Ave., Detroit, Mich.

**California Consumers Corp.**
Sept. 21 filed 32,842 shares of capital stock (par $10) being offered for subscription by record holders of record. Oct. 18 on the basis of one new share for each share held. Price—$20 per share. Proceeds—to be used for working capital. Office—310 E. Indiana Ave., Indianapolis, Ind.

**California Electric Power Co.**
July 3 (regulation "D") 2,000,000 shares of common stock (par $1). Price—$1 par value. Proceeds—to finance sale of stock, together with other funds. Proceeds—to be used for payment of 5% sinking fund mortgage bonds, and for working capital. Underwriter—Hobbs, Scott, Horner & Co., Lawrence and Levy and Williams, both of San Francisco.

**Colombia Chemicals, Inc.**

**Columbus Uranium Mines, Ltd., Montreal, Can.**
June 3 (regulation "D") 2,000,000 shares of common stock (par $1). Price—$1 par value. Proceeds—to finance sale of stock, together with other funds. Proceeds—to be used for payment of 5% sinking fund mortgage bonds, and for working capital. Underwriter—Hobbs, Scott, Horner & Co., Lawrence and Levy and Williams, both of San Francisco.

**Canaoo Manganese Mines, Ltd., Toronto, Can.**

**Camelback Mining Co., Phoenix, Ariz.**
Aug. 7 (letter of notification) 5,000,000 shares of common stock (par $1). Price—$5 per share. Proceeds—For acquisition of properties, exploration and development of the properties, etc. Underwriter—Mountain States Securities, Inc., Denver, Colo.

**Central Electric & Gas Co.**
Oct. 19 filed 23,000 shares of 4.75% cumulative preferred stock (par $100). To be supplied to the Consolidated Gas Co. of New York (1,000 shares). Proceeds—to be deposited with and for the benefit of the Consolidated Gas Co. of New York for the purpose of repaying for fire losses, for the construction of additions and for the construction of plant, etc; for acquisition of Dixon Chemicals, Inc.; and for working capital. Office—Clif-

Oct. 16 (-letter of notification) 30,000 shares of common stock (par $1). Price—$1 per share. Proceeds—To acquire certain assets of the company, the proceeds to be used for working capital purposes. Underwriter.—None.

Oct. 16 (letter of notification) 7,000 shares of common stock (par $5). Price—$5 per share. Proceeds—For working capital purposes. Underwriter.—None.

Oct. 21 (letter notification) 4,000 shares of common stock (par $25). Price—$1 per share. Proceeds—For working capital purposes. Underwriter.—None.


Indian Monument Uranium Mining Corp., Denver, Colo—Oct. 16 (letter notification) 1,000,000 shares of common stock (par $1). Price—10 cents per share. Proceeds—For general corporate purposes. Underwriter.—Citizens Bank, New York.


Oct. 27, 1955 on the basis of one new share for each 15 shares held of record on Dec. 6, 1955, subscription price $10 per share. Proceeds—For retirement of bank loans incurred for construction. Underwriter.—Bankers Trust Co., New York.


Kansas City Title Insurance Co., Kansas City, Mo.—Oct. 16 (letter notification) 2,000,000 shares of common stock (par $1). Price—$1 per share. Proceeds—For general corporate purposes. Underwriter—None.


Keyes Fibre Co., Waterville, Me.—Oct. 21 filed 100,000 shares of cumulative first preferred stock. Proceeds—For repayment of bank loans. Underwriter.—None.


Keystone Custodian Funds, Inc., New York—Oct. 16 (letter notification) 6,000,000 shares of common stock (par $1). Proceeds—For general corporate purposes. Underwriter—None.

Kirby Oil & Gas Co.—Oct. 21 filed 100,000 shares of common stock (par $1), of which 100,000 shares are for the account of the company and 10,000 shares are for the account of the officers. Proceeds—To be supplied by amendment. Underwriter.—None.

Continued on page 42

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(1897) 41
Mexico Refractories Co., Mexico, Mo. Oct. 19 filed 27,776 shares of common stock (par $5) to offer. Proceeds—For construction of new refractories plant, a subsidiary, in exchange for 27,776 shares of common stock (par $5) of National on a share-for-share basis. National to remain. Proceeds Offer is conditional upon obtaining necessary approvals and upon consummation of exchange.


New Mexico Copper Corp. Sept. 8 (letter of notification) $100,000 of 6% convertible notes due 1968. Proceeds—To retire bonds at any time at $100 of bonds for 220 shares of common stock (par $1). Holders of common stock (par $1) to receive upon consummation of exchange.


Nortex Oil & Gas Corp., Dallas, Tex. (11/7/10) Oct. 26 (letter of notification) 2,536,000 of common stock (par $1). Proceeds—To be supplied by amendment. Proceeds—To purchase oil and gas properties and interests; for drilling and development costs; to pay off stockholders' note; and for general corporate purposes. Underwriter—Boyd, Washington, D.C.


Oil & Gas Co. Inc., California. May 23 (letter of notification) 6,000,000 shares of common stock (par $1). Proceeds—For general corporate purposes. Underwriter—Carroll and Company, New York.


Postal Life Insurance Co.

San Francisco, Calif. Oct. 5 (letter of notification) 100,000 shares of preferred stock, par value $50 per share; to be offered for subscription by stockholders at the rate of one share for each $100 of paid-in capital, at par. Underwriter—Bearings, New York.

Prospect Hill Golf & Country Club, Inc.


Quaker City Life Insurance Co.

Oct. 10 filed 25,000 shares of capital stock, par value $50 per share; to be offered to current stockholders. Underwriter—Lehman Brothers, New York.

Quaker State Foods Systems, Inc.

Pittsburgh, Pa. Oct. 6 (letter of notification) 15,000 shares of 7% cumulative preferred stock, par value $100 per share; to be offered at par. (5 shares per $100 price). Underwriters—To purchase the entire issue for distribution among the constituent companies. Underwriters—Lehman Brothers, New York; Boston and New York; and Sayle & Co., New York.

Radio Corp. of America (11/17)

Oct. 25 filed 7,000,000 shares of common stock, 15,000,000 shares of preferred stock. Underwriter—Armstrong, New York.

Radium Hill Uranium, Inc., Montrose, Colo.

Jul. 19 (letter of notification) 625,000 shares of common stock, no par value; to be offered to current stockholders of record on Jul. 13. Underwriter—Garland, Denver.

Real Estate Clearing House, Inc.

Sept. 29 filed 200,000 shares of 7% cumulative preferred stock (par $1) and 350,000 shares of non-cumulative preferred stock, par value $100 per share; to be offered to current stockholders of record on Sep. 14. Underwriters—Lehman Brothers & Co., Denver, Colo.

Redondo Tote Co.

Oct. 5 filed 375,000 of 5%/2% subordinated sinking fund debentures, par value $1000 each, of $750,000. Proceeds, $750,000, to be offered for subscription by all stockholders of record on Oct. 1. Underwriters—Bache & Co., Inc., New York.


Reynolds Steel Co., etc.


Redshift Cleaning House, Inc.

Sept. 28 filed 300,000 shares of 7% cumulative preferred stock (par $1) and 250,000 shares of non-cumulative preferred stock, par value $100 per share; to be offered to current stockholders of record on Sep. 16. Underwriters—Lehman Brothers & Co., Los Angeles, Calif.; Lauchter, Pierce & Co., Dallas, Tex.; Revel, M itchell, New York, N. Y.; and Baus, San Antonio, Tex.


Residential Building, Inc.

Oct. 23 (letter of notification) 1,900,000 shares of common stock (par $1). Price—$1 per share. Proceeds, $1,920,000, to be offered to subscription by all stockholders of record on Oct. 10. Underwriter—None.

Rogers Corp., Rogers, Conn.

Oct. 19 filed 100,000 shares of common stock, par value $50 per share; to be offered for subscription by the company's 1985 Employee Stock Ownership Plan. Underwriter—Bearings, New York.

Royal Caribbean Cruise Line, Inc.

Oct. 5 filed 3,000,000 shares of common stock, par value $1. Proceeds, $30,000,000, to be offered for subscription by all stockholders of record on Oct. 17. Underwriters—None.

Russell, Inc.

Sept. 29 filed 35,000 shares of common stock, par value $5 per share; to be offered for subscription by all stockholders of record on Sep. 21. Proceeds, $175,000, to be offered for subscription by all stockholders of record on Sep. 21. Underwriter—Bearings, New York.

San Juan Ranching Association, Inc., Puerto Rico.

Sep. 29 (letter of notification) 500,000 shares of common stock, par value $1 per share, of which 50,000 shares will be reserved for issuance upon exercise of stock options. Underwriters—Shields & Warren, Boston, Mass.; and Bache & Co., Inc., New York.

San Juan Uranium Exploration, Inc.

Aug. 18 (letter of notification) 50,000 shares of common stock, par value $1 per share; to be offered to current stockholders of record on Aug. 12. Price—To be determined by the company. Underwriter—Bearings, New York.


Sept. 24 (Letter of notification) 900,000 shares of common stock (par $1). Price—To be determined by the company. Underwriter—None.

Sawyer & Fish/Brick Co., Sayreville, N. J.

Sept. 30 filed 450,000 shares of common stock, par value $1 per share; to be offered to current stockholders of record on Sep. 27. Underwriters—Bearings, New York.

Sayre & Realtor Co., Winston-Salem, N. C.

Oct. 14 (letter of notification) 5,000 shares of common stock, par value $1 per share; to be offered to current stockholders of record on Oct. 10. Price—To be determined by the company. Underwriter—Bearings, New York.

Shannon Oil Corp., Litchfield, Va.

Oct. 25 (letter of notification) 1,000 shares of common stock (par $1). Price—$7 per share. Proceeds, $7,000, to be offered to current stockholders of record on Oct. 12. Underwriter—Nolo, Litchfield, Va.

Sheraton Corp. of America.

Oct. 31 (letter of notification) 51,900,000 shares of common stock, par value $1 per share; to be offered to current stockholders of record on Oct. 20. Price—To be determined by the company. Underwriter—Bearings, New York.

Shoshoni Basin Corp., Riverton, Wyo.

Oct. 24 (letter of notification) 500,000 shares of common stock, par value $1 per share. Price—To be determined by the company. Underwriter—None.
for expenses incident to mining activities. Office—312 Byington
Bldg., Reno, Nev. Underwriter—Lester L. LaFor

Utore Uranium & Diata, Inc., Vale, Ore.
July 28—Sold 100,000 shares of common stock (par one cent). Price—$2 per share. Proceeds—For expenses incident to mining activities. Office—312 Byington
Bldg., Reno, Nev. Underwriter—Lester L. LaFor

Weld Uranium Corp., Salt Lake City, Utah.
Aug. 1—Sold 1,000,000 shares of common stock (par one cent) at $1.50 per share. Proceeds—For secondary offering of debenture bonds due June 15, 1973, to be offered for subscription by common stockholders of record on June 15 to holders of debentures for each 10 shares of stock held; rights to expire on or about Nov. 7. Price—$1 per share. Proceeds—For expenses incident to mining activities. Office—312 Byington Bldg., Reno, Nev. Underwriter—Lester L. LaFor

Ute Wheeling Steel Corp. (11/17)
Oct. 16—Sold 20,818 shares of common stock (par $10) to be offered for subscription by stockholders on the record as of Nov. 1 for an offering expected to close Nov. 3; rights to expire on Nov. 29. Price—$16.50 to $20 per share. Proceeds—For working capital and extensions in refinancing of debt. Underwriters—The Milwaukeee Co., Milwaukee, Wis.; and Harley, Hayden & Co., and Bell & Farrant, Inc., both of Seattle, Wash.

Wolfsun Uranium Corp., Denver, Colo.

Wonder Oil & Mining Corp., Denver, Colo.
Aug. 12—Sold 2,300,000 shares of common stock (no par) at $5 per share. Proceeds—For expenses incident to mining activities. Office—41 Denver Natl Bldg., Denver, Colo. Underwriter—Fromer & Co., New York, N.Y.

Woodrow Douglas Oil Co., Pecos, Texas (11/14)
Oct. 24—Sold 600,000 shares of common stock (par $1) at $4 per share. Proceeds—For expenses incident to mining activities. Office—320 West Third St., Pecos, Tex. Underwriter—Kline & King, Lubbock, Tex., and New York, N.Y.

Wyoiton Oil & Gas Co., Newcastle, Wyo.
Sept. 29—Sold 100,000 shares of common stock (par $1) at $5 per share. Proceeds—At the market. Proceeds—To August Buschmann, of Seattle, Wash., and members of his family. Underwriter—None.

Yellowknife Uranium Corp.
Aug. 19—Sold 1,000,000 shares of common stock (par one cent), of which 700,000 shares are for company's account and 271,000 shares for account of two selling stockholders, for a total of $271,000. Proceeds—For working capital. Underwriter—None. Underwriter—Indefinitely postponed.

Zenith-Utah Uranium Corp.
Sept. 14—Sold 200,000 shares of common stock (par $1) at $5.80 per share. Proceeds—At the market. Proceeds—To Blackwelder, of Salt Lake City, Utah, and Underwriter—Bel-Air Securities Corp., same city.

Prospective Offerings

Atlantic City Electric Co. Aug. 1, B. L. England, President, announced that the directors have authorized the public to the sale of a small amount of common stock (not more than 7,500,000 shares) to cover dividends and costs. Underwriter—None.

Atlas Plywood Corp. Oct. 12 it was reported company plans to issue and sell 250,000 shares of 5% convertible subordinated debentures. Proceeds—To repurchase our 10% mortgage bonds (due 1977) plus 5% interest for the year 1955. Meeting—Stockholders were to vote Nov. 2 on approving a proposal to increase the authorized common stock from 5,000,000 to 10,000,000 shares. Proceeds—To provide for possible future acquisitions of property. Underwriter—None. Underwriter—Manz & Co., New York, N.Y.

Barrin Steel Corp. Sept. 12 it was reported that early registration is expected for the proposed offering of 20,000,000 of preferred stock, series C, from the continuing operations of 5%! convertible subordinated debentures. Proceeds—To raise $6 million for working capital, general and other corporate purposes. Underwriter—Lee Higgins, Biggum, New York, N.Y.

Bosman & Maine RR. Oct. 20 stockholders approved a plan to offer $15 principal amount of series B 5% debenture bonds (plus 5% interest for the year 1955) in each of the outstanding 74,597 shares of 5% preferred stock. Not in excess of $25,746,564 of bonds would be issued.

Hamle Bros Chase Candy Co. Oct. 1, 1955, stockholders on Nov. 4 will vote on approving a registered issue of 240,000 shares of common stock. Proceeds—To be used for increasing the authorized common stock from 1,000,000 to 1,240,000. Underwriter—May be F. S. Yantis & Co., Inc., Chicago, Ill.

Campbell Chibougamau Mines Ltd. Aug. 28 issued a prospectus of offering of about 150,000 shares of common stock will be registered with the Securities and Exchange Commission. Proceeds will be used to acquire additional copper mining undertaking on Merrill Island, Quebec, Canada. Underwriter—Allen & Co., New York. Offering expected for three or four weeks.

Chesapeake & Ohio Ry. Underwriter—None. Bids are expected to be received by the company up to the end of the month for 1,000,000 outstanding 6% equipment trust certificates. Probable bidder: Hall, Sturt Co. & Co.; Salomon Bros. & Hutzler, Kidder, Peabody & Co.

Chicago, Rock Island & Pacific RR. Aug. 24—Sold 6,000,000 shares of non-assessable common stock at $12 per share. Proceeds—For the purchase of approximately 1,200,000 shares of common certificates. Office—1320 North Third St., Pecos, Tex. Underwriter—Kline & King, Lubbock, Tex., and New York, N.Y.


Crag Systems, Inc. Underwriter—None. The company plans early registration of 175,000 shares of common stock, of which 25,000 shares are to be sold for the account of the company and 150,000 shares for certain selling stockholders. Price—To be determined by underwriter. Underwriter—Hambro, Noyes & Co., New York.

Delaware Power & Light Co. (11/13) Sept. 27 issued a prospectus of offering of by mid-Decemter 100,000,000 of bonds and $3,000,000 of preferred stock and also expects to undertake some common stock and preferred stock offerings. Proceeds—To repay bank loans and for construction program, which includes two plants in Delaware and a new hydroelectric project. Underwriter—to be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Morgan Stanley & Co.; and The First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Beane (jointly); Carl M. Loeb, Rhoades & Co.; Blyth & Co. & Co.; and The First Boston Corp. (jointly). Underwriter—First Boston Corp. (jointly).


Brothers; W. C. Langley & Co. and Union Securities Corp. (jointly); Morgan Stanley & Co. Bids—Expected to be released.

Du Mont Broadcasting Corp. Aug. 10 it was announced that the corporation, following issuance to stockholders of Allen B. Du Mont Laboratories of $44,622 shares of common stock as a dividend, which contains that additional shares will be offered for sale. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. (jointly); Blair & Co. Incorporated. Bids—Expected on Jan. 11.

New York Telephone Co. Jan. 17, Robert J. Murphy, President, announced that the company will have to raise more than $100,000,000 to enable it to aid in carrying out its expansion and improvement programs at a cost of approximately $200,000,000. Underwriters—For any bonds, to be determined by competitive bidding. Probable bidders: Morgan Stanley & Co., Halsey, Stuart & Co. Inc.; Stewart & Co. Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly); Blair & Co. Incorporated. Bids—Expected on Jan. 11.

Northern Pacific Ry. Sept. 11 it was announced that the company plans the issue and sale late in November of $1,550,000 equipment trust certificates. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers; Smith, Barney & Co., Kidder, Peabody & Co., and White, Weld & Co. (jointly); Blair & Co. Incorporated. Bids—Expected late in November.

Northern States Power Co. (Minneapolis) March 29 it was announced that new capital requirements for 1978 will approximate $31,000,000. Proceeds plans contemplate these funds will be used temporarily from short-term bank loans to be repaid from proceeds of the sale of additional bonds late in 1978 or early 1979. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc. and The First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Beane; Kidder, Peabody & Co., and White, Weld & Co. (jointly); Equitable Securities Corp. and Union Securities Corp. (jointly); Smith, Barney, Horwitt & Co., Inc. other securities publishers and brokers and Bider & Co. (jointly); Glore, Forgan & Co. (jointly).

Northern Electric Co. Aug. 21 it was announced that the company plans the issuance of new $1,500,000 Series A preferred stock at $100 per share. Proceeds will be used for general corporate purposes.

Pennsylvania Electric Co. May 28 1978 edition of the New York Times reported the company was planning to issue $30,700,000 of first mortgage bonds.

Pennsylvania Steel Corporation. Oct. 30 it was announced that the company plans the issue and sale of 375,000 shares of new common stock at $31 per share.

Pepsi Cola Co. Aug. 10 it was announced that the company plans to issue and sell $45,000,000 of first mortgage bonds if market conditions permit. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers; Merrill Lynch, Pierce, Fenner & Beane; Kidder, Peabody & Co., White, Weld & Co. (jointly); J. P. Morgan & Co. Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly); Blyth & Co., Inc.; and The First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Beane, Kidder, Peabody & Co., and White, Weld & Co. (jointly); Equitable Securities Corp. and Union Securities Corp. (jointly); Harriman Ripley & Co., Inc. Bids—Expected on Dec. 20.

Pine Hole Parking of Texas, Inc. Oct. 22 it was announced that about 800,000 shares of new common stock were being offered to the public on or around the first of next year. Proceeds—For construction purposes. Underwriters—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co., Smith, Barney & Co., Harriman Ripley & Co. (jointly); Kidder, Peabody & Co.; the First Boston Corp.; Smith, Barney & Co. (jointly); Smith, Barney, Horwitt & Co., Inc.

Pike County Natural Gas Co. Oct. 17 it was announced that plans to sell about $600,000 of common stock. Underwriter—Eische & Co., New York.

Puget Sound Power & Light Co. Oct. 29 it was announced that the company plans to issue and sell $25,000,000 of new debentures due 1955. Proceeds—For expansion program. Underwriters—To be determined by competitive bidding. Halsey, Stuart & Co. Inc.; Smith, Barney, & Co., Lazard Frerees & Co. and Blyth & Co. (jointly); Lehman Brothers, Union Securities Corp. and Seaboard Bros. & Whitley (jointly); Kidder, Peabody & Co.; Equitable Securities Corp. Offering—Expected to be released in March.

Quick Minute Maid Corp. Nov. 2 it was announced company plans to issue and sell $20,000,000 of 6 1/2% debentures due 1959. Proceeds—To take charge of expanding volume of business, which is expected to grow. Underwriters—J. P. Morgan & Co., Inc.; Kidder, Peabody & Co.; Paine Webber & Co.; and Salomon Brothers. Bids—Expected to be released on Dec. 14. Registration—Planned for Nov. 18.

New Orleans Public Service Inc. (1/11) Oct. 24 it was announced company plans sale of 60,000 shares of common stock as preferred stock (par $100). Underwriter—To be determined by competitive bidding. Probable bidders: W. C. Langley & Co.; Lehman Brothers; Merrill Lynch, Pierce, Fenner & Beane; White, Weld & Co.; Kidder, Peabody & Co. and Stone & Webster Securities Corp. (jointly); The First Boston Corp.; Equitable Securities Corp. and Union Securities Corp. (jointly); (28,000 shares). Bids—Expected on Jan. 11.


Scott Paper Co. Sept. 20, Thomas B. McCabe, President, announced a major financing program will probably be undertaken by the company in 1979. No decision has been reached as to the precise type, amount or date of financing. Stockholders authorized issuance of $100,000,000 of preferred stock. Authorized common stock increased to $250,000,000 from $50,000,000. Proceeds—To be used for expansion program.

South Texas Oil & Gas Co. Aug. 30 stockholders authorized issuance of $110,000,000 of cumulative convertible preferred stock (par $100). Proceeds—To be used for general corporate purposes. Underwriters—For any common stock. Bids—Expected to be released on Aug. 30, of which 300,000 shares (to be convertible into common stock) have been set aside for offer to preferred stock holders. Proceeds—For working capital and expansion. Underwriter—Dean Witter & Co., San Francisco, Calif.

Sterling Precision Instrument Corp. June 6 the stockholders voted to approve an authorized issue of 500,000 shares of first preferred stock (par $100), of which 300,000 shares (to be convertible into common stock) are designated for issue. Proceeds—For working capital. Office—Buffalo, N.Y.

Texas Gas Transmission Co. March 15 it was announced company plans to sell additional $50,000,000 of common stock for construction, which is estimated at about $175,000,000. Underwriters—Head & Co. Inc., New York.

Texas Industries Inc. Oct. 11 stockholders authorized new issue of 30,000 shares of new common stock (no par value), of which 20,000 shares (par value to be $1.25) would be sold at $20 per share and having a redemption value of $105 per share, in connection with an expansion program. Underwriters—Rauscher, Pierce & Co., New York.

Texas Midland Oil Co., Midland, Texas Oct. 24 it was reported company may sell securities to public through Underwriter—Kramer, Woods & Co., Inc., Houston.

Van Norman Co. Oct. 25, it was announced stockholders on Nov. 30 will vote on proposal to sell additional preferred stock to Van Norman Industries Inc., and on creating an issue of 400,000 shares of $2.28 convertible preferred stock (cumulative) to be traded on first option. For acquisitions. Underwriters—Paine, Webber, Jackson & Co., New York.

Virginia Electric & Power Co. (12/6) Aug. 2 it was announced that company plans to issue and sell $25,000,000 of cumulative preferred stock (par $100) in a convertible preferred stock program. Underwriters—To be determined by competitive bidding. Proceeds—For new expansion. Underwriters—Smith, Barney & Co.; Lehman Brothers; and Seaboard Bros. & Whitley (jointly);

Western Maryland Ry. Oct. 10 stockholders approved a plan authorizing issuance of additional shares of common stock and changing the par value of the common shares from $10 per share to no par value. The plan calls for the offering to each stockholder of the right to purchase one new common share for each six shares of stock now owned, regardless of class (Baltimore & Ohio RR would subscribe for 55,000 shares). Underwriters—Morgan Stanley & Co., New York, and Alex. Brown & Sons, Baltimore, Md. Offering—Expected about mid-November.

Western Maryland Co. Oct. 31 it was reported company plans new financing in future. Underwriter—White, Weld & Co, New York.

Westspan Hydrocarbon Co. March 2 it was announced Sinclair Oil Corp. has agreed with the Government to sell to Shell Oil Div. 200,000 additional shares of Sinclair’s common stock through the sale of $4,000,000 or $5,500,000 of capital stock. Proceeds—To selling stock to Shell Oil Div. in New York, Offering—Expected about the middle of December.

Rocky Mountain Gas & Electric Co. Oct. 13 company applied to the New York P. S. Commission for authority to issue and sell to its common stockholders 200,000 additional shares of common stock on the basis of one new share for each seven shares held.
Continued from page 5

Observations...

rather than be merely determined by tradition or justified by
domestic business performance. It also has the side effect
taken into account the anticipated stability of the earning power, growth possibilities, evidenced dividend policy, and working capital.

The earning power of the balance sheet should be mea-
...
Office Direct to Lender

Despite the vastness of the financing which they are undertaking, the members of the A.M. & P. have been able to go direct to the lender for the funds they need.

East Coast Airlines this week concluded a deal with Equitable Life Assurance Society of New York for a $30 million loan to run for 20 years, at 4 1/2%. A new employment due during the first 10 years.

American Airlines has obtained a loan of $10 million, for a 5 year period, at 4 1/4% from Metropolitan Life Insurance Co.

Smith, Barney Group Offers Ranco Shares

Smith, Barney & Co. has been active in the market for the Ranco common shares, and it is expected that the properties, by years, will be as follows: in 1955, $120,000,000; in 1956, $120,000,000; in 1957, $135,000,000; in 1958, $125,000,000; and in 1959, $100,000,000.

Commonwealth Edison Offer Underwritten

Commonwealth Edison Co. is offering to its common stockholders of record Nov. 1, the right to subscribe to on or before Nov. 16 for 1,110,307 additional shares of common stock (par $20) at $37.50 per share on the basis of one new share for each 100 common shares held. This offering is underwritten by a group of member dealers headed by The First Boston Corp. and Chase, Mann & Co. The warrant agents for Commonwealth Edison Co., acting as its own agent, are: J. W. L. Elder, Vice President, and The Hanover Bank, 20 Broadway, N.Y. 6. Proceeds from the sale of the additional stock will be added to working capital for further expansion.

DIVIDEND NOTICES

A. E. Brown Company

The Board of Directors of the A. E. Brown Company has declared a quarterly dividend of 50 cents per common share payable December 15, 1955, to stockholders of record as of December 1, 1955.

Commonwealth Edison Co.

A dividend of $62.5 per share on the $50.00 par value 5% cumulative convertible preferred stock of this Corporation has been declared payable December 15, 1955, to holders of record as of December 1, 1955.

Omnicom, Inc.

A dividend of 1.00 per share on the common stock of this corporation has been declared payable December 15, 1955, to stockholders of record as of December 1, 1955.

American Meter Company

The Board of Directors of American Meter Co. has declared a dividend of 27% per share payable December 15, 1955, to stockholders of record as of December 5, 1955.

American Power & Foreign Policy Co.

The Board of Directors of the American Power & Foreign Policy Co. has declared a dividend of 30 cents per share payable December 15, 1955, to stockholders of record as of December 5, 1955.

DIVIDEND NOTICES

DIVIDEND NOTICE

Edison Electric

The Board of Directors of the Edison Electric Co. has declared a quarterly dividend of 4 1/2% payable December 15, 1955, to stockholders of record as of December 1, 1955.

American Investment Company of Illinois

A quarterly dividend of 50 cents per share has been declared payable December 15, 1955, to stockholders of record as of December 1, 1955.

The Singer Manufacturing Company

The Singer Manufacturing Company has declared a quarterly dividend of 2 1/2 cents per share payable December 15, 1955, to stockholders of record as of November 19, 1955.

R. H. ALEXANDER

DIVIDEND NOTICE

HARBISON-WALKER REFRactories Company

Notice of Quarterly Cash Dividend

10¢ a share

Payable December 15, 1955

Record date, November 17, 1955

DIVIDEND NOTICES

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WASHINGTON, D.C. — In contemplation of the prospective political climate likely to confront the second session of the 89th Congress, it is natural for party leaders to try to plan their strategies and agreed upon program of legislation to come before the session.

On the other hand, it can turn out that no majority in either House, (b) that neither party has a faction, (c) that no major party has a majority in either House, (d) that neither party has a faction, (e) that neither party has a majority in either House, (f) that neither party has a faction, (g) that neither party has a majority in either House, (h) that neither party has a faction, (i) that neither party has a majority in either House, (j) that neither party has a faction, (k) that neither party has a majority in either House, (l) that neither party has a faction, (m) that neither party has a majority in either House, (n) that neither party has a faction, (o) that neither party has a majority in either House, (p) that neither party has a faction, (q) that neither party has a majority in either House, (r) that neither party has a majority in either House, (s) that neither party has a majority in either House, (t) that neither party has a majority in either House, (u) that neither party has a majority in either House, (v) that neither party has a majority in either House, (w) that neither party has a majority in either House, (x) that neither party has a majority in either House, (y) that neither party has a majority in either House, (z) that neither party has a majority in either House.

The inherently chaotic situation arises on the prospect that (a) neither party has a faction, (b) the House of Representatives has no major party, (c) neither party has a faction, (d) that neither party has a faction, (e) that neither party has a faction, (f) that neither party has a faction, (g) that neither party has a faction, (h) that neither party has a faction, (i) that neither party has a faction, (j) that neither party has a faction, (k) that neither party has a faction, (l) that neither party has a faction, (m) that neither party has a faction, (n) that neither party has a faction, (o) that neither party has a faction, (p) that neither party has a faction, (q) that neither party has a faction, (r) that neither party has a faction, (s) that neither party has a faction, (t) that neither party has a faction, (u) that neither party has a faction, (v) that neither party has a faction, (w) that neither party has a faction, (x) that neither party has a faction, (y) that neither party has a faction, (z) that neither party has a faction.

It is the awareness of those disrupting factors which causes the wisest of leaders to try to get a sort of general agreement on one or two points of major importance. In the light of the nature of the woo the parties might attempt to get such an agreement.

Of course, it is not likely in the immediate future that such an agreement would be reached, but it would be wonderful if it were.

The Democratic Party, however, unless a Democratic or a Republican member has an acknowledged leader, likely to become President if his party wins in November, will see in the House a little less likely to prevent that individual who would have a majority in the Senate unless the party has a majority. Naturally it would be wise if such an agreement could be obtained and would be followed.

The Republican Party is likely, unless a Democrat or a Republican member has an acknowledged leader, likely to become President if his party wins in November, will have a little less likely to prevent that individual who would have a majority in the House unless the party has a majority.

The blocs of those favoring one nominee over another will probably be divided on this issue, but the chief split would maintain intra-party disagreement. This division might rule as the most ideal way of permitting both party legislative programs.

Democratic Problem Illustrates

The present Democratic political situation best illustrates this difficulty to observers. There are three groups of candidates who call themselves Democratic nominees, all "liberal." No matter how the liberals are identified, ideologically the three hearts are at least all liberal, one, they will develop inevitably in their own individual objectives of winning coalition containing others.

It may be supposed, for instance, that in order to avoid riling the South, the ideal Congressional Democratic plight would be to avoid too much like a compulsory Federal Employment Security program.

However, if candidate No. 1 feels he is weak in such pivotal states as New York, Illinois, Ohio, and Michigan where the racial vote is most important, he, in contrast to those states, he is going to have to push in the earth to try to swing strength from his state to the state of his mind. His success in lowering in Congress will be more to move his own and earth to raise the racial issue.