EDITORIAL

As We See It

The Democratic leadership, which has for some time past been reported looking earnestly about for good "campaign material," has evidently arrived at the conclusion that the time has come for a "give-em-hell" sort of attack upon the Administration. Its "Advisory Council," upon which sit most of the influential leaders of the party, accordingly now issues a number of sweeping indictments of the Administration. The political merits of this tactic at this time, and even the question of the validity of the charges, we gladly leave to others better prepared to pass judgment. We are not disposed, however, to pass the matter by without notice since these spokesmen for the party make it distastefully clear that nothing constructive could be expected of any return to power of the Democratic party.

Consider the charges leveled at the Administration on account of its management of foreign policy, and then reflect upon what these charges imply as to the attitude of the Democratic party!

Take this passage from their indictment:

"The Administration has . . . tailored our defense establishment to meet preconceived budget goals rather than to provide the strength needed to preserve our national existence. As supposed budgetary pressures have become more intense, the Administration has increasingly starved our national defense."

"Earlier this year, the Administration presented to the Congress its 'minimum' program for national defense. But in a few months--

Continued on page 34

The World of Tomorrow Is in Our Hands

By HON. RICHARD M. NIXON*
Vice-President of the United States

In evaluating the Russian satellite's meaning to us, Vice-President Nixon holds: (1) we could make no greater mistake than to brush it off as a "scientific stunt"; (2) it would be folly to underestimate the challenge we face in the economic field, and (3) our military strength is of greater importance than tax cuts. Taking this U.S.S.R. achievement as a "grim and timely warning," Mr. Nixon outlines a program which would permit our overall superiority to succeed. This includes a doubling or tripling of private U. S. capital investment abroad, passage of such legislation as Reciprocal Trade Act and membership in OTC.

It will be no surprise to find that the major topic of discussion in Washington, as in San Francisco, Moscow, and in all of our cities, is the Soviet satellite now circling above the Earth. Let us examine first what the launching of this satellite means from a military point of view.

There has been a great deal of talk in recent months in connection with this event having changed the balance of military power in the world today. It is time that the record be set straight. Militaryy. the Soviet Union is not one bit stronger today than it was before the satellite was launched. The Free World remains stronger militarily than the Communist World. And we can meet and defeat any potential enemy who might dare to launch an attack. The only major military significance of this event is that the Soviet Union demonstrated again what we had known before—that they had developed the capacity to fire a


Just Plain Work Lies Ahead for the Gas Industry

By J. J. HEBDECK*
President, Independent Natural Gas Ass'n of America
President, The Peoples Gas Light and Coke Company

Gas transmission industry's spokesman projects increasing gas energy requirements for the next 20 years, despite electric, oil and atomic competition; proudly refers to $5 billion expansion plans for the coming eight years; and expects no supply problems or other difficulties in meeting demand providing revenus are attained at rising costs so as to attract investors. Mr. Hedrick regrets Gas Bill's dormancy, advances the common interest of producer, pipeline, distributor and the consumer, and attributes pipeline's withdrawal from developing and producing to inadequate incentive. Utters note of urgency regarding present shortighted policy.

This past year has been a good year in that the Independent Natural Gas and the American Gas Associations have learned to work together in a common cause. We have not relinquished our individual philosophies, rights or interests—rather we have recognized the problems attendant to each phase of the industry and in enlightenment arrived at solutions in the interest of all—the consumer included.

It is regrettable that as yet the Gas Bill has not been passed by Congress and signed by the President. It did not reach the floor of the House at this session, though approved by the Committee on Interstate and Foreign Commerce and approved for floor action by the Rules Committee, I sincerely believe that such legislation should become law for the good of the industry and consumers. As the members of Congress work on this Bill they, as we of the industry did, will more fully appreciate the magnitude of work involved.

Continued on page 30

SECURITIES NOW IN REGISTRATION—Underwriters, dealers and investors in corporate securities are afforded a complete picture of issues now registered with the SEC and potential undertakings in our "Securities in Registration" Section, starting on page 41.

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The Commercial and Financial Chronicle... Thursday, October 24, 1917

The Security I Like Best

A continuous forum in which, each week, a different group of experts in the investment and advice field from various parts of the country participate and give their reason for favoring a particular security.

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

MAURICE S. BENJAMIN
Senior Partner, Benjamin, Hill & Co.

McCall Corporation

When a severe break occurs in the general trend of the market, it seems wise for the investor to look over the list, and pick out some of the most serious cases. If he sifts through the list and finds one where the price has dropped like a bargain in the face of much economic and business analysis, he may have come up with a "P. A. Fast Stock."

For example, the McCall Corp. listed on the New York Stock Exchange for the last five years, 23½ years ago and is now 14. The highest price in the past 13½ years has been about $2.34. The company was incorporated in 1910, but one since 1910 and uninterrupted dividends have been paid since 1898. For 1877 in the first half year, the reports showed earnings of $1.99 vs. 90 cents for the same period a year ago. For the first year for the year looks $677 million, up about 50% over 1916. Current dividend rates are at the annual rate of 60 cents. The book value is $1.38 of the $2 par. The McCall Corporation publishes its own periodicals devoted to fiction, fashion, home administration, and other topics primarily of interest to women. In addition it prints under contract for other publishers and produces a wide line of women's wear. The largest single source of revenue is printing advertising material, McCall's Needlework, McCall's Needlework and Craft Annual, and McCall's Needlework and Craft Illustrated.

The company's principal magazine is McCall's with guaranteed monthly circulation of 4,500,000 issues and reach with 2,000,000 issues. Other publications include McCall's Pattern Book, Style News, McCall's Needlework, McCall's Needlework and Craft Annual, and McCall's Needlework and Craft Illustrated.

The commercial printing division is responsible for other McCall publications, including Reader's Digest, Newsweek, and U.S. News & World Report. The company is a leader in the field of catalogues. More than 750 million catalogues were printed in 1915. More than 48 different magazines are printed. Daily newspapers are cut in over 500 different newspapers.

The main printing and pattern manufacturing operation is in Dayton, Ohio. Editions, containing about one million square feet of floor space. Magazine publishing is handled entirely in the company's facilities, owned in Stamford, Conn., with 15,000 square feet. Wholesale-owned subsidiaries are distributed in England and Australia.

Employees: 4,783. Shareholders: 5,000.

Capitalization consists of $7,500,000 long term debt and $1,060,000 shares of common stock. Thirty-three percent of the stock is owned by a subsidiary of Hunt, Foster & Company.
The growth in population over the years ahead, higher personal incomes, and the need for better homes, the company should benefit McCall's business.

HENRY BRANDT
Financial Adviser

Kewaunee Oil Co.

Finding a clearly defined bargain among the larger oil companies is a difficult task. The great interest of investors in this group has caused the field to become very carefully for protection. The hope of finding a company with a low price so that when the stock has been closely held until recently so as to preclude a buying interest on the part of the public.

All of these factors combine to produce a large volume of Kewaunee Oil Co. is one of the oldest oil producing companies and has been in existence since 1917. However, as recently as 1913, Kewaunee had less than 10 stockholders, although this figure has now grown to over 600. Obviously, Kewaunee is in the process of transition from an "unknown" company, more actively traded and widely held. When this transition is complete it is reasonable to expect it to sell in line with other producers of similar size and ability.

Just how good is Kewaunee? This is a difficult question to answer, and does not have a clear-cut answer. If all companies would talk about the one thing when reserves are estimated, the degree of gain would be a helpful guide in arriving at management ability. However, there are wide variations in reserves estimates for a single company and often the management is completely silent on the matter.

Over a period of time, crude reserves are going to be reflected in crude production. While it is definitely true that the reserve production ratio will vary greatly from field to field, over a period of time companies with interests in hundreds of fields will have reasonably comparable ratios in the absence of special factors which can usually be noticed.

There are, therefore, as a test of management which has the advantage of being tangible, we have compared the gain in production between 1946 and 1956 of Kewaunee with six well-known companies listed on the New York Stock Exchange in order to observe 80% of their revenue from crude production. It will be noted from the statistical data that Kewaunee is a crude producer.

This Week's Forum Participants and Their Selections

McCall Corporation — Maurice S. Benjamin, Senior Partner, Benjamin, Hill & Co., New York City.

Kewaunee Oil Company — Henry Brandt, Financial Adviser, New York City.

McCall Corporation — Maurice S. Benjamin, Senior Partner, Benjamin, Hill & Co., New York City.

Kewaunee Oil Company — Henry Brandt, Financial Adviser, New York City.

The growth in population over the years ahead, higher personal incomes, and the need for better homes, the company should benefit McCall's business. The oil companies included in this study are more than the same size as the second, and smaller than the third.

Larger than any of the companies, about the same size as the second, and smaller than the third.

During the 1946-56 period Kewaunee's production gain was considerably greater than the growth of any of these highly regarded companies and 80% better than the average of the 6 companies. This was not the result of any single successful strike but a consistent sound program of drilling and purchase. This consistency is demonstrated by the fact that during the first five years of the period Kewaunee's revenue gain was relatively to the better-known companies was just about the same as during the last five years.

Clearly, on the basis of the past record Kewaunee would not only belong in the same league as the companies in the table but should certainly be in the first division. We do not the "pennant winner" on manuf actural output, but in the field of consistently affecting this management performance is that probably on the order of only one out of the 563,000 shares outstanding are held by the company's employees. The company's President, Mr. William Snider, has provided the company with leadership under which the outstanding record of the past 11 years, has been achieved.

All investors realize that, in the case of crude oil, "net profit figures are virtually unattainable. The improvement in the earnings which represent the amount management has at its disposal for exploration, dividends, shares, dividends, etc. As can be seen from the table the relation of price to cash earnings, Kewaunee is selling for only 40% of the average of the last four years with per indicators of production over the past five years. If we were to sell the average ratio commanded by any of the other companies, Kewaunee would be about $110 per share. Certainly the record of the company's earnings are being used as effectively as those of any of the other companies. Yet the market, due to lack of investor confidence, gives Kewaunee an earnings at a 5.31 ratio instead of a 8.51 ratio, which would appear more realistic.

The stockholder of the six companies listed on the Stock Exchange may have the satisfaction of looking at quotations daily but the owner of Kewaunee has the satisfaction of knowing he is obtaining valuable production, reserves and cash flow for each dollar he invests.

The company should be ripe for further gains in production. During 1934 it had 32,000 acres near 1936 and was bringing in 12 of its 31 successes. 1936-1956 was brought through with an amazing 26 out of 26 successes.

Continued on page 11

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How to Achieve Stability Without Booms and Recessions

By ELLIOTT V. BELL
Editor and Publisher
"Business Week" Magazine

A critical time ahead, due to business slowdown and Soviet arms race success, is foreseen by "Business Week" publisher unless more money is spent on defense and foreign aid, and more effective and better-coordinated fiscal-monetary policies, including stand-by credit controls, are substituted for the price stabilization techniques and recess of the 1920's. Unemployment corrections. Mr. Bell praises formation of top-level economic council; criticizes suggestions making currency stability the principal economic objective; finds analytic the price stabilization techniques unstable and standard; and warns we must promote growth in all directions.

This century has brought astonishing progress in material things. We have seen a revolution in transportation, communication, sanitation, the flowering of every branch of science, invention, the release of energy culminating in the use of splitting the atom and new, the launching by the U.S. of the first man-made satellite. Yet in two critical areas we have been repeatedly defeated—the search for enduring techniques for economic stability. Now, probably the most vital and interrelated. Certainly the Great Depression grew out of our failure to deal with the economic consequences of the first World War. And the author of World War II Adolf Hitler, emerged like a slimy salamander from the ashes of the Great Depression.

With respect to the threat of war, there is no doubt that you and I can directly do about it in our own way. But there is no question that our attitude is indeed so desperate that we are constrained to pray to the Almighty God—and John Foster Dulles. Matter of Economic Stability

In the matter of economic stability, I hold the opinion—perhaps it is a conviction but I cherish it—that we can do something. In this century we have been convinced that all of us, especially all of us in banking, can have a decisive influence on the outcome. We can have an effect not only by how we deal with our customers but also by our public-opinion and public-policy.

Everyone is in favor of stability, but more and more it is becoming impossible to achieve it. This is partly because we are we in the same idea of what stability means. More and more, the idea of stability may be very different from that of a Democrat or a worker or an Iowa farmer. Indeed, one man's stability may be another man's chaos... by a backward glance at the changing concepts of stability over the past 30 or 40 years.

Following World War I the classical concept of exchange stability—stability in the maintenance of the currency at a fixed price in gold. This was the price before Hitler considered the exclusive concern of international bankers and statesmen.

Anathematic Gold-Standard

The gold-standard idea of exchange stability was not at all inconsistent with marked instability in the field of employment and prices. In fact, the rise and fall of wages and prices within a country was a natural consequence of the international balance of payments and the maintenance of an external stability of exchange.

In the years between 1925 and 1933 the gold standard became anathema to millions as nation after nation sought a losing struggle to maintain exchange stability of the currency at the price of growing internal deflation, prices, wages, and opportunities. As the depression deepened, people ceased to care about foreign exchange stability but they were mightily interested in more jobs, better pay— and in the farm belt at least—a recovery of prices from the dismally level of 20 cent corn and 3 cent bogs. So during the '30's there emerged a new concept of the exchange rate that was quite different from the pre-depression concept. This new idea was popularly called "floating." But the floating rate is something which I need hardly define. Implicit in both these concepts was the idea that things would be better today than they were yesterday. Continued on page 22.
Observations

By A. Wilfred May

"ATOMS FOR POWER"—SOME IMPLICATIONS AND COMPLICATIONS

HARRIMAN, N. Y.—With all of us now scientific and technological experts since the advent of Sputnik, the revelation of the many niggling problems confronting policy makers shaping our country's nuclear future is most disquieting.

This is firmly brought to light by the proceedings of a five-day meeting of 65 representatives of science, business and government participating in the 12th American Assembly at Arden House here.

The deliberations here were directed at the utilization of atomic energy for the production of power, with the focus on the United States and the policies which it should adopt. But even here, the ramifications implied inevitably spill over into wide areas in national and international terms, with serious involvement within foreign policy considerations, including Cold War, European energy problem, and the United States' involvement therein, impressively marked by Max Kohnstamm, Secretary of the Action Committee for a United States of Europe, and one of the drafters of A Target for Europe, as he left as Secretary General of the High Authority of the European Coal and Steel Community. Kohnstamm flew here from the Netherlands to deliver this message.

Europe's energy problem, which he maintained must be fully shared by the United States, involved in itself as becoming constantly more serious. This is particularly true of Western European countries dependent on oil, with their increasing energy needs, on Middle East oil with its difficult political problems.

The Need for Education

One of the many pressing goals requiring the most intelligent and earliest attention atom-wise stems from the hiatus in effective action. The group found, as one of its conclusions, that the importance of the development of peaceful uses of atomic energy is widely felt but inadequately understood, with the observation, "the immediate and universal use of atomic power has been oversold. Ultimate possibilities both in the United States and more especially in the world at large have been mistated for present purposes. It stated further along these lines that the chief objectives must be clearly stated and widely publicized, particularly the notion that both labor and industry is indispensable to the PUBLIC versus PRIVATE SCHISM

As confirmed at these deliberations, the opening up of this new industry demonstrates anew the long-standing overhanging schism between private and public power. Although in the interest of keeping the proceedings reasonably peddled, it was agreed at the outset to maintain a "truce" on the question here, vehement debate thereon nevertheless persisted midst a "make-believe" which is armistic. Specifically recognizing that the relation between private enterprise and the private enterprise, the question was put: "Can a Spinet supply us with the stimulus to break through our democratic processes?"

COMING EVENTS

In Investment Field

CO-6-6, 1957 (Hot Springs, Va.) National Security Traders Association Convention at the Homestead.

Nov. 12, 1957 (St. Paul, Minn.) Liquid Security Traders Association Club dinner meeting on "The Future of Metal" at the St. Paul Hotel.


Jan. 17, 1958 (Baltimore, Md.) Maryland Security Traders Association meeting at the Southern Hotel.

Jan. 22-25, 1958 (Huston, Tex.) Texas Investment Bankers Association annual meeting at the Shamrock Hotel.

June 15-18, 1958 (Boston, Mass.) National Security Traders Association Convention at the Broomhrod, Banks for Cooperatives

The 13 Banks for Cooperatives offered publicly the 75.4% gain in production that netted the 200,000,000 1958 model built thus far. The most notable increase occurred in Pennsylvania, Connecticut and California, offsetting decreases in Michigan and New York.

Except for a few relatively tight products, steel sales are being met by increased door-to-door selling and fast delivery promises, "The Iron Age," national metalworking weekly, states this week.

"The iron age indicates that steel salesmen are out in force, including top salesmen sales executives.

Most steel users have been able to shift the inventory burden onto the mills in the last few weeks. On the other hand, the mills have not been successful in selling their own inventories to a minimum, including on the producers to come through with emergency tonnage.

The fact that they have filled orders for all that one mill can't make delivery, another will be happy to do so.

Easiness in steel has hit sheets, strip, bars, wire and tubing and in the last two quarters of the year steel producers were not too busy.

Apparently the furor over Russia's satellite and increased tension in the Middle East has failed to touch the steel market as buyers, now that the last few layoffs were the balance of the year. Others are buying in small lots at lower and lower prices, concludes "The Iron Age."

Estimated national income, the United States Department of Commerce reports, will show a further decline of the third quarter of 1957, continuing the downward trend since the fall of 1958.

In an article in the department's monthly survey of current business, the agency noted that national income for the first half of 1957 was $2,075,000,000, up 5.1% from the like period of 1956. The department said gains of $2,000,000,000 to $3,100,000,000 were recorded in each of the following years, with gains of the indicated for the third quarter.

The auto industry, forged faster ahead last week with a 7.4% gain in production that netted the 200,000,000 1958 model built thus far. The most notable increase occurred in Pennsylvania, Connecticut and California, offsetting decreases in Michigan and New York.

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Liberty, Strength and Justice Under the Republican Banner

By SHERMAN ADAMS

Assistant to the President of the United States

The President's principal administrative assistant staunchly defends his Administration's budget, national defense and fiscal policies and accentuates the Republicans' efforts to cease their "niggling differences" and upon all Americans to close "ranks behind our great President in this crusade of his and ours that concerns the very salvation of freedom in January."

Congress or the Executive Branch, or which one handles the affairs of the world better? The truth is, the parties are so very different that our nation is hardly a country when one holds the reins of government. Now, let's see what differences this makes.

Do you believe in depending upon the people or the government? Well, the record shows that at times we do have a feasible opportunity for the Democrats to lead the nation.

However, which is better for America—more public housing, or more and more private housing? The Republicans support the latter. And what about government competition with the businessman and the farmer? I refer to automobile repair shops, tea and garden nurseries, bakeries, shoe shops, gunsmiths, electricians—then there is the kind of government activity strength in America's first, the latter.

That's why in this Administration—especially in the latter part of the 1948 election—governmental activities were not competing with free private effort. In other words, the evidence of basic Democrat philosophy that this kind of competition was started in this Administration.

The importance of these Party differences shows up all and everywhere. I refer to the bookstores. Republicans think the average citizen can read a book on coffee roasting plant, dry cleaning plants, tire tread—daring these kind of government activity strength in America's second, the former, the latter.

There are many who have been officially condemned that encouraged widening gaps in our country. The result is that the all-over the world, America's shining symbol as the world's beacon of liberty and justice has been beached.

There the evil purposes of those who have the world in the sky have been perpetually afloat. But America, her foreign and justice have been assaulted and failed. America hangs her head in shame.

I mention these tragic events as dramatic evidence of the failure that lies beneath the facade of the Democratic Party in two. America is beset with cancer that has eaten away that Party's only possibility of responsible service at home and abroad. If we will but look, this is what we see:

The southern conservative wing of the Democratic Party has a stranglehold on the party. The northern-labor wing, when Democrats control the Executive Branch, the two wings totally disagree. But the supreme Presidential candidate can be elected on his two-party ticket, which the southern wing will oppose with all its heart and might. It is led by the entrenched Congressional seniority.

When, therefore, both Democratic candidates in power, the President and the Congress, the other Executive Branch, they are doomed to

I assume you that political expediency will not be allowed to govern and to lead us to such tragic results as obtained in prior Administrations.

It is also fiscal necessity that the budget be cut deep to reduce deficits of prior Administrations that in 1952 zoomed up to $6 billion. A $7 billion a year tax cut was provided. The budget was more than $1 billion in three years in a row now in prospect, in the next fiscal year, in projects, in the next fiscal year, in payroll contributions, in the next fiscal year, in the next fiscal year, in projects, in the next fiscal year, in projects.
Detroit Edison
By Dr. IRA U. COBLEIGH
Enterprise Economist

A great metropolitan utility characterized by unusual growth, unusual per share payout, and unusual service to its residential customers.

The preeminence of Detroit as the motor capital of the world seems to rest in part on the fact that the Detroit Edison Co. is one of the most distinguished large city electric companies in the country, with an area of 7,600 square miles (over three times as large as Delaware, and a population of four million and creating, for net revenues of about $300 million from a $1 billion gross property investment.

As a result, some investors have neglected Detroit Edison. It is true that in 1956 its earnings were high on automobile and automotive parts production, but that was almost a "one-industry" utility and, hence, a cyclically sensitive one. The facts reach a different conclusion. For 1956, farm and residential sales increased by 21%; industrial sales by 22%; automobile sales by 26%; and miscellaneous by 4%. In addition, the company does some steam heating in downtown Detroit, and owns some small water works in the suburbs. In 1955, however, it was derived electrically.

To provide the juice for its growing territory DTE has six steam generating plants with a capacity of above 3 billion kw; plus an additional unit of 250,000 kw to come on steam next spring. For example, the St. Clair plant can get additional power delivery from the Ontario Hydro Electric Commission along the Great Lakes-St. Mary's River; and on occasion the company plans to use its generating power to sell to the Commission. Capital outlays, actual, for 1956, and projected for 1957, have been supported by a $453,000 continuing dividend, in part, paid in April; in September in $70 million 41/4%, privately placed last July.

Utilities generally are in especial favor at this time due to their improved defense characteristics and their sustained long-term growth in net income and dividend declarations. On these points DTE has been quite a outstanding performer. In the ten-year period 1947-1956 (all pure operating revenue advanced) dividends increased 41% and earnings every year, from $106.3 million in 1946 to $210.1 million in 1956—a percentage gain of 122%. Net profits in the same period moved ahead even more rapidly. Therefore, dividends were increased five times in the ten years. If we accept the dictum that stockholders should be paid a steady return on their investment (a common one) should, on a long-term projection, continue to rise. Adjusted for change in the Consumer Price Index (CPI), DTE has ranged since 1947 between a low of $2.00 in 1950 and a high of $3.00 this year.

DTE has gained a considerable degree of control over its operating costs. It has actually reduced the number of its operating and investment properties over 27% since 1951 (while gross increased 45%), and now creates a kw. hour of electricity with 90% of the coal it required six years ago.

The fullest description of this issue will commence next July, and, as this is in May, an exposé should be set for further long-term mortgage financing by 1959 or 1960—quite likely at higher rates rates more favorable (to the company) than for the long-term bond market at all levels of public and private life and activity, according to the preceding threat of inflation.

Teamwork
The general object of teamwork must be to keep the total of public and private expenditures in line with the per capita concern about inflation becomes acute, and to keep the total of public and private expenditures in line with the per capita income of the country. The Federal Reserve System is the institution that has the duty to assure-price!.as-they-are-apt-to-rise. of the Federal Reserve System's then most important function: the protection national prosperity from damage by inflation. In doing its work, the Federal Reserve System relies on the determination of those who are responsible for American policy to achieve success, with inflationary pressures, with the use of public and private funds.

By A.L. MILL, JR.

The Federal Reserve System's most important function: the protection national prosperity from damage by inflation. In doing its work, the Federal Reserve System relies on the determination of those who are responsible for American policy to achieve success, with inflationary pressures, with the use of public and private funds.

Joining Elmer Bright (Special to The Cincinnati Chronicle)

BOSTON, Mass.—Harold W. Potter has become affiliated with Ilger & Co., veterans of Wall Street, members of the New York and Boston Stock Exchanges.

Two With Coburn Firm
BOSTON, Mass.—Denis U. Goss, a New York City lawyer, has become associated with Coburn & Trench at 15 Middlebrook, I.T., Federal Street.

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25 Park Place
New York 7, N.Y.
The Great Potential for Mankind: 
Opportunity or Disaster?

By BRIG. GENERAL DAVID SARNOFF
Chairman of the Board, Radio Corporation of America

Simultaneous unfoldings of two such prodigious forces as
atomic and electronic portend, according to RCA Chairman, an
age when science, energy, new controls, and new materials to
overthrow even the most advanced of the past fifty years. Brig. Gen. Sarnoff warns,
however, that science's triumphs can be wiped out by destruc-
tion of the 'new knowledge and techniques to
peaceful pursuits.' Thus, the answer is:
science can make us a better world in which to live is said to lie
not with science and technology as such, but rather with each
one of us as responsible individuals.

In evaluating the economic poten-
tials of the Free World—in the
solemn dedication that it shall re-
main free—we are guided by the
wise and eminent elder-
statesman, BERNARD M. Baruch. He recently pub-
lished a auto-
goals that are
Baruch lists four
impactable condi-
tions for
ventures.

"First, we must get the facts of a situation or
problem."

"Second, one must form a judg-
ment as to what those facts point
for.

"Third, one must act in time before it is too late."

The overriding fact of the next several decades appears to be that a
world technological revolution is to be
will be technological progress on a scale unimagi-
nable in pre-
vious history. Just recently, we saw a fateful forerunner of this
technological revolution, by Soviet Russia, of the first man-made satellite
journey, an event that pointed up both the promise and the peril of the years a
head.

Because of the prospects for
 technological progress, it is my best judgment that the possibili-
ties for achieving the economic goals we seek are now clearly within reach.
These goals have been stated many times and in many places, and can be
summed up quite simply: We want to increase the material well-
being of mankind in the atmosphere of expanding freedom.

In attaining this the economic
ology can be a decisive factor.

Economic growth comes through the release of production, which
depends on scientific discovery and its practical application.

Just as many of today's basic
ventions were discernible in the great awakening of science in the
eighteenth and nineteenth cen-
turies, so today, in our research la-
atories, we find the seedlings of things to come technological marvels that promise new forms of
energy, new controls and new materials.

Before in history have two such prodigious forces as electronics and atomic energy unfolded simulta-
early. It is a portent of amazing changes in every aspect of daily life which will cast a shadow even the dramatic ad-
ventures of the last fifty years. The new age will be the age of the atom and controlled by the
electronics that control its character of everyday life, and they give promise of revolutioniz-
ing our lives almost in

Technological revolution

Baruch's board of man's tools and techniques, has appropriately been called our

An address by Brig. Gen. Sarnoff at the International Science Congress, In-
ternational and Stanford Research Insti-

fore out of Dr. Albert Einstein's equation, that "energy equals mass
with civilization is that we don't live long enough to make use of our
experiences."

New methods and new tech-
iques will give you the
food resources, thus helping to
eliminate the globally spread
famine of poverty and
therefore, the attendant
problems of stagnancy.

One of the most far-reaching
of our new technological develop-
ments will be automation—
the use of self-regulating devices
with electronic devices that check the
resulted, and adjust the
machine as required. We have
so far seen only the beginnings in
this field. Automation promises
to free man at work from drudgery
and to give him ever
broader scope for the exercise of
his highest skills. It promises more
jobs calling for those human
attributes, such as imagination and
perseverance, which are never duplicate.

The result is long enough for a massive upgrading
of man's skills and his joy in labor.

Opportunity or Disaster?

These at one negative indica-
tions of the great potential for mankind. They offer the exhib-
ating prospects of wider indus-
trialization, higher standards of
living, and a more satisfying life
for all mankind. As Sir Winston
Churchill has so aptly phrased it:
"Modern science is standing
open doors ready to open the doors to
a golden age.

Yet we must ever be mindful
that the triumphs of science and
technology have I touched upon,
can be wiped out by forces of
destruction. Our lines have been
frequently crossed with political crises. The
word "crisis," in Chinese, is
combination of two symbols. One is the symbol of
"opportunity." The other is the symbol of
"disaster." It is the responsibility of all of us to decide which of these will be our
destiny.

The possibilities of science offer
the human race the chance to achieve a finer destiny. What we
can need most is a determination,
rooted in spiritual faith, to apply
our new knowledge and tech-
iques to peaceful pursuits.

The answer to the question: "Will science
make this a better world in which to live?" Lies not with science
and technology as such, but rather with each one of us as responsible
individuals.

One of our prime responsibil-
ties is to keep informed. For if we are
to make wise choices, we must
"Mr. Baruch has suggested
get the facts, form judgments
about them, and then set before it
too late."

This announcement is neither to offer nor a solicitation of an offer to buy any of
these Debentures. The offer is made only by the Prospectus.

$35,166,700

Consumers Power Company

4% Convertible Debentures Due 1972

N. C. Sarnoff, Chairman,
White, Barney, and Caffery,
Chairman, 119 Corcoran Street,
New York City.

Rights, evidenced by subscription warrants, to subscribe for these Debentures are being issued by the Company to the holders of its Common Stock which rights will expire at 3:30 P. M., Eastern Standard Time, on November 19, 1957, as more fully set forth in the Prospectus.

Subscription Price 100%

During and after the subscription period the several underwriters may offer Debentures to the public at prices in the case of sales to dealers, the conces-

sion allowed to dealers) and not more than the greater of the highest known price at which the Debentures are being offered in the over-the-counter market or the greater of the last sale price or current offering price on the New York Stock Exchange, plus in either case an amount equal to any dealer's concession and accrued interest, if any.

Copies of the Prospectus may be obtained from only such of the underwriters as may individually offer Debentures in compliance with the securities laws of the respective States.

Now First Fidelity
ATLANTA, Ga.—Effective Oct. 16, the firm name of Womack & Company has been changed to First Fidelity Securities Corpora-
cy. Offices are in the Fulton Federal Building.

Reynolds & Co. Adds
(Special to The Financial Chronicle)
BOSTON, Mass. — Andrew J. Reynolds & Co., prominent Boston house, has added to the staff of Reynolds & Co., 19 Congress Street.

With Smith, Barney
(Special to The Financial Chronicle)
CAMBRIDGE, Mass.—F. A. Hinkle is now with Amos Treat & Co., 1271 Cambridge Street, Miss Hinkle was formerly with Clayton Securities Corporation.

R. S. Hays Adds to Staff
(Special to The Financial Chronicle)
BURLINGTON, N. C.—Robert W. Coffey has been added to the staff of R. S. Hays & Company, 111 Corcoran Street.

MORGAN STANLEY & CO.

THE FIRST BOSTON CORPORATION

BLITH & CO., INC.

EASTMAN DILLON, UNION SECURITIES & CO.

GLORE, FORGAN & CO.

GOLDMAN, SACHS & CO.

HARRIMAN RIPLEY & CO.

KIDDER, PEABODY & CO.

MERRILL LYNCH, PIERCE, FENNEN & BEANE

SMITH, BARNEY & CO.

STONE & WEBSTER SECURITIES CORPORATION

WHITE, WELD & CO.

DREXEL & CO.

FIRST OF MICHIGAN CORPORATION

HORNBLOWER & WEEKES

PAINE, WEBBER, JACOBSON & CURTIS

WATHING, LERCHEN & CO.

DEAN WITTER & CO.

October 17, 1957.

American Security—Also used in the course of the First National Bank of Chicago, and the California Department of Consumer Affairs.

The total offering of $85,000,000 of 5%, 4% and 2½% veterans’ bonds is divided into tranches, with proceeds to be divided between:


34. The First National Bank of New York.


42. The First National Bank of New York.

43. The First National Bank of New York.

44. The First National Bank of New York.


47. The First National Bank of New York.


52. The First National Bank of New York.


60. The First National Bank of New York.


64. The First National Bank of New York.


70. The First National Bank of New York.


73. The First National Bank of New York.


75. The First National Bank of New York.


82. The First National Bank of New York.


84. The First National Bank of New York.


86. The First National Bank of New York.


89. The First National Bank of New York.


100. The First National Bank of New York.
Solving Two Problems in
The Gas Industry Today

BY PAUL KAYSER
President, El Paso Natural Gas Company
El Paso, Texas

Mr. Kaysel presents a plan which he believes can reconcile the divergent problems in the gas industry. Suggests the Federal Power Commission hearing be called, in effect, a gas market conference, where all parties are represented, and that the need for a natural gas utility concept of a rate of return should be disposed of by a method where the price of gas is arrived at across the hearings table of the Federal Power Commission—by an offer of a contract by a willing seller, the producer; and the acceptance of such contract only by the pipeline distributor as well, representing the consumer, with the concurrence of the local gas dealers and the approval of the Federal Power Commission.

This may sound as though the Bon Lying down the moral and market in the light of the present state of the law and the proposed amendments now on the immediate horizon, it probably is the most practical way to work out a most difficult problem.

Two Problems

First, the pipeline and the distributor must understand that the price of gas must be fixed by the producer and the pipeline distributor and operate in the solution of the problem of the market. It is necessary for both producer and pipeline distributor to understand and cooperate in the solution of the problems of the producer. Obviously, there is little likelihood of there being a producer of the product to be sold.

The analogy between the
human body and the economic
commodity was forcefully used more than 2,000 years ago.

Early Rome (about 500 B.C.) the plebeians, because of their poverty, revolted and left the forum (a plebeian) was asked to return. The people persuade them to return and they were successful in the economic life of the city. I quote from history (Book 6, Chapter 124):"A commonwealth resembles in some measure a human body. For each of them is composite and consists of many parts of their parts either has the same functions and services as the others. If, now, these parts of the human body should be injured, each for itself, with perception and a voice of its own, and a sedition should arise among them, all of them would run against the belly alone, and the feet should say that the whole body rests on them; the hands would only secure provisions, fight with, and contradict many other advantages toward the common good; the shoulders, that they hold it up; the arms in the act of speaking that it speaks; that head that it is an ever-changing source of feeling and changing among others possess, all by all of which the thing is propped up, as they say to the belly, 'And you, good fellow, bear up for us?' What return do you make, what part are you to us? Indeed you are long in having anything for us or assisting us in the service of the whole, for the common good that you are a really a hindrance and a trouble to us—and a thing intolerable. Compel us to serve you and bring to you from everywhere for all your gratification of your desires.

'Come now, why do we not now raise an army and free..."
Independent and Bell Systems
Face Common Goals and Problems
By FREDERICK R. KAPPEL
President, American Telephone and Telegraph Company

In honoring the 60th anniversary of the independent telephone associations, we recognized the urgent need for greater cooperation between the independents and the Bell System in order to provide the ever growing broader range of services and choice of instruments that the public demands. A key area in which such cooperation is needed is the competitive growth of non-common-carrier companies; to better earnings of the common carriers; the getting of the telephone story to the public, employees and labor unions; and developing the future of the industry.

The future isn't waiting for us. Right at our backs as we look at our risks increase, how do we make sure that we grow at this profit? My first thought is simply this:

Better Managing Job Required

We have a tremendous future in this telephone industry, but it isn't going to be realized on technical improvements of computers and wave guides and all these other wonderful things. We couldn't do without them, however, they can't just make a telephone or a radio and then say, "We're done."

The fact is that to take advantage of our new communications services, we must make the maximum opportunities they open up—requires us to do away with old ideas of managing which we have ever done before this.

One would feel quite good about the changes which are being taking place, and I believe, very shortly, will closely affect everyone of us. Nobody is immune. We have been building and chiseling at times but we had better accept these changes and make the use of their vapor trails, through any part of our machines, will be the key for our success.

But there aren't many places where these changes can take place. In the world we live in today, anything can happen.

And this it seems to me is the business that we should meet these changes together, for ours is one single industry—common carrier, not a single carrier. Far more than in other businesses, we must depend on how effectively we combine our efforts.

I think this has been growing on all of us by year in year. At any rate, it has been growing on me and I certainly hope it has on you. The basic reason is plain and simple, that we can serve our communities and the country well with the help of the telephone.

None of us in the long run can prosper, unless jointly and togetherness, the telephone business can be served. All of us need each other's help and we must work together.

As time goes along this situation tends to become more pronounced, and I believe, that there is one of the factors, but only one. We are working on many bases and we work in each other's laps. We mesh closer and closer together. If the services, we must jointly provide the better problem and directory problems as well as service operating problems.

I want only to add this comment:

The long run the public will not approve a decision in our favor, not on the basis of hearing-room service, but on how well we in the telephone companies, joinedly succeed in providing the services our customers want.

Here is another matter that
Continued on page 33
Continued from page 2.

The Security I Like Best

For a 4.4% batting average and a 350% increase in successes in two years, this expanded wildcat program has undoubtedly resulted in a large increase in potential development wells. About 20% of the drilling attempts in 1956 were wildcats, reflecting an apparent desire to emphasize reserves at the expense of current production. The investment in non-producing acreage has quadrupled during the past three years.

This production will show only a modest increase over 1956 due to severe restrictions on drilling in a number of states where Kewanee’s properties are located. Moreover, the January 25¢ a barrel crude price increase will have a sharp impact on cash earnings, and it is reasonable to expect the 1957 figure to be close to $12 per share, about 15% higher than last year.

All in all, it seems reasonable to value Kewanee at a price of at least $100 per share on the basis of current production and throw-off only, with the expectation that the figure will be compounded at a very satisfactory rate in the future and that as investors become more aware of this relatively unknown producer, its price will tend to coincide with value. The stock is traded in the Over-the-Counter Market.

Paramount Secs. Co.

JERSEY CITY, N. J.—Robert G. Passigli is engaging in a securities business from offices at 1 Exchange Place, under the firm name of Paramount Securities Co.

Two With Jonathan

(Special to The Financial Chronicle)

LOS ANGELES, Calif.—Alex Rote and Robert A. Schwartz have joined the staff of Jonathan & Co., 6350 Wilshire Boulevard.

Stifel, Nicolaus Adds J. V. Readey to Staff

ST. LOUIS, Mo.—Stifel, Nicolaus & Company, Incorporated, 314 North Broadway, members of the Midwest Stock Exchange, announce that J. Vernon Readey has joined the firm as Research Analyst. Mr. Readey was formerly associated with the firm of Reinhold & Gardner, St. Louis.

Herbert I. Losee

Herbert I. Losee passed away Oct. 20 at the age of 72. Mr. Losee prior to his retirement was a partner in Salomon Brothers & Hutler.

gas is stored for winter, too

Close to big centers of population, the natural gas industry and nature join in a unique partnership.

Here, gas is piped into huge underground formations of porous sand. When winter’s worst brings peak demand for heating fuel, this “banked” gas is instantly available to bolster normal pipeline flow.

In New York and Pennsylvania, Tennessee Gas is developing five of these great storage areas.

Further assurance to all along our 9800 mile system that whatever the weather, gas will always be there.

At your fingertips!

TENNESSEE GAS
TRANSMISSION COMPANY
AMERICA’S LEADING TRANSPORTER OF NATURAL GAS
HOUSTON, TEXAS

You Gas Banked in Cold Traveling underground by pipeline, unsmelted for use at a glut, gas always gets through ... it’s there when you need it.

Irving Kastner Opens

Irving Kastner has opened offices at 20 Wall Street, New York City to engage in a securities business.

R. C. Adler Opens

(Special to The Financial Chronicle)

BLYTHEVILLE, Calif.—Raymond C. Adler has opened offices at 115 North Eighth Street to engage in a securities business.
1958 Steel Industry Outlook

By EDWARD J. VERITY

Staff Economist, Lukens Steel Company
Cottsville, Pennsylvania

Lukens Steel's Staff Economist states that inventories are the key to whether or not the demand for steel in 1958 will be equivalent to 1957. There should be no major inventory liquidations in beginning of 1958, which the author believes may be the case, inventory rebuilding is anticipated to commence after the first half of the year to meet a volume of 1957, or a new production peak for the industry.

Richard W. Dulles

The Communists Also Have Their Problems

By ALLEN WELSH DULLES

Director of Central Intelligence
Washington, D. C.

Aware there are no quick or easy ways out in our relation with USSR, top U. S. intelligence sources say that internal party conflicts and contradictions confronting Khrushchev stem from technological, industrial, and educational developments. Though these developments jeopardize Khrushchev, Mr. Dulles points out that the USSR is still an aggressive power. Given the necessary time, the Russian people can be expected to evolve into freedom peacefully and end the collective communist leadership, providing no wars are induced to containing any break down in the communist world, however. Explain, perhaps, how Soviet can develop modern missiles superior to German models, and finds communism ideologically less menacing though technologically its power is still increasing.

I propose to give the results of an analysis of recent happenings in the Soviet Communist world and I shall be bold enough to make a few are to consider major changes—

With the psychological support of the Western powers and under the leadership of Dulles, John Foster Dulles' points out that the USSR is still an aggressive power. Given the necessary time, the Russian people can be expected to evolve into freedom peacefully and end the collective communist leadership, providing no wars are induced to containing any break down in the communist world, however. Explain, perhaps, how Soviet can develop modern missiles superior to German models, and finds communism ideologically less menacing though technologically its power is still increasing.

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Stock Margin Credit Control
Hinders Our Economic Future

By G. Keith Funston
President, New York Stock Exchange

New York Stock Exchange head urges present 70% stock margin requirement to customary 40 or 50% in charging that this policy is superfluous and unnecessarily discriminatory. Statement, he says, shows there’s little effect on public’s borrowing on the course of stock prices and, instead, its main effect has been to reduce turnover. Stock Exchange, reduce market liquidity, and dampened corporate earnings, he says.

Equities. Asserts these points are crucial to our economy, that general credit control inhibits stock market credit like any other form of credit, and that debt involved is infinitesimal and insignificant.

I recognize that no two people are likely to agree on just how we should control the flow of money we borrow, or what the limits of those controls are. But we can agree on a few things, including that in the past quarter century we have discovered a great deal about such controls.

Most notably, we have learned that the Federal Reserve does not always control remaining in force—the wartime regulation of mortgage and installment credit having expired five years ago. If general credit controls are comparable to a second foot brake, then the selective control of stock market credit is very much like throwing an emergency hand-brake. I would like to take this opportunity, however, to remind my audience of the facts that the Federal Reserve, in times of economic stress, can—by applying general credit controls—effectively regulate the overall flow of credit or money in our economy. No one knows that selective control is effective, that it is controlled by the Federal Reserve Board, which has been through recent years. But the increased reliance on general across-the-board controls, rather than selective controls, represents a little of the greatest single, significant change in the financial and money management for which the Federal Reserve deserves hearty appreciation.

If you will picture, for a moment, our economy in the shape of a modern automobile, then the general credit is equivalent to the fuel gauge; it is regulated by the Federal Reserve Board. The red lines, sensitive to problems of speed, curves and danger, applies pressure on our engine. The engine is the machine responds. Thus, we find the Federal Reserve active in the government bond market, setting bank reserve requirements and changing the rediscount rate. These broad actions are constructive in controlling inflation and have inevitably been felt in every sector of the economy.

In actual practice, whether you borrow to buy a house, take a trip, go into business or to purchase securities, the amount of money and the cost of the money you need will be determined to a great extent by the general credit controls in force, particularly by the rediscount rate.

In addition to these general controls there is one more control in the hands of the Federal Reserve. It was fashioned 23 years ago by Congress, and its purpose, in the language of the legislation, was to prevent "the excessive use of credit for the purchase or carrying of securities." The so-called "stock margin control"—taking the form of so-called "margined accounts"—governs how much money a person may borrow in order to invest in listed securities. Since April 1 of this year the Federal Reserve Board has fixed a margin of 70%. In other words a person must make a down payment of 30% in order to purchase listed securities. It is the only selective control currently in force.

The stock margin control picture today can best be put in perspective by this way. The total private debt in the United States—both individual and corporate—amounts to about $42 billion. Add to this the obligations of government and the total outstanding debt comes to approximately $60 billion.

My chief interest in these figures lies not in joining a debate about the size of our debt, but rather in the chance they give me to expose a sorry old myth about the fictitious extent of stock market credit. For example, while the nation’s total indebtedness stands at $90 billion, the securities industry accounts for only $24 billion of this pool. This equals less than 3% of the total.

Moreover, the amount of securities industry credit has actually declined by 25% since the end of World War II. By a way of simple, comparison, during the above period, farm credit jumped more than 33%, mortgage credit leaped over 350%, and consumer credit soared.
Protecting Public Carriers by Regulating Private Transport

by Dr. Herbert Ashton
Director, Transportation and Utilities Division
U. S. Department of Commerce

Government officials favor placing all forms of public transport as nearly as possible in the same position with respect to regulations. Dr. Ashton wants a uniform regula-
tion policy. "Under [his] plan, the control is fitted to both" and notes that private carriage of both persons and goods today poses one of the most serious problems faced not only by the public carriers but also by those responsible for public transport as a whole. Dis-
cussing problems of duplicating facilities, lack of regulation over private operation, and alternative of either less service or higher rates when private carriage draws away business from commercial carriers, he urges control over private carriage to protect the public interest.

The transportation industry is a service industry. To provide this service efficiently, transportation is a business in its own right and it is the proper source of income. It is the purpose of this paper to consider briefly some aspects of the services which we call transportation, the transportation industry, with particular reference to certain characteristics and the relations of the transportation industry to government. The problem of control of the transportation industry is one of balancing these characteristics and of providing them, considering the interest of the public and the protection of public welfare. If intervention of governments "to protect the public interest" was sanctioned early in the history of organized public transport. But the problems of transport in the United States today are quite different from the problems of the past. The three types of transport agencies, agencies of government, carriers and private carriers, are subject to the same problems of control in the United States and in many other countries.

The present regulations of the agencies provide tonnage and passenger-relations with certain ancillary services are an over-simplification. It ignores the homogeneity of product which actually does not exist, and which is one of the reasons for the complexity of the transportation problem. As the homogeneity of product becomes more apparent, the problem of control becomes more apparent. The present day regulation will deal chiefly with railroads; it is important to look at the others, and to see what the competing forms of transport are.

Since it costs something to provide civil service, it is necessary that the government which provides the service should determine how much it is worth. Whether or not the railroad is an adequate carrier of merchandise depends upon the circumstances. Included in these circumstances are the nature of the things to be moved and the conditions under which they must be moved. The character of transportation services offered by a new carrier, whether by railroads or otherwise, is determined by the demand for transport. The cost of the services, both in the nature of the commercial transactions and in the nature of the services, is determined by the demand for transport. The character of the services offered by a new carrier depends in part on the condition of the market and the demand for transport. The condition of the railroads in turn, if turned against the nature of the commercial transactions and in the nature of the services, is determined by the demand for transport.

Since it costs something to provide these services, there are therefore likely to be an additional problem of determining how much it is worth. Whether or not the railroad is an adequate carrier of merchandise depends upon the circumstances. Included in these circumstances are the nature of the things to be moved and the conditions under which they must be moved. The character of transportation services offered by a new carrier depends in part on the condition of the market and the demand for transport. The condition of the railroads in turn, if turned against the nature of the commercial transactions and in the nature of the services, is determined by the demand for transport. The character of the services offered by a new carrier depends in part on the condition of the market and the demand for transport.

The supply of equipment, which is of cardinal importance in the regulation of transport, is affected by a number of factors. Probably the most important of these factors is the availability of capital. But this is a factor in the supply of equipment only in as far as the availability of capital is affected by the state of the market. The state of the market is affected by the demand for transport. The demand for transport is determined by the nature of the commercial transactions and in the nature of the services offered by the railroads. The demand for transport is determined by the nature of the commercial transactions and in the nature of the services offered by the railroads.

The character of the services offered by a new carrier depends in part on the condition of the market and the demand for transport. The condition of the railroads in turn, if turned against the nature of the commercial transactions and in the nature of the services, is determined by the demand for transport. The character of the services offered by a new carrier depends in part on the condition of the market and the demand for transport. The condition of the railroads in turn, if turned against the nature of the commercial transactions and in the nature of the services, is determined by the demand for transport. The character of the services offered by a new carrier depends in part on the condition of the market and the demand for transport.
John F. Simpson, Miss Jean D. Tyler and George E. Wenskus have been appointed Assistant Manager of the Exchange Bank, New York, it was announced by Charles N. Dozier, Vice-President. All are members of the bank's proprietary division.

Mr. Simpson is a member of the bank's 74th Street & Madison Avenue office; Miss D. D. Tyler at 65th Street & Second Avenue, and Mr. Wenskus at 44th Street & Broadway.

James D. Ellemann, Joseph B. Hartmeyer, and John P. Lawrence have been appointed Assistant Secretaries of the Exchange Bank. It was also announced on Oct. 17, Mr. Ellemann is a member of the bank's proprietary division and Messrs. Hartmeyer and Lawrence are divisional assistants to the bank's national division, all at 165 Broadway, New York.

Francis Sydney Bancroft, Chairman of the Board and former President of the Exchange Bank, New York, died on Oct. 21 at the age of 72.

In 1930 he was elected a Trustee of the Exchequer Savings Bank. In 1934 he was elected Vice-President. From 1934 until 1955 he served as Vice-President. He was made President in 1940. Since 1956 he has served as Chairman of the Board.

COMMUNICATIONS

The First National Exchange Bank of Roanoke, Va., increased its common stock from $100,000 to $325,000 by a stock dividend and from $325,000 to $400,000 by sale of new stock effective Oct. 7. (Number of shares outstanding—240,000 shares, par value $10.)

John M. Lackey, formerly an Assistant Secretary, has been promoted to Assistant Vice-President. To the Personal Trust Division.

Dorothy N. Fields, formerly an Assistant Trust Officer, has been promoted to Trust Officer in the Personal Trust Division.

Lloyd Lowndes, formerly an Assistant Trust Officer, has been promoted to Trust Officer in the Personal Trust Division.

Christian J. Brownell at the Seventh Avenue office has been appointed Assistant Treasurer.

The election of Alger B. Chapman as a Trustee of Empire City Savings Bank, New York, was announced by Charles Diehl, President.

If approved by the Controller of the Currency the State Bank of Suffolk, Bay Shore, N. Y., will merge into the Franklin National Bank, Franklin Square, N. Y., was appointed Assistant Treasurer of the Bank by the Spring Garden Office as manager in 1954.

J. C. Janoek has also been appointed Assistant Treasurer of Girard Trust Corn Exchange Bank, Philadelphia, and manager of the bank's office at Torresdale and Girard.

He was formerly Assistant Manager of the office.

Mr. Janoek joined the bank as a teller in 1948. He was later an Assistant Manager and was appointed Assistant Manager of the Orthodox office in 1954.

The First National Bank of Bingham, Utah, has been increased its capital stock from $150,000 to $300,000 by a stock dividend effective Oct. 9. (Number of shares outstanding—100,000 shares, par value $10.)

First National Bank in Battlecreek, Mich., increased its common stock capital from $600,000 to $1,000,000 by a stock dividend effective Oct. 9. (Number of shares outstanding—50,000 shares, par value $20.)

The First National Bank, Sayre, Oklahoma elected J. A. French, President to succeed Guy Ford who was named Chairman of the Board.

By the sale of new stock, the common stock capital of The Citizens & Southern National Bank, of South Carolina, Charleston, S. C., was increased from $1,914,000 to $2,150,000 effective Oct. 9. (Number of shares outstanding—215,000 shares, par value $10.)

Citizens & Southern National Bank, Atlanta, Ga., elected Pat F. O'Brien as a Director.

Million O. O. Hartwell, Vice-President in charge of Research and Investment for the Marine National Exchange Bank, Milwaukee, Wis., has announced plans to retire on March 1, 1959. The announcement was made by Elliot G. Fitch, Marine President, following a meeting of the bank's October Board of Directors meeting.

Approaching the bank's normal time retirement, Mr. Johnson has been with the Marine since 1931. He plans to retire prior to his normal retirement date with the intent of continuing in investment management and related activities beyond the retirement date.

John S. Griess has been appointed a member of the Board of Directors of the Bank of America, San Francisco, Calif. Mr. Griess was one of the organizers and Chairman of the Board of the former People's Bank of Lakewood, now a part of the Bank of America systems.

The American Trust Co., San Francisco, has announced the appointment of William Barksan, John M. Diggs, S. P. Stevens, and N. Fisher Thomas as Vice-Presidents.

The Directors of Westminster Bank, Limited, Birmingham, England, have announced the appointment of Sir Arthur C. B. Yorke as a Director of the bank.

By a stock dividend The Fidelity National Bank & Trust Company of Oklahoma City, Okla., increased its common capital stock from $750,000 to $1,000,000 effective Oct. 8. (Number of shares outstanding—100,000 shares, par value $10.)

American Natural Gas Company
A New Jersey Corporation

Michigan Consolidated Gas Company
Milwaukee Gas Light Company

American Natural Gas Company
A New Jersey Corporation

Michigan Consolidated Gas Company
Milwaukee Gas Light Company

American Natural Gas Company
A New Jersey Corporation

Michigan Consolidated Gas Company
Milwaukee Gas Light Company

Michigan Wisconsin Pipe Line Company
American Louisiana Pipe Line Company

Newspaper advertisements are not read naturally.
YOU MARKET . . . AND YOU
BY WALLACE STREETE

The stock market cracked ominously this week but just when the air in the Street was the bluest in years the industrial average managed to slip over something of a fight against continuing declines:

Another 1929?

Ever since the unsuccessful attempt by the industrial average to recover a notch early in July, the decline has been exceptionally persistent, at times inviting four comparisons with action in October of 1929...

In the short span of three months the fall in the industrial average reached a full 100 points. The resistance to a further slide came at the 400-420 area and the chart work there indicated at least a temporary support.

There was little unanimity over where the slide will finally establish a base. The purists maintain that a one-half correction of the long runup, from 160 in 1949 to 520 at the record peak, is in order. The optimists claim it will build up again. Their claim bumps into the opposition contention that there is nothing but a business situation that calls for anything that drastic. About the only agreement is that it will take a long time to build up a solid floor again so there is still no guarantee that the exact level where it will materialize has been fixed.

There is hardly any agreement, either, over just what is responsible for accelerating the decline at this particular time. It would lead to a conclusion that the influences are many, ranging from such as the Federal Reserve's heart attack, a paraple technical situation with investment selling and margin calls responsible for speeding up the process lately.

Tight money, plus asser-
tions by the Federal Reserve that there is little short of an imminent change in attitude; the spotty profit picture, inventory gluts in various lines, lack of a general railroad earnings and a sprinkling of dividend cuts and omissions from the dividend picture of a general business boom all had a part in the performance.

"Heart Attack" Market Comparison

Most important of all are the bandaged over the market's performance now stretch back around to the time of the last heart attack, or acute, late in September of 1955. And, unless the market is heated for an out-and-out rout, these will probably hold for awhile.

So far the better-than-10 points gained from the industrial average on one set back was about the total single 1955 decline.

At that time on a secondary selling surge better than 13 points were gained in one session. But a couple of weeks earlier when the shock of the news was fresh, the average lost more than 31 points on one deluge and this was the worst since the 1929 debacle.

Volume so far has nudged into the five million level but still has a long way to go to reach the 7.7 million that changed hands on the "heart attack" break. The tickers have lagged repeatedly, mostly on liquidation pressure and occasional weakness sessions but not approaching the three-hour lag of Sept. 27, 1955, when the tape reports indicated a million point hit when they finally appeared.

The big difference in the markets of 1955 and currently is that the near-record achievements of two years ago were mostly emotional and it wasn't long before the damage was repaired and the boom in the economy generally held sway in time. Now the boom is definitely suspect.

Defensive Sections

The defensive sections of the markets haven't yet shown that they could live up to the near-record achievements of two years ago and a Utility section was hardly handled on occasion. Foods have shown no great sign of strength and for the other hand, neither did they go to excessive lengths in the enthusiasm of earlier months.

National Biscuit, largest in the cracker-biscuit field, has been available at a yield of better than 5%, but has wandered over a range of only a small portion of this yield for several years. In the last decade the company has been energetic in bringing its plant up to half of its automation levels. The dividend has, consequently, been held level for that period. With completion of its expansion plans over the next two years the profit margins should result in a return for the first half of the year were mod-

ically higher. With the benefits of new efficiency and economy, the improved showings of which are reflected in the dividend pay-out.

Tobaccos have been well depressed, even before the market generally, with the exception of a couple of "big names" here again the results the "purists" are experiencing have not been marked. We are far. Moreover, any smokers converted into non-tobacco users undoubtedly are already convinced and are no longer cust-

omers, yet consumption is on the increase. Most of the tobacco companies are available at historically low time-earnings ratios. In the case of Reynolds Tobacco Company's ratio has been below the 10-to-1 line despite an increased dividend.

Drug stores, too, have been going along with their own private boom, with what Sally vaccine and the new flu vac-


cine bolstering their operations importantly. It didn't prevent Allied Drug from reaching position in these fields, from appearing on the lists of new lows and 52-week lows. All the $10-to-1 times-earnings ratio has been below the 10-to-1 times-earnings ratio on its anticipated showing of around $8 for this time.

Missile Enthusiasm

Evaporates

With confidence largely evaporated, even the missile purists are beginning to regard despite the almost guaranteed prospect that their operations will be cut back. The feeling is this country will make big pre-


cumence in this field: Martin Co., which is a principal producer for our own satellite, did recover somewhat from the low level it reached before the market started to move into the skies. But it was stilla bird on the wing and is well deflated by the failure of any 31% point to be gained when aircraft generally were more popular.

Bargain Hunting

The old game that had disappeared recently—culling out issues available at less than their working capital—was coming back into vogue again and the candidates in this group were many and varied, ranging from Pull-


man and White, Monarch Sugar and Barley and Distillers Corp.-Seagram. In addition to being "worth more than the value of its assets" the subject group was also in the high-yielding bracket with returns at recent prices ranging from 8% to 8% and in some cases to nearly 8% in Pullman and White.

Meanwhile, with the market price in mind that when these investments are frugate, such important considerations as improved earnings, high yields and the fact that the prices come second in popular consider-

ation.

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

"Must Be Partners in Profit"

BY C. H. MURPHY, JR.

President, Murphy & Co.

El Dorado, Arkansas

Charging that the law fails to distinguish basic economic differences between public utilities providing service under exclusive franchises and the business, Murphy & Co., has launched its latest "must be partners in profit" type of legislation which will free the FPC from its duty of applying utility cost-service formula in setting natural gas rates.

As a natural gas producer I would ask that your readers not observe that while we are using figures of speech the producer gets an adequate return on his capital, a wheel just a bit a wider while the FPC is making a profit. Any gas that was changing from a by-product of his oil business to an object, worthy of search by the FPC, the utilization of Federal regulation of his gas would certainly free selling business fell upon him.

To review for a moment, the present regulatory structure is in Missouri. As a major industry oil is older than natural gas and is perhaps a reasonably good market for it. Even if found today in the average Missouri field it would be next to impossible to get to by tank car or tank truck until enough of it was developed to satisfy the market. The other hand, gas cannot be moved at all since it is a gas. Moreover, there were scarce precious few of the-this.

Cartel knew the scarce qualities of this gas must result in a limited efficiency, that you and I should not be surprised at the old timer who ground his teeth in frustration when the pay sand at the time was nothing for a barrel of gas; instead of oil because he couldn't find a market for it. The gas happened to be near a town of some size. Too, much of the gas was found today in "gas breaks" and it could be met to by tank car or tank truck until enough of it was developed to satisfy the market. The other hand, gas cannot be moved at all since it is a gas. Moreover, there were scarce precious few of the-this.

Wants to Produce

We must be partners in profit for although our industry presents a profitable product from the face of the present, the lack of control of the producer by the industry of the producer is one of the major problems of this industry. It is cut too many of the BTU's and when something happened the threat, now a barrel was a mere quadrillion BTU's and that it could not be produced or even the total energy supply. A far cry from the state of an industry to the 20 quadrillion BTU's a year representing some 20% of the total energy required. And all of that hope that it is headed for in 30 and beyond. Our economic progress, and still a few billion capital cities expecting a reasonable increase in their fuel requirement. Public demand is looking for an answer that can we—"Must Be Partners in Profit" for the next few years. Must we be ready to face the crisis of a fickle by-product economy?

Must Provide Incentive

Now on an energy basis the profit potential of the oil business is more than a third greater than the gas businesses. But at all of these for both discounting future income to present worth the profit margin is only 35% or so as great as oil. Obvi-

ously, the profit margin is inadequate. Subject only to allowance for greater cost of transportation and distribution, the two must come into equilibrium and anything less is with the cost maintaining oil reserves these days will tell you that the price have increased.

Continued on page 39
Blaw-Knox has what it takes ... to build pace setting processing plants

By engineering and building pioneering process plants, Blaw-Knox has led in the development of synthetic rubber and vegetable oil production ... and has made substantial contributions to the atomic, petroleum and plastic industries. This same kind of advanced technical know-how has provided utility power plants with highly efficient power piping systems.

Today this extensive engineering and construction experience enables Blaw-Knox to participate in many of the nation's valuable projects. Recent activities include: construction of the first metal plant coke oven gas to produce nitrogen compounds and other chemicals; Britain's first synthetic rubber plant ... steel industry's first pickle leaching plant.

This is just one part of the Blaw-Knox picture ... one segment of the wide variety of products and services that contribute to the growth of many industries. For the whole story, write Blaw-Knox, Inc., 300 Sixth Avenue, Pittsburgh 22, Pennsylvania.
A Showdown Battle on Foreign Trade Policy

BY DR. H. E. LUDIECKE
Editor, "The Journal of Commerce"

A showdown on foreign trade in 1958 is expected by Editor and Economist Ludieck who finds that statutory exceptions have been made to national economic policy in the foreign trade policy. Denying any exaggeration of the seriousness of this, the "Journal of Commerce" headnote warns that the protectionist element in Congress is stirring for a mortar blow which would, ludieck says, "reflect on our own economy—if we were to give up political or economic leadership by default.

The year 1958 looms as a year that will have a significant bearing on the future role of the United States in world trade as well as the role of the free world in trading policy. It is easy to over-dramatize the significance of impending decisions in any economic field, to create the illusion of showdowns, emergencies or crises when we see even as few men as need to be present to complicate. We Americans are past masters in making a situation of a crisis. But, looking ahead to the important decisions on future foreign trade policy that Congress will have to make next year by Congress, we ask: What will be the role of those whose livelihood depends on the movement of goods from one country to another that may be exaggeratedly called an "emergency."

I
Showdown on Trade Policy

In 1958, we actually will come to a showdown on foreign trade policy that will be as far reaching in nearly a quarter of a century. By a quirk of fate, this showdown comes to a head at the very moment when commercial exports, including shipments of military hardware—in 1956 had jumped 20% over 1955. The prospective gain for 1957 is now estimated at another 10 to 12%. Even though the current quarter is being affected by the first months of the current year will not match gains made earlier in the year, total commercial exports from the United States this year should cross the $12 billion mark, thereby exceeding even the "best" of the big years of as much as $18 billion or slightly higher.

It is difficult to be deluded by such an export picture and to see it only among 4 to 3% of our gross national product. It is not. Not since 1958 that the exceptionally strong foreign trade easement of Western producers' goods, notably equipment, has tended to aggregate inflationary pressures in the country at the very time when we were softening inflationary tendencies. To my knowledge, nobody has used the current attacks against the role of foreign trade in our economy.

Instead, these attacks have been centered on the fact that the "price" for the export of the United States, and that of some of these imports—by straining the balance of payments, or are hurting some domestic producers, or may do so soon.

While the United States is impressively "enjoyed" (if that is the right word) a substantial increase in exports over imports—this year has seen a rise in imports and of some of these imports—by straining the balance of payments, or are hurting some domestic producers, or may do so soon.

It is the fear of increased foreign trade that is as much as an obstacle to the promotion of exports as it is to the protection of our foreign trade. In fact, they have both been used as arguments for our need to push into our foreign trade in order to maintain our home trade. The trouble is that these exceptions are not only big enough, but also so widespread that the general rule is not in danger but is itself under attack.

Congress has heightened the pressure on our manufacturers by the point that the Tariff Commission In 1958, it has come to the trade policy is not as strong as it was in the past, and it is not the sole responsibility of the Senate. It is a matter of the government as a whole. In 1958, it has come to the view that Congress must do more to fulfill its promise of trade policy than it has done in the past. It is a matter of the government as a whole. In 1958, it has come to the view that Congress must do more to fulfill its promise of trade policy than it has done in the past.

II
New Protectionist Front

This drive has gathered enough strength that it begins to look like a disguised type of protectionism that is the practice of undemocratic methods. It is now clear that the United States is facing a major problem in 1958, not only in a large number of industries, but in a large number of industries, but in the general area of foreign trade.

If an experienced student of foreign trade, such as Paul H. Douglas of Illinois finds it necessary to deal publicly with a host of issues that threaten to destroy the foreign trade surplus, it is small wonder that they cannot see the need for any action. Douglas states that the United States and the world are facing a major problem in 1958, not only in a large number of industries, but in the general area of foreign trade.

The argument goes on to point out that the tariff is the major problem in 1958, not only in a large number of industries, but in the general area of foreign trade.

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The argument goes on to point out that the tariff is the major problem in 1958, not only in a large number of industries, but in the general area of foreign trade.

The problem is that the general public is not aware of the extent to which the United States is depending on foreign trade. In 1958, it has come to the view that Congress must do more to fulfill its promise of trade policy than it has done in the past.

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One still wonders if I am exaggerating? Well, I am a protectionist, and I will do what the American's for OTC and the "Committee for a National Trade Policy" would tell me to do. The American's for OTC and the "Committee for a National Trade Policy" would tell me to do. The American's for OTC and the "Committee for a National Trade Policy" would tell me to do.

D. The Outlook

Unfortunately, even if the Admin-
istration and Congress next year get together on a reasonably satisfactory compromise on foreign trade policy, you will no doubt be inclined to take the same compromise as a compromise in your business.

Two of the reasons for the year 1958 were not witness anything like the 1958 and 1957 gains in world trade. The second reason for the year 1958 were not witness anything like the 1958 and 1957 gains in world trade. The second reason for the year 1958 were not witness anything like the 1958 and 1957 gains in world trade. The second reason for the year 1958 were not witness anything like the 1958 and 1957 gains in world trade.

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both in Europe and in South America. This situation actually holds the key to next year. While it is true that this time it has been getting into trouble, it has not been without some good, rather than desperately bad, as in the previous year. The world will be almost as bad on world trade unless current imbalances are corrected, and that would be the present West European currencies. Of course, those potential difficulties can stop the West-European import boom completely, although it seems to be gaining its recent pace probably is not only necessary, but also essential in order to clear the air of inflationary pressure.

The September annual meeting of the International Monetary Fund and the Bank for International Settlements contributed to the search of a way that might bridge the imbalances between Germany on the one hand and Great Britain, France and the Netherlands on the other.

If the West-European Common Market had been in existence to date, its expected stabilizing influence on the world's trade, which have prevented or at least sharply lessened, the latest foreign exchange crisis and its expected repercussion on world trade everywhere.

The most important new development in the present West German monetary policy was the announcement that both East and West Germany will not resort to currency exchange control, and the idea of maintaining current imbalances, England will apply an even greater dose of austerity to its present problem of inflation; West Germany will act Like Italy, and limit the convertibility of its credit claims, so even the risk of its own inflationary danger will not exist.

To be sure, we can't be certain that these policies will work but they have been very promising; start; they may even ring in a new era of foreign trade and balance of payments imbalances between nations throughout the world.

At any rate, British fears of a recurring dollar gap and what it would mean to the world trade outlook for 1959 may do to the pound sterling so as ominous: as they did in the past.

Nevertheless, we must not lose sight of the larger phenomenon: the expansion in world trade; thus the imbalances of payment conditions among the world's major trading nations will have a significant indirect influence, as well as a direct influence, on external balance and liquidity conditions among the world's major trading nations.

Obviously, the relationship of "exports to imports" even for such a large group of countries as the seven largest in the United States can never tell the whole story—although as far as the world trade outlook for 1959 is concerned, much will depend on whether business conditions in the United States will show an upswing; an increase in imports into the U. S. from the fact that they may look forward to a larger increase in imports from the U. S. foreign trade next year will not be able to develop to the dramatic brilliant 1956 and 1957 performance. If this market we may be headed into a period of stability, even a virtual stop our own foreign trade expansion for a while.

Securities Salesman's Corner

BY JOHN DUTTON

Put These in Your Idea File!

Every salesman must constantly make on the spur of the moment decisions as to the best way to approach a client, the proper offering, and the time to do it. After years of experience, security salesman learn the psychological tricks of their clients, and they adjust their timing, approach, and offering to fit the individual. That is the reason why they are successful in business in good times and bad, for they only know what to offer and they know when to offer it to their customers.

While I am on this subject there are certain DONTS that many of us make when we are trying to sell a hard way. Sufficient to say, many never learn and they are the losers for it. You can do business even if you have a blemish but you will have to prove to the client that it does not matter. One of the mistakes some con men usually make is that they are not able to talk and so they are not able to answer the client's questions. They want to be able to answer the questions they have been asked. They do not want to answer their customers.

Try Some of These

If you have a particular offer and you have a specific situation, you will need of your prospect send him a letter of introduction and attach a hand-written note. Make it casual, yet dignified, ask him to phone you if he has an interest. Many times the written word will save you from dealing with such a person. It is only because of your personal call or a telephone call that you are not being able to have a chance of a person that can be passed over if you are dealing with someone who is not interested. I would like you to try for making the telephone call to the client or prospect for some months, or even better, the long distance call.

If you have some out of town clients and you have a specific offer that is particularly attractive, you should have already presented even a latent interest in your offer. A short letter, limit your offerings, suggest that a reply by phone or letter be given to the client or prospect. The letter should be air-mail special. Don't 'over-do' this.

Don't be afraid to face up to unstable clients who are interested in a "disk market" speculation, as such commodities are a hot topic these days. I am afraid to face up to their clients and tell them that you "warn" that the "stock market" may not be "as bullish" as it was. That may be true, but the "same hot topics" were "as bullish" as it was. That may be true, but the "same hot topics" were..."
Conflicting and Obscure Currents
On the London Stock Exchange

By PAUL ENZIG

Complicating elements in the British economic outlook are described by Dr. Enzig who, also, refers to attention being paid to U. S. A. recession possibilities at a scale less moderate than the U. S. A. recession. Occasional economic writer probes possible shift from equities to Gov-
ernment loans which, however, may be delayed by a possible rise in present Bank rate of 7½% before it is substantially

LONDON, Eng.—Stockbrokers,
financial writers, and others whose
work is to advise investors are hav-
ing a particular reason for being
distressed just now. During recent
years their job was compara-
tively safe, and it appeared
reasonable to advise their
clients of a switch from Government loans to equi-
ties. Temporarily apart, however, the situation was quite differe-
tially to be evaluated from the
government bond market.

Recession Predicted Last Summer

During the summer of 1987, through the repetitious publication
of forecasts of a recession in the autumn, the stock exchange
showed a period of stability. In the late summer months, however,
the prices of shares which showed a period of stability, in the late
summer months, however, the prices of shares began to decline. This
may be due to the fact that investors have become more pessimistic
about the future of the economy.

Possible U. S. A. Recession

In the United States, the possibility of a recession in the
near future is being discussed. This is due to several factors, including
high interest rates, high inflation, and a slowdown in economic
activity. If a recession does occur, it could have significant
implications for the global economy, as the United States is a
major economic power.

Other Depressing Factors

Other factors that are contributing to the gloomy outlook
include the ongoing trade war between the United States and China,
the uncertainty surrounding the Brexit, and the potential for a
new round of sanctions against Russia. These factors, along with
the ongoing geopolitical tensions, could lead to a global economic
slowdown.

Weiss & Smith Formed

PHILADELPHIA, Pa.—H. H. CLARKSDALE, Miss.—111. H. R. Smith, Jr., and Charles Smith, Jr., have
recently formed a new company, Standard Pressed Steel Co. of Philadelphia. The company will
produce a new line of metal parts for the automobile industry. The company will be managed by
John Smith and Charles Smith, Jr.

Three With Bennett Form (Special to The Financial Chronicle)

LOS ANGELES, Calif.—Edward Deli-
cke, Ruth D. Howard and George D. Smith, Jr., have added to the staff of Bennett
& Co., 817 Beverly Boulevard.
Public Utility Securities

By OWEN ELY

Dayton Power & Light Company

Dayton: Power & Light serves a population of about 1,017,000—about 24% more than it did in 1945. In some 276 communities—Ohio, Indiana, and West Virginia—it is the only electric company. The territory comprises over 6,800 square miles, covering 24 adjacent counties. The area is represented by a large number of agricultural and diversified manufacturing operations. Important large users of power are manufacturers of household appliances, canning and other food industries, conservators, rubber products (including neoprene, nitrile and other products), florists, eating places, and electric motors.

Electricity. 64% of revenues, natural gas 34%, and steam 2%. Residential sales provide 45% of the electric revenues, industrial 24%, commercial 20%, government 5%, and miscellaneous 4%.

While it is a member plant of the Cincinnati G. & E. and Ohio Edison, the company produces practically all of its own power, as indicated by the operating requirements and at the end of last year 93% of the kilowatt hours sold (90,000 kw) came from electrical generation within its own plant; 7% (comprising 3,000 kw) came from a purchase made from the Pennsylvania Public Service Co. of New York City. The average rate of kilowatt hours sold was 3,712,876, and the average number of customers served was 105,259, approximately $1,000,000.

The company sold 329,493 shares for $8,500,000 in 1954, including 24,819,740 shares of 1955

Investment Bankers Association of America
To Hold 46th Annual Convention

Meeting to be held at Hollywood, Florida, Dec. 1-6. New slate of officers up for election.

Pittsburgh Reservations

A limited number of reservations will not be expected to be made, but Pittsburgh members wishing to stay in that city may make their reservations through the Society's New York office. Hulme, Applegate & Hanbury, Inc., Union Trust Building, Pittsburgh, Pa., will be pleased to make these reservations.

Chicago-St. Louis-Detroit Special Cars

Special cars from Chicago, St. Louis, and Detroit will stop at Indianapolis and Cincinnati, where reservations have been made for your convenience in making your own arrangements. These cars will leave Chicago on the 4th of December, Cincinnati at 9:30 A.M. on December 5th, and Detroit on December 7th. Arrangements will be made through C. J. Fordon, Aldinger & Co., Punctual. Full details of these trains will be in the December 9th issue of the Chicago Daily News.

Pullman Reservations

Pullman reservations for the return trip should be made through the C. J. Fordon, Aldinger & Co., Punctual. Full details of this service will be in the December 9th issue of the Chicago Daily News.

New Orleans Special Car

A special car or cars will leave Chicago on the 8th, 9th, and 10th of December, arriving in Hollywood on 4 p.m. on the 10th. Thursday, November 29, on the Louisville & Nashville railroad. The special train will leave Friday, November 30, at the usual time, and arrive in Hollywood, Los Angeles, at 9:30 A.M. on Saturday, December 1st. All Pullman reservations for this special car must be made through H. Wilson Arnold, Specialty, National Bank of Commerce, Building, in the 12, La. Space will be held to last order on this trip.

Air Transportation

Special rates are being handled by各位 type Douglas "Golden Eagle," a nine-passenger plane, which has been arranged between New York and Miami via Eastern Air Lines. In addition to these arrangements for reservations on National Airlines.

Reservations for the flights should be made through Harold H. Shearburne, Bacon, Whipple & Company, 29 Wall Street, New York, N. Y., and X. New York.

Henry A. Colgate

Henry A. Colgate passed away Oct. 16, at the age of 99 years. Mr. Colgate was a member of the Florida Board of Commerce, N.Y. and Co. of New York.

Nathan G. Tobe Opens

DALLAS, Tex.—Nathan G. Tobe, has opened his new store at 6320 Lupton Drive to engage in...
Mutual Funds

Bond Group to Support Fund Bills

The creation of the National Committee for Municipal Bonds, Inc., consisting of sixteen prominent officials of state and local governments and professional organizations, is announced. The purpose of the committee is to aid state and local government bond issuers in securing the right to be treated as public utilities in order to attract investment institutions and thus provide a large volume of permanent funds at low cost. As chairman of the New York State Education Commission, James M. Flannery, Jr., President of the New York State Education Commission, and director of the National Education Association's College and University Institute, New York State, announced.

Fundamental Holders Rise 1,100 Monthly

Fundamental Investors, Inc., the nation's largest common stock mutual fund, reports total net assets of $355,061,927 at Sept. 30, end of the third quarter. Compared with $337,318,554 on the same date last year and $406,355,415 on June 30, 1957, shareholders increased by $11,705,372, about 3.5%. In the first quarter of 1957 shareholders increased by $9,548, at 196.5% of the book value, compared with the December 31, 1956, figure of $17.89.

The Federal Reserve Bank of St. Louis

The Commercial and Financial Chronicle... Thursday, October 24, 1957...
Wealthy Investors See Buying Mutual Funds

An increasing number of wealthy investors are buying mutual funds. The primary features making them a logical investment medium especially in periods of uncertainty are faced by heirs and trustees of large estates, to lock, Ltd., managers of mutual funds with assets in excess of $100 million. In anticipation of estate taxes, wealthy investors frequently see the advantages of owning a liquid, highly liquid form, especially in periods of uncertainty. Mr. Merkle told shareholders.

Penrood Income Up in 9 Months

The Penrood Corporation, closed-end investment company, paid its 12th dividend of $2,172.245 for the nine months ending Sept. 30, 1957. The amount was equal to 39 cents a share. Edward A. Merkle, President, announced Oct. 1 that the dividend was paid on the first nine months of 1956.
Proceeds from the sale of these bonds will finance farm and home loans for California veterans and aid in the California school building program.

$85,000,000
STATE OF CALIFORNIA
5%, 4 1/4%, 4% and 3 1/2% Bonds

### ISSUES, AMOUNTS, RATES, MATURITIES AND YIELDS OR PRICES

<table>
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<th>Amount</th>
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### VETERANS’ AND
SCHOOL BUILDING AID BONDS

Principal and semi-annual interest (April 1 and October 1 for the $50,000,000 Veterans’ Bonds and March 1 and September 1 for the $35,000,000 State School Building Aid Bonds) payable at the office of the Treasurer of the State of California, in Sacramento, California, at the option of the holder, at the office of any duly authorized agent of the State Treasurer, including the agent of the State Treasurer in New York City. First coupon payable April 1, 1958 on the $50,000,000 Veterans’ Bonds and first coupon payable March 1, 1958, on the $35,000,000 State School Building Aid Bonds. Coupon bonds in denomination of $1,000, registrable only as to both principal and interest.

Veterans bonds maturing on and after April 1, 1974 are subject to redemption at the option of the State, as a whole or in part, on April 1, 1973 but not prior thereto, and on any interest payment date thereafter, at the principal amount thereof and accrued interest thereon to date of redemption. State School Building Aid Bonds maturing on and after March 1, 1980 are subject to redemption at the option of the State, as a whole or in part, on March 1, 1979 (but not prior thereto), and on any interest payment date thereafter, at the principal amount thereof and accrued interest thereon to date of redemption. Publication of notice of redemption shall be once a week for two weeks not less than 30 days nor more than 90 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 so called not less than all the bonds maturing in any one year.

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.

We believe these bonds will meet the requirements as legal investments for savings banks and trust funds in New York, California and certain other states and for savings banks in Massachusetts and Connecticut and will be eligible at security for deposits of public moneys in California.

Veterans bonds, issued under the Veterans’ Bond Act of 1956 (Article 5E, Chapter 6, Division 4, Military and Veterans Code) forVeterans purposes, in the opinion of counsel are general obligations of the State of California payable in accordance with the Veterans’ Bond Act of 1956 out of the General Fund of the State. The full faith and credit of the State of California are pledged for the punctual payment of both principal and interest. The bonds are authorized for the purpose of assisting California war veterans to acquire farms and homes, the cost of which must be repaid to the State on an amortized purchase basis.

State School Building Aid Bonds, issued under provisions of State School Building Aid Bond Laws in 1954 (Chapter 23, Division 3, Education Code) for school purposes, in the opinion of counsel are valid and legal binding general 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 punctual payment of both 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 2, 1954 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 districts receiving aid.

These bonds are offered when, as and if issued and registered as subject to approval of legality by the Honorable Edmund G. Brown, Attorney General of the State of California and by Messrs. Ovrich, Doherty, Herrington and Saffredt, Attorneys, San Francisco, California.
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How to Achieve Stability Without Booms and Recessions

and rising wages are good things, providing they are not accompanied by an accelerated pace of inflation.

The opinion gained ground that our mass-production economy had a built-in demand for inflation, and that national policy ought to try to offset these pressures by resorting to some form of system- ing into the system built-in inflationary factors. This was the doctrine of the New Federalists, and the farm programs and finally the Economic Stabilization Act declared it to be the national policy to achieve maximum employment, production, and purchasing power. Leaders of both political parties pledged themselves to a philosophy of expansion.

Recently there has been evident a marked shift away from these ideas. Some observers say that this shift is an admission that the system is 17 years behind us—a generalization that has given rise to the n"s tone of the Great Depression.

Current Price Stability Objective

So the question now is, How and when can we get a price level that has emerged as price stability, more specifically, it is the question of how much emphasis on price stability can be policy objective so as to keep is price stability?

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The opinion now is that the system is 17 years behind us—a generalization that has given rise to the n"s tone of the Great Depression.

So we have been having in this country a sharp debate upon this question of stability. Some leaders, like the chairman of the Federal Reserve System, have said that the condition of the nation's number one peril and that it must be faced and handled in the same way, the most extreme solution to our problem is to get a new relationship between the anti-inflationary objectives, and the problem of deflation.

Another group, which is the President and the Council of Economic Advisers, is the consensus that there is no single cure for deflation, and that the time is ripe to take the necessary steps to avoid deflation.

Both sides agree that the present act of the Economy must be on the course of deflation.

Inflation Versus Depression or Military Loss

Now again let me emphasize the difference between inflation and depression. I am even in favor of not just thinking about it, but doing it. And in the meantime, I maintain that the kind of inflation we have been suffering is less of a menace to us than would be another kind, like the inflation of the military sacrifices.

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Protecting Public Carriers by Regulating Private Transport

Problems of Inefficiency and Unfairness

The average load per car by two railroads in Chicago was 44.3 and 5.4 tons; per car of 40 tons to 42 tons, the equipment was retarded sufficiently to allow a load of 24.2 tons per car. The result would be a reduction in the net tonnage handled by the railroad, with a corresponding increase in turn-around time from 14 to 17 days as compared with 13 to 16 days. The result would be a reduction in the net transportation service rendered, and an increase in the total time required to transport the goods. As a result, the railroad would be unable to compete with other carriers, and would be forced to reduce the rates charged for transportation service. This would further decrease the net transportation service rendered, and would ultimately result in a loss of business.

Control Policy

It was indicated above that the necessary control policy would be to place in the hands of the political and economic communities, through the agency of the government, the power to prevent the abuse of monopoly in the transportation field. The control policy must, therefore, take into account all the characteristics of the railroad or motor vehicle business as a whole, and not merely the characteristics of the particular company in question. The control policy must take into account all the characteristics of the railroad or motor vehicle business as a whole, and not merely the characteristics of the particular company in question. The control policy must take into account all the characteristics of the railroad or motor vehicle business as a whole, and not merely the characteristics of the particular company in question.

The ability of the shipper to handle the traffic is not in any way dependent on the ease of access to the railroad. The ability of the shipper to handle the traffic is not in any way dependent on the ease of access to the railroad. The ability of the shipper to handle the traffic is not in any way dependent on the ease of access to the railroad.

The frequency of service may be increased by the use of more efficient locomotives, and by the use of better maintained cars. This will enable the railroad to provide more frequent service, and to make better use of its facilities.

Rules have been laid down to govern the apportionment of cars between the railroads, and the transportation of goods between them. These rules have been laid down to govern the apportionment of cars between the railroads, and the transportation of goods between them. These rules have been laid down to govern the apportionment of cars between the railroads, and the transportation of goods between them.

The number of cars to be shipped as ordered, has been frequently used as a measure of the adequacy of the service of a railroad. This number is not in itself a measure of the adequacy of the service of a railroad. This number is not in itself a measure of the adequacy of the service of a railroad.

In the case of a government, it may be, however, as in Great Britain today, the solution of this problem may be sought through the institutions which are designed for this purpose, and which are based largely on objective data, and on the specific functions determined by the conditions of the agencies of transport.

The character of the demand for the transport service rendered by the railroad is such that the railroads must either accept the demand as it is, or refuse to accept it. In the first case, the railroads must either accept the demand as it is, or refuse to accept it. In the first case, the railroads must either accept the demand as it is, or refuse to accept it. In the first case, the railroads must either accept the demand as it is, or refuse to accept it.

Tonnage and Rates

The tonnage handled by a railroad can be represented by the product of the number of cars handled and the average load per car. In the case of a government, the tonnage handled by a railroad can be represented by the product of the number of cars handled and the average load per car. In the case of a government, the tonnage handled by a railroad can be represented by the product of the number of cars handled and the average load per car. In the case of a government, the tonnage handled by a railroad can be represented by the product of the number of cars handled and the average load per car. In the case of a government, the tonnage handled by a railroad can be represented by the product of the number of cars handled and the average load per car.

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Continued from page 27

Protecting Public Carriers by Regulating Private Transport

sidings, and shipping companies can give complete service to ship-
ners or receivers of cargo. But the rail carriers cannot do this.

The advent of the motor carrier has made all transport agencies more or less akin in this respect. It is not a question of whether
or not sidings are available; they are. It is a question of the cost
and difficulty of providing facilities for the shipper.

The substitution of motor service for railroad service is the result of a
judgment that this transport is desirable because it is an acceptable
service at a lower cost.

The motor carrier in this country has made serious inroads on the
railroads. According to United States figures, in 1949 the railroads
shipped 2.06 billion ton-miles, whereas the motor carriers shipped
11.9 billion. In 1929 the railroads shipped 5.8 billion, whereas the
motor carriers shipped 12.6 billion.

The question of whether we shall allow the motor carriers to take over
the railroad business is the question that has to be faced. The answer
is that the motor carriers have demonstrated that they are capable
of handling the business better than the railroads.

The problem of the motor carriers is one of competition, and the
railroads must face it. The problem of the railroad executive is to
find a way to remain in business and to do so at the lowest possible
cost.

The railroads must compete with the motor carriers. The motor
carriers are the only real competition that the railroads have. The
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Reader Criticizes Observations on Gold

New Haven monetary writer claims Dr. Pick makes such errors in his recent articles as to make it impossible for him to be considered as an authority on gold.

The address of Dr. Franz Pick before the American Mining Congress, Sept. 11, 1937, and carried in your issue Sept. 27, does not exactly what it should expect Mr. Pick to say his paper is a case for abandoning the American dollar by an official price of gold as high as $70 an ounce.

Franklin G. Shaw

Editor, Commercial and Financial Chronicle

New Haven, Conn.

September 24, 1937

Gentlemen: In your issue September 27, does exactly what it should expect Mr. Pick to say his paper is a case for abandoning the American dollar by an official price of gold as high as $70 an ounce.

Surely, there is no other solution of your currency problem, than a good devaluation, which means a 100% increase in the gold price. But, to his credit, Mr. Pick does admit that such an action will be prejudicial to American exports and to the American people, and tells the American people to go to work and to understand that the:"dominant monetary philosophy is to be preserved the gold bullion piece of 61.

That is to say that the people had a successful tario leadership — something that under the continued inflation of today is sadly lacking in our country.

Mr. Pick says: "The 1934 "Purmer Dollar" remained respected to the 1934 gold dollar all until the end of 1935. But may I say, for the benefit of Mr. Pick and the American public, that the dollar has a serious lack in its character(", has been "respectable", and never raised in its character for the sound and honest basis of the Gold Standard.

Denies Gold Price Is Obsolete

The second error—also involve in Mr. Pick's article—Mr. Pick states that our "old Double Eagles" is now worth two average paper units. Well, 35 of our present paper dollars represent 480 gold (one ounce) of fine gold; one of our "old Double Eagles" ($20.00, based on 23.23 grains per dollar) represents 464.4 grains of fine gold; and foreign central banks are willing to accept U. S. dollar paper at $35.00 an ounce gold. Therefore, 33.36 of our "paper units," or paper dollars— and not "gold" dollars—are equivalent to one "old Double Eagle.

This is merely another inaccuracy in which Mr. Pick seems to specialize.

Mr. Pick admits that gold is: "a cherished possession, and became a standard of value and wealth for countries and individuals" and that, during the 19th century, Britain maintained the "dominant monetary philosophy" of a gold standard. He wishes to say that Britain didn't do well until under that set-up the "people had a successful tario leadership" — something that under the continued inflation of today is sadly lacking in our country.

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Mr. Pick says: "The 1934 "Purmer Dollar" remained respected to the 1934 gold dollar all until the end of 1935. But may I say, for the benefit of Mr. Pick and the American public, that the dollar has a serious lack in its character(}
Just Plain Work Lies Ahead For the Gas Industry

Higher Rate of Return
Some of the factors which make the pipeline industry attractive are the large and available supply of natural gas and the fact that it is an essential service which cannot be economically shut off to the consumer. The pipeline business is an excellent investment. The pipeline company's revenue is directly related to the price and volume of gas sold. The pipeline company receives a percentage of the gas price as a commission, and the volume of gas sold is directly related to the consumption of gas. As the demand for gas increases, the pipeline company's revenue also increases.

Known Reserve's Supply
What about supply? Do we have enough gas? Not so far as the existence of natural gas is concerned; we have enough gas to come, but adequate incentive must be provided to explore and develop the reserves which are believed to exist in order that we may have the necessary quantity of gas to meet our needs. The rate of discovery of new natural gas fields has been accelerating in recent years, and we can expect that the supply of natural gas will continue to increase in the future.

Providing Incentive
Many of us in the transmission industry feel that the recent amendments to the Federal Power Act, which has been given final form by Congress, will provide the necessary incentive for the exploration and development of natural gas. The new law provides for a reduction in the rate of return to pipeline companies, which will make it possible for them to invest more money in the exploration and development of new gas fields.

Reducing Costs
As consumers we are witnessing the effect of these amendments as we reduce the unit cost of production by supplementing manpower with machinery, resulting in a greater productivity than man could ever produce. The pipeline industry, unlike any other, has been able to lower the cost of producing gas by utilizing the underground storage of natural gas near the market centers.

Summary
Since this case has not been reached final decision, this problem will be the subject of further study by the Federal Power Commission. However, we can expect that any action taken will be in the best interest of the public and the industry. We should expect to see a reduction in the unit cost of producing gas in the near future.

Voices of Urgency
If this comment contains a note of urgency, it is well to consider that we are facing a situation which could last for seven or eight years unless steps are taken to prevent it. In order to prevent this situation, the gas industry must take steps to ensure the continued supply of gas to the public. This can be done by increasing the rate of discovery of new gas fields and by utilizing the underground storage of natural gas near the market centers.

Commodity Gas
Understanding the need for money, labor and materials is causing concern for those contemplating expansion and modernization of the gas transmission and distribution systems. Money is needed for the construction of new lines, for the purchase of new equipment, and for the modernization of existing lines. Without the necessary funds, the gas industry cannot expand and modernize its facilities, which are essential for the efficient delivery of natural gas.

Cost-Revenue Circle
Who is it that lends money to an individual or corporation, such as the transmission companies, willing to expand and develop the transmission industry? It is the consumer who, in the form of his monthly gas bill, provides the necessary funds for the expansion and modernization of the gas transmission and distribution systems. The consumer is the key to the cost-revenue circle, and it is his willingness to pay higher prices for a quality service that determines the rate of growth of the gas industry.

Projects Increasing Production
This year the industry is serving another set of consumers who have never before been served by the gas industry. The industry is serving the needs of the new consumer who, in the past, has not been able to use natural gas because of the high cost of the service. The industry is serving the needs of the new consumer who, in the past, has not been able to use natural gas because of the high cost of the service. The industry is serving the needs of the new consumer who, in the past, has not been able to use natural gas because of the high cost of the service. The industry is serving the needs of the new consumer who, in the past, has not been able to use natural gas because of the high cost of the service.

Notes
1. AGA Monthly—April 1957.
Liberty, Strength and Justice
Under the Republican Banner

Continued from page 5

C. Boetticher II New Partner
in Boetticher
DENVER, Colo.—Charles Boetticher II has been named a partner in the law firm of Boetticher & Boetticher, Seventeenth Street, Members of the New York Stock Exchange, according to the Law Journal. Warren Willard, managing partner, announced the appointment.

The appointment restores a member of the Boetticher family to the firm for the first time since the death of his brother, K. Boetticher on June 9, 1944.

Other partners in Boetticher & Boetticher are: C. Boetticher I, New York; F. Boetticher, New York; J. Franklin Bickmore, manager of the Chicago office; Carl Willard, Denver; C. M. Willard, New York City office; and Donald F. Brown, Denver.

A. Golden. Opened
A. George Golden is conducting business at 565 Fifth Avenue, New York.

Two With Jonathan
LOS ANGELES, Calif.—Harold L. Barlow and Julian F. Fleg are now working at 410 Wilshire Boulevard. Mr. Fleg was formerly with Daniel D. Weston

billion-dollar activities almost cover the country.

As to this, I will try to make it clear in the next article.

First, no one in his right mind should ever get the idea that the President or any of his subordinates, if they were impeached by unwise policies, could everyled, because during the Administration of Dwight D. Eisenhower, the President in no case has ever interfered with the right of others to pass expert judgment.

Second, every one of us should clearly understand that defense judgments are taking place not to accommodate the defense program to an arbitrarily arrived at budget, but to accommodate the priorities of the war program as a whole. Only one President has ever interfered in any way with the war program. It is, of course, a generalized fact that the President has never interfered with the war program, but it is illogical to the pipe-line advocates to maintain the price of gas at a reasonable level.

Unfortunately, the house heating load sets the peaks, then laps off to storage facilities outside the local area, utilizing on an annual basis only one peak load of the year, which was built to serve it. Gas flowing to underground storage cannot be utilized by the gas industry outside of this area because the gas is required by the pipeline facilities to support a seasonal load.

In summary, the cost of the consumer and, in some instances, the distributor could understand and appreciate a realistic gas price with simple competitive facts. When that occurs, the plain fact appears that the gas industry, in meeting the demands of the consumer, will be strengthening the consumer and will become a more competitive and enjoyable environment, really pleasant people, and means of developing the current of gas and gas in plentiful supply.

Boetticher & Boetticher

In the first place, as the President has explained with great eloquence, the President is not going to get along with any other nation for fifty years, if we do not have the peace and the opportunity to get along in peace.

The President has been working in close cooperation with the world's scientific community in an effort to get along in peace, but this cooperation between the two processes is not going to happen.

In the second place, America's satellite program was deliberately, up to the recommendations of America's scientists, bent upon

from missile programs, both to accentuate the satellite effort and to avoid the development of far more crucial missile programs. A sterling of the two efforts could be made and the President has been more than willing to do both programs.

In the fourth place, whereas the satellite program had as high a priority as the missile program, the President understood the science of satellites would not make us progress on ballistic missiles.

In the fourth place, at no time, and to the best of our knowledge, has any missile development program been held up, and it is now, proceeding on schedule. It will continue to do so in cooperation with the scientific community.

Now, my friends, on the subject of efficiency, by the power of our nation's strength; we got there and we need the President, first of all, on which our strength depends; we got there, as we see it, as a result of evaluating how very different Republicans and Demo¬crats and the nation's strength, and justice and strength. Along the line, I have been disturbed by the utter futility of the divided Democrats, and yet how easily they must say that it is the right thing to do in the past five years.

Now, as all of us know, there are some differences in our own ranks.

Is There a Real Complaint?

As to the question, we have you have about modern Republican and conservative Republican leaders and their activities.

I know of the heartburn caused by them and by our leaders too little here, too big there, so as to reduce in a neighboring state.

I know about patronage pangs, and people we don't have today, and second, find that we have been over defense cuts comes from someone who on the other hand of living costs, a balanced budget, and a reduction of Federal spending to think that such questions have been raised or the confusion over the present administration.

Now, just a word about these American heads and land on the front page of every American newspaper.

Some would have you believe that our country has been in a real race to be the first nation in history to shoot something round into outer space. Others would have you believe that the United States was not first, or second, or third, in this satellite race.

We wanted controls on the economy. That's been done. We wanted a better, more economical defense. We have that.

We wanted a balanced budget. We do so now. We wanted down payments on the public debt. We'll soon have $5 million worth. We wanted taxes cut. We've already pocketed $25 billion from the biggest tax cut in history.

We were the leaders in the payroll cut. Almost a quarter million dollars, almost a quarter million dollars.

We wanted controls on the economy. That's been done. We wanted peace. We wanted the shameful retreat to communism stopped. It's been done.

We wanted honesty in Washington. We've had it.

We wanted the government we could trust. We've that.

We wanted peace, prosperity and progress. We've had it. Our program for defense is unprecedented in all our history. You will remember what you asked for, or at least some part of it. We are not going to be foisted upon the Federal jobs. Well, it's some solace to remember that in being the Party that makes the government smaller not bigger.
Continued from first page

The World of Tomorrow
Is in Our Hands

mile a great many of miles.

sees No Scientific Stunt
But at the same time we could make no greater mistake than to brush aside the scientific stunt of more importance to the man in the street as they go by.

have had a grim and timely reminder of a truth we must face. America, the greatest country of the Soviet Union has developed a scientific and industrial capacity of great magnitude.

If the Free World is to survive to our achievements or our present position of military supremacy, we must move forward on all fronts—military, economic and political. We are faced by a very real threat which the Communist empire poses to free men

The launching of the satellite Sputnik has given us a signal to pay much more attention to the peace and safety of the world, particularly as it affects our island nation.

There is no question that the small island nation has a real stake in the international situation. The close attention that the Sputnik menace has been given in the United States and the rest of the Free World is to be welcomed. But I am convinced that the nations of the Free World should not only welcome but seek to encourage the launching of such satellites to increase the peace and safety of the world.

We have a great many nations in the world that are interested in the peace and safety of the world. We have a great many nations that are interested in the peace and safety of the world. We have a great many nations that are interested in the peace and safety of the world. We have a great many nations that are interested in the peace and safety of the world. We have a great many nations that are interested in the peace and safety of the world.

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Stock Margin Credit Control Hinders Our Economic Future

F. I. du Pont Adds (Special to The Financial Chronicle)

SAN DIEGO, Calif—David C. Edwards has been added to the staff of Francis I. du Pont & Co., San Diego Trust & Savings Building. He was previously with Holton, Hull & Co.

Western Secs. Adds (Special to The Financial Chronicle)

DENVER, Colo.—Alan J. Ar- tach has joined the staff of Western Securities Corporation, C. S. Johnson Building.

With State Bond & Mtg. (Special to The Financial Chronicle)

NEW ULM, Minn.—Gerald Fe- nmaier and Frank J. Schneib- er are now with State Bond & Mortgage Co., 28 North Minnesota Street.

Creston Funk, Hobbs Formed in San Antonio

SAN ANTONIO, Tex.—William G. Hobbs, Jr. (left) has become associated with Creston H. Funk and Company as Executive Vice- President, according to Creston H. Funk (right). The firm name has changed to Creston H. Funk, Hobbs & Company.

Mr. Hobbs has spent many years in the investment securities scene and is well-known nationally, being current Chairman of District 6, National Association of Securities Dealers, that circuit includes a major portion of the Great Southwest (all of Texas) and covers the largest districts in the Association.

Mr. Hobbs came to the San Antonio, Texas firm from another Alamo City investment business, Russ and Company. He is also a member of the Jack Ammann Photogrammetric Engineers, Inc. in San Antonio.

A Chicagoan by birth, Hobbs is a graduate of Northwestern University. In 1930 he was with the Chicago firms before making San Antonio home.

Professionally, he is a member of the Midwest Stock Exchange. Active in civic and service affairs, Hobbs is a member of the San Antonio Petroleum Club, San Antonio Country Club, the San Antonio Club, The Argyle Club, Club of Chicago, Municipal Bond Club of Chicago and Bond Traders Club of Chicago.

Creston H. Funk will continue to serve as President under the new firm name of Creston H. Funk, Hobbs and Company. Mr. Funk has been in the investment securities field for 30 years and has headed his own company since 1925. He is a Past Chairman of the Texas Group of Investment Bankers Association of America. Firm offices are at 907 Frost Building, San Antonio.

Continued from page 13

In the February issue of THE CHRONICLE, it was stated: "The Magic of H All.

This last finding probably will not fit the present situation as regards margin purchases. But it is true that the share of these using credit are thus dramatized, because the idea that there is universal demand for margin money is not true. It is only one of a number of fallacies that are making it very difficult for the public to understand that the margin buying is the key to the margin sales today—a new car or an appliance when it is equally proper and often wise for the buyer to delay to borrow reasonably to invest for the future, or for a major luxury item, as it may be a retirement income or an estate for his family, or an education for his children.

Indeed, I sometimes wonder at our sense of proportion. A man can make a great investment in a rare car, 100% to buy a washing ma- chine, and 94% to buy a house. But he can borrow only 30% to buy an interest in the company that makes the car, the appliance, or the house. We have made it much easier to borrow in order to spend, than to borrow in order to save.

This problem leads to a final question I want to place before you. How is our emergency credit being used and is it working? What is its effect?

The problem has become increas¬ ingly important because we are witnessing a serious gap between the amount of credit or funds that are desired to operate—and the way they actually are. Let me clarify this.

On six occasions since early August the Federal Reserve has ordered higher initial margins to slow down public borrowing. Well, stock market exchange funds are not operate in a vacuum. Hence, in order to study the consequences of these margin increases the Stock Exchange has analyzed not only our own market credit, but the course of prices and of volume. Our own experience shows that considerable periods extending from six months to eight months after each increase.

Admittedly, our research is sub¬ ject to the net to surprise us. On the other hand, obviously no one knows what might have happened to market credit, prices or volume had there been a margin not been changed, because in order to find, can our findings completely isolate the effect that general credit controls, the trend of busi¬ ness or the public's state of mind had on the course of the market.

Nevertheless, the results of our study are subject to definite conclusions.

In Tight Money Period High Margins Appear Superfluous

We found, first, that as a gen¬ eral rule the Fed always finds that at 100%, which prohibited new borrowing altogether, margin in¬ creases and decreases have no effect on the public's borrowings—or on our buying power, but, if we are both right, we also discovered that when general credit controls are tight as they have been for the past two years—customer borrowing is more noticeably reduced. It is thus my conviction that it is the Fed¬ eral Reserve's tight money policy and not the selective credit con¬ trol of margins that has restrained our borrowing. Up and down the line interest rates are higher, and money is harder to get. In this condition has proved the decisive factor in limiting the borrowing by se¬ curities industry customers. To-

day, general credit controls con¬ tinue as the most effective brake on new money going into the market. They tend to make high margins largely a thing of the past. But what happens when stock mar¬ ket volume when margins are increased? Here, the story has been sharply different. For example, in the late summer stock market was in a market volume dwindled—indeed, some stocks with as much as 25%, and while the Exchange did not change its margin requirement for a half billion shares, or 44%, to its maximum margin requirement in April, 1955, we have seen the spectacle of volumes dropping from a daily average of 2.5 mil¬ lion at that time, to 1.9 million in late August, in fact, rep¬ resented an annual turnover rate of only 11% of shares listed. This is only two-thirds the turnover of a month or an annual period, and only one-eighth the rate of the post-War World War I decade.

This dwindling volume is not only a matter that concerns our securities industry. The public, too, is involved in the chain re¬ action that follows. For our reduced low volume lessens the liquidity of the market. For another thing, there is a damper on the willingness and ability of corporations to raise money through the issues. Both these points are cru¬ cial to our economic future and both need a word of explanation.

As for liquidity, it has often de¬ clared that the management can develop and that when there is no reason to believe that the public's buying power is ready to be freely increased, a market can still be saved because it has a ready and available market. Indeed, it is the opposite. The effect of lower margins will be to provide added liquidity to the market, added incentive to in¬ vestors and added encouragement to companies seeking growth money.

With Putman Management

BOSTON, Mass.—John L. Thord批次 has joined the staff of The Putman Management Com¬ pany as President of the George Putnam Fund of Boston, "balanced" mutual in¬ vestment fund. He was formerly with the Boston office of Tucker, Anthony & R. D. Day.

The American Red Cross

Carries on

Weber finished well, with no new or simple switch-out, with the same thing as saying there were no new or simple switch-outs in the archaic tax structure—such as easing the capital gains tax and the double taxation of dividends which are inhibiting investment—were held. And, certainly, in the area of credit, the course I would follow would be dictated largely by the points I've covered.

In summary, I would recognize

first, that stock market credit represents a vital though infinitesimal part of our total debt picture—and there is every evidence that this credit is being used wisely. It is certainly not contributing to inflation.

Second, I would proceed with the conviction that general credit controls—and will continue to be the most effective brake in controlling any excessive market credit. This is no more than acknowledging the fact that if money is tied—everywhere, it will be tight in the stock market as well.

Third, I would be moved by the evidence that present high margin requirements are having their greatest impact not on stock market credit, but in an area they were not designed to affect—on stock market volume and liquidity.

Thus, the pressure exerted by the selective control on market margin on top of general controls, is much like our trying to take the cure with both the foot brake and the emergency brake jammed on.

As a result, I am convinced we must look to the time in the near future when the emergency brake can be released and margins can be reduced to a normal 40% to 50%. I am not too much interested in a specific date on the calendar. In establishing a situation clearly that general credit controls can effectively regulate credit-market credit, and that the superequilibrium of high margins is at some time an unnecessary purpose. Indeed, it is doing the opposite. The effect of lower margins will be to provide added liquidity to the market, added incentive to in¬ vestors and added encouragement to companies seeking growth money.
As We See It

There is no cheap or easy road to security in a nuclear age. The cost is not only in dollars but in the need for restraint, for a reduced and controlled national military capability. The Administration has scaled its "minimum" program downward time and again.

.. .

The Administration has given the impression that its interest in foreign nations lay only in gaining military allies and forward bases, and that economic interest was only in furtherance of military ends. This is not a Democratic policy; it is the conviction that a free world system in which nations can pursue their own development free of Communist entanglements requires economic opportunities. Most important perhaps, however, is the fact that industrial development by having managerial and technically competent people shall have the opportunity to get the capital requirements by foreign investment and aid rather than by attachment to Communist systems and totalitarian methods.

Rather typical New Deal Democratic doctrine this is, full of half-truths. The necessary result in the face of rapidly growing Soviet industry is that the developed countries of the West and the underdeveloped countries of the free world have vast interests in common. If these interests are not to be aligned with those of the semi-arid, agriculturally marginal "virgin" lands is not only lucky, with one excellent crop and one fair crop a year is enough. Commerce and industry is to be only fair and there is no doubt that many of our agricultural crops fall apart as the moisture is used up in the new and expanded area of production. A richly stocked with the Soviet Union so far; it is now probable that the cotton crop has come to be said about the "virgin" lands.

The final success or failure of the program is still to be determined. The reputation for prosperity is deeply involved. He has promised to do something about the problem of the quality of life in America, and millions in the United States are looking for a way to get the kind of life that they want. The future is in suspense. If the program is successful, the economy will be strong. If it fails, the economy will be weak. The future is in the hands of the people who are going to do the job.

The Communists Also Have Their Problems

Three ways have been advocated by the Soviet leaders. The first concerned the decentralization of industrial development. After years of exulting the virtues of centralized planning, the Soviet Union has recently recognized the need of local initiative to improve the efficiency of the plant level. By this means, which is predicated on the hope to ease the burden on the central support function, means of local implementation of the economic system is through the development of a new Five Year Plan was adopted in 1928. Some 27 special economic regions were established in Moscow and replaced by 100 regional economic centers. Last June, several of Khrushchev's colleagues tried to reverse all this.

The reason for the reorganization is still not clear. One tries to conceive of the bureaucracy, which would have if we attempted to manage from the Capital the details of a growing industrial complex more dispersed geographically, and of the like, the challenge of approaching one-half of its size. There should be eventual economic decentralization, but Khrushchev's plan does not fit the model he has in mind.

Long period of transitional confusion is certain while new administrative and economic machines of mass production are turned over to the control of these two to be eliminated are not in a hopeless minority.

Changes Are a Camouflage

The claim that the purpose of these changes was to get back to the pure Leninist Communist of the past is preposterous. Even the leading theorists of Communist program are not the same. There is a deliberate effort to change the basic situation where the issues are closely connected. Those to be eliminated are not in a hopeless minority.

The domie feature of our economy since 1933 is that great new resources—factories, supplies of materials and production and distribution channels—have come into being. These resources, together with the increase of population, work force and productivity that our dynamic technology provides, given wise and forward-looking national economic policy responsive to the Employment Act of 1946, should give the nation each year a substantial increase in real national product.

The increase in national product, brought by new public and forward-looking national economic policy put it well within our capacity to strengthen national security and to meet both our international responsibilities and the needs of our own rapidly growing population.

"To say that greater expenditures wisely made weaken our economic structure is quite untrue. To base our foreign and defense policy on such fears and ignorance is to feed the specter which usually overrides the timidity and the weak."

And then a day or two later, turning to our domestic affairs, this Council takes great pains in another lengthy indictment of the Administration to leave nothing to chance. It said: the Democratic party are still New Deal through and through.

We may as well face the unpleasant fact that it does not lie in the mouths of Democratic leaders to offer consolation to the citizens of the United States. The threat and its fault is found in the circumstance that it has proceeded too much as if it were the direst threat of Franklin Roosevelt—as if it were in point of fact a Desperate Regime. We can only hope that the great rank and file will awake to the facts of this situation before it is too late.
Foreign attitudes towards the Russian people, and at least out of recognition of popular yearning for freedom, leaders have been forced to give lip service to the old Communist doctrine; but in the end before the Moscow leaders. Now that the issue of conceding real freedom is a great international political problem in the USSR is squarely on the agenda, self-proclaimed 

Khrushchev, with a reign of terror, a culture of censorship, and a campaign to discredit and expel its enemies, has been in power throughout the entire period of the revolution. As Ver-
gnial said in the course of the French revolution, "a tempest, like Saturn, devours its own children.

They have also demanding a more open and democratic political system in the USSR, and the leaders have not been able to hold the party in line.
The Soviet Union, in fact, is rapidly losing the culture of atheism and the ideal of a classless society. 

The problem is that Khrushchev is now in control of the situation, and the leaders have no choice but to allow his control to continue.

In the end, what is the answer? It would flow from this that Khrushchev, as Stalin's successor, is trying to impose his will on the people, and he keeps his control for a very long time. He has the dual task of, first, making sure that his control is still strong, and then to use it to stop the growing wave of independent movements in the Soviet Union. 

Khrushchev is the one who is trying to do this, and he is the one who is trying to maintain his control over the Soviet Union.

The problem is, then, that this is a very difficult task, and the leaders have not been able to accomplish it.

The answer is that Khrushchev is not trying to change anything, and he is trying to maintain his control over the Soviet Union.

In the end, the answer is that Khrushchev is not doing anything, and he is just trying to maintain his control over the Soviet Union.
The State of Trade and Industry

The remainder from inventories. Consumption in 1955 was about 6,000,000 tons lower than the previous year, and the remains of raw materials in goods, in process, and as finished goods were smaller at the start of the year than in 1954. The net decrease, the metal working fraction being approximately 20,000,000 tons after a 4,000,000-ton addition in 1954. In the first half they were 18,000,000 tons of steel in inventories in 1957 will leave a 19,000,000-ton stock at the end of the year, an amount that was as high as the usage rate. At the other end, to make prompt delivery on all forms of steel, except heavy plates and structural shapes, the need to carry a smaller inventory is not very great. If full capacity is underway, there will be apathy in buying, this trade weekly declares.

The producers of capital goods such as machine tools and plant equipment are dissapointed about prospects for new orders in the future. But some of the orders for Malterior increased productivity and cost cutting are not enough to offset added production. "Steel's" price composite on steelmaking grades of scrap declined $1.07 and now stands at 85.75 a gross, the lowest in 14 months.

The American Iron and Steel Institute announced that the operating rate of steel companies, having 94.1% of the steel capacity in service as of Sept. 25, 1955, was 73.8% of capacity for the week beginning Oct. 11, 1955, equivalent to 2,845,000 tons of steel per week, compared with 89.5% of capacity, and 2,970,000 tons (revised a week ago) the industry's ingot production rate for the week in 1953 is based on 2,984,000 tons a week. For the like week a month ago the rate was 87.2% and production was 2,514,000 tons. The weekly production for the first 12 weeks of the year was 2,349,000 tons or 101.2%.

The operating rate is not comparable because capacity is higher than a year ago. The 1956 production rate is based on an annual capacity of 128,363,000 tons as of Jan. 1, 1956.

Electric Output Last Week Tended Lower by 7.5%

The amount of electric energy distributed by the electric light and power companies of the U.S. and Canada was estimated at 11,084,000,000 kwh, according to the Edison Electric Institute. Output the past week tended downward again.

The port week's output declined 25,500,000 kwh, below that of the previous week, the lowest output figures for the period based on an annual capacity of 273,695,000 kwh.

Car Loadings Declined Fractionally in Last Week and Were 9.3% Under Like 1956 Period

Car Loadings declined fractionally in the week ended Oct. 12, 1955, declined by 6,217 cars or 0.8% below the precedent week, the lowest in 15 weeks.

Car loadings for the week ended Oct. 12, 1955, totaled 741,520 cars, a decline of 43,342 cars for the previous week or 5.7% above that of the comparable 1956 week and a decrease of 80,058 cars, or 9.7% lower than the corresponding week in 1955.

U.S. Automotive Output Reflected A Gain of 75.4% Last Week as Volume of 1955 Model Cars

Automotive output for the latest week ended Oct. 13, 1955, according to "Ward's Automotive Reports," recorded a gain of 11.9% that week over the previous week. Last week's car output totaled 76,760 units and compared with 38,388 units for the same week a year ago. The production total of cars and trucks amounted to 87,845 units, or an increase of 28,486 units above that of the preceding week's output, states "Ward's." Last week's car output advanced above that of the previous week's output at a rate of 11.9% higher than the 1956 rate during the week. In the corresponding week last year, 83,557 cars and trucks were made.

Last week the agency reported there were 20,076 trucks made in the United States. This compared with 18,850 in the corresponding week of 1956. Canadian output last week was 1,928 cars and 601 trucks and included 1,463 built-in cars and 83 trucks and for the comparable 1956 week, 5,769 cars and 1,563 trucks.

Commercial and Financial Chronicle . . . Thursday, October 24, 1957

Wholesale Food Price Index Movements Lower in Latest Week Following Steady Trend of Preceding Period

The wholesale food price index, compiled by Dun & Bradstreet, Inc., dropped to 173.8 last week from 174.5 the previous week. This was the lowest level since May 28 when it also stood at 173.8 and was recorded on May 25, 1955. The current number compared with 180.2 a year ago, or a gain of 5.4%.

Higher in wholesale cost were flour, wheat, oats, hams, lard, coffee, cocoa and eggs. Lower in price were corn, potatoes, and certain seafoods.

The index represents the sum total of the price per pound of 31 retail foods. The index is given in a form that shows the trend of cost changes and is designed to show the general trend of food prices at the wholesale level.

Wholesale Commodity Price Index Registered Further Decline in Last Week to Score a New 1957 Low

There was another decline in the general commodity price level of the past week, with noticeable decreases in prices on several widely known commodities, according to the wholesale commodity price index, compiled by Dun & Bradstreet, Inc., stood at 279.8 last week, which was recorded on Oct. 11, 1954, and compared with the index registered 283.50 compared with 281.9 a week earlier and 283.18 a year ago.

Government reports forecasting larger than expected crops of corn, wheat and soybeans resulted in a decline in most grain futures prices during the week. Although trading continued at the level of the previous days, advance of new supplies appeared to have depressed market activity, except in soybeans, which were higher. Slightly declines in prices on corn and oats stimulated buying interest among consumers.

Rye futures prices declined noticeably resulting in a moderate pick up in trade. Increased buying throughout the week appreciably firming prices. Moderate gains in July were attributed to favorable harvesting weather, expectations of a bumper crop and large carry over.

There were some scattered orders for bakery flours last week and prices edged up somewhat. Wholesalers expect buying to remain in the same vein for a while and adequate stocks. Increased buying from both domestic and foreign markets has sustained prices at the present levels. Futures in the near future are expected to follow the same trend,洗脸 by good weather, but movements in Mississippi were delayed. Many wholesalers reported limited rice supplies.

Bakers increased their purchases of raw sugar somewhat the past week and prices rose moderately. Trading and prices on existing commitments were firm. Close attention was paid to sugar futures which showed an advance in coffee buying slacked off and prices were unchanged. Cocoa futures prices were firm, with sales recorded trading up. Tea warehouses continued to fill stock of cocoa in New York fell slightly to 234,439 bags at the end of last week. Total supplies in the United States cocoa arrivals for the season to date totaled 2,691,570 bags compared with 3,549,622 bags in the similar 1956 period, 53.4% above a year ago. Cocoa futures prices resulted in a moderate decline in hog prices. Receipts in Chicago were the second largest since February. Cattle supplies declining during the week and cattle buying has increased in the recent weeks. Prices were moderately strong during the week but not very high. A slight rise occurred in trading in steers, but prices remained at present levels. The prices on hogs were slightly above the prices as a consequence slipped somewhat. Lamb receipts were moderate during the week and prices declined 3% over the previous period. There was a substantial gain in lard futures prices as trading improved.

Cotton prices on the New York Cotton Exchange rose somewhat following a lower than expected government crop forecast. The government estimated the cotton crop for this season would be about 12,410,000 bales. This was 312,000 bales less than the previous forecast. Cotton futures prices on the New York Cotton Exchange rose somewhat following a lower than expected government crop forecast. The government estimated the cotton crop for this season would be about 12,410,000 bales. This was 312,000 bales less than the previous forecast.
Trade Volume Advanced Substantially Above Prior Week But Was Slightly Below Year Ago

Despite extensive sales promotions and cool weather, total sales in early November, 1957, were substantially below those of last year. Increased buying of new passenger cars helped reduce the decline, and volume of new cars sold was greater than for any other week in 1957.

Regional estimates for the past year show that the rate of increase of sales of all retail stores was 4% in the South, 2% in the West, and 1% in the North. In the South, increases were driven by strong gains in the South Atlantic and Mountain States, while the East South Central and West South Central divisions showed weaker gains.

Trade volume increased 4% in the Midwest, 3% in the West South Central, 2% in the Northeast, and 1% in the West North Central. The Central Atlantic region had the smallest increase of 1%.

The total dollar volume of trade in the period ended on Wednesday of last week was from 3% below to 1% above a year ago, with the gains in the South being substantially higher than in the early part of the year. The large increases in sales at the regional level were due to the high level of consumer spending in the South Atlantic and Mountain States.

Although sales of women's coats and some fashion accessories equalled those of a year ago, other items of apparel were lower. Increased purchases of men's hats and suits in the South were offset by declines in furnishings and topcoats boosted total men's apparel volume up to the year ago level. The buying of children's clothing lagged.

There was an appreciable gain in the call for automatic laundries and dry cleaners, dishwashers and television sets during the week and sales were moderately higher than last year. While interest in linens and draperies was close to that of a year ago, volume in paint, fertilizer, and potted plants was substantially lower than in 1956. Purchases of power mowers and household tools at that time were not as high as for the previous year, while furniture volume was lower than a year ago. Wholesale buying of major appliances was unchanged from last year.

Wholesalers were somewhat dissatisfied at the response to openings of women's spring merchandise, but retailers stepped up their orders for fall and winter, especially for clothes of the better dress line or sought fill-in merchandise for depleted stocks. Volume in women's and men's department store sales rose slightly in the South, while the volume declined in the West and Northeast.

Department store sales in a country-wide basis as taken from the TSI Index, was 1% lower for the week ended Oct. 12, 1957, showed a decrease of 1% from the like period last year. In the preceding week, Oct. 5, 1957, no change was reported. For the four weeks ended Oct. 12, 1957, a decrease of 1% was reported. For the period Jan. 1, 1957 to Oct. 12, 1957, an increase of 2% was registered above that of 1955.

Retail trade sales volume in New York City last week proved disappointing when the index dropped 3% below the corresponding period in 1956.

Trade observers, it was reported, were in a quandary as to the dominant cause of the lower trend the past two months and attributed the decrease to the specially warm, hot weather, weather politics, the stock market and other possible depressors.

According to the Federal Reserve Board's Index, department store sales in New York City for the weekly period ended Oct. 12, 1957, decreased 8% below that of the like period last year. In the preceding week, Oct. 5, 1957, a decline of 8% was reported. For the four weeks ended Oct. 12, 1957, a decrease of 1% was reported. For the period Jan. 1, 1957 to Oct. 12, 1957, the index recorded a gain of 3% above that of the corresponding period of 1956.

Mutual Fund Specialists
WEST NEW YORK, N. J., Mutual Fund Specialists, Inc. is engaging in a securities business from offices at 443-60th Street.

Logan Adds Three
CHICAGO—James T. Logan, president, recently announced the addition of three people to the merchandising department of his company. They are: James Teague and A. Laurence T. Watson, who have been added to the staff of Jensen & Shop Co. 426 East Fifth Street.

Three With Cal Pacific
BEVERLY HILLS, Calif.—Richard C. Conwell, Albert G. Geigel and Charles W. Marsh Jr. have become affiliated with Cal-Pacific Securities, 140 North Robertson Blvd.

Independent and Bell Systems Face Common Goals and Problems

Eight employees who are working in this business really know their business. Their outfits are working for them.

That means so much more to the employee than to the employer. The employees staff are better trained, they are better equipped, and they are better paid. The employees know that they are working for the company that they are working for. Their work is more important to them than the work of the employer.

We simply must show the companies and the public that the only way to get telephone prosperity is through telephone prosperity. As it is said, the telephone is a great and important service to the country. We have a multitude of new opportunities to provide in this service and a great variety of new services will be used. These ideas will add to the confidence of the public in their telephone service. They will be able to get the best service they want. We must also encourage the growth of our telephone service. We must not make capital in huge amounts. We must continue to push telephone development. We must take new and substantial investments in telephone service. We must have the best service we can and we must keep them up.

Telephone—The Future

As we have already discussed, the telephone is a service that is needed to be made available. We must continue to push it, and we must make sure that we can get the best service we can.

We have already discussed the idea of making telephone service available. We must continue to push it, and we must make sure that we can get the best service we can.

We must also encourage the growth of our telephone service. We must not make capital in huge amounts. We must continue to push telephone development. We must take new and substantial investments in telephone service. We must have the best service we can and we must keep them up. We must not only make telephone service available, but we must also encourage the growth of our telephone service. We must not make capital in huge amounts. We must continue to push telephone development. We must take new and substantial investments in telephone service. We must have the best service we can and we must keep them up.
Need for Orderly Development Of Foreign Oil Reserves

than adequate for the production that may be called for in the near future. As a result of the growing demand for oil, we have seen some of the many estimates of the world requirement for energy that a part of the world. To what extent the estimated demands prove to be reasonable and inevitable, a part of the world. The Middle East is a region with some of the critical aspects in production contracts which in one way or another are proving to be in the major interest.

Involves State Department

A more general aspect than the relative position of the world oil industry in the Middle East, which is one of the primary interests of the United States and several other Arab States. The relations between the United States and the State Department have been a critical aspect of the oil industry contract

The elections led up to and followed the closing of the Suez Canal, and the Canal itself was of great importance for the operation. Syria, in the Middle East, is important as a source of income. The oil industry is considered to be an important source of income. The oil industry is considered to be an important source of income.

Under the older concessions and at the end of World War II, revenue from oil sales to the producing countries was a source of cash for the countries involved in the conflict. The future of the producing countries was a source of cash for the governments. The predominant factor in the price of oil was demand, and the price of oil was determined by the balance of supply and demand. When the supply of oil was in short supply, the price of oil was high. When the supply of oil was abundant, the price of oil was low. The price of oil was the result of the balance of supply and demand. When the supply of oil was in short supply, the price of oil was high.

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from foreign areas where the reserves are far outstrip the present and expected future consumption of world oil. "I do not believe it is true," Mr.士 agreed, "that there is any partial dependence on imports which will endanger national security. Oil is ... it is a 'have' nation for many races, and it is not true that what we do not mean that our security is in a precarious position."

However, dependence on foreign sources is one of the problems of national security. The fallacy of some conclusions, Mr.士 said, is that the costs may be prohibitive.

Over the past several years the advocacy of this policy by Gulf has made the corporation a target of criticism. In the camp of those who wish to see the United States follow a policy of severely restricted imports are many who demand that the nation meet the requirement of this country supplied by the foreigner.

They apparently want to see us derive our entire supply of oil from the utmost limit— even to the point of failure to meet demand at any price. They are for the foreign oil to enter domestic markets.

Even in the event where the domestic production is pushed to its utmost limits, prices, with little or no increase in the retail price, would fail to carry the added cost of getting the oil into the tank and up to the retic to the surface, and of finding the more costly, low grade domestic kerosene, would not do to the price structure of the consumer. Such a policy is possible to farseee in explicit terms, but to say that it could maintain the retail price of a gallon of gasoline at a non-fastedished cost is a fallacy.

I believe that most people will agree that the security factor does not cost we pay for self-sufficiency in a national resource.

Also, Gulf had been considered and potentially disastrous consequences if the importation of the facts or through ignorance, recently being pointed to in the development of production and excessive inventories, are an indication of the position. Actually, an unfortunate sequence of events during and following high prices in September, 1927, Canal is responsible for the high inventory of crude and gasoline. What actually happened was that during the early months of the depression the interruption of the flow of Middle East crude to Europe, the development of 78,000,000 barrels of crude already started was taking care of a very high inventory of crude and gasoline. E u r o p e a n purchases dropped to negligible levels, the production rates were held at an even level. At the same time, the Gulf did not show its predicted increase in production. Where, we suddenly found ourselves and here again I am speaking of the situation at the beginning of the year with virtually every available barrel of domestic crude and more pouring out of the wells. Zealots Without Facts

There then arose a hue and cry against the Gulf and the industry, that of oil cannot go down. We must through the painful process of trial and error evolve an overall price line. But there have been warnings that prices will be determined for each if they are fixed operator by operator, and that the price for gas from the same field. During the year heating oil fields may be 15 cents per MCF while Company Blue's may be 20 cents, who will be the buyer will be permitted to contract with Red and who must be stuck with Blue's high cost?

Other difficulties could be mentioned here, but I am sure you see the large area of discussion that would be unavoidable on the basis of the common sense that we have and I as partners even under these circumstances— somehow will see that oil in the present inventory moves in commerce. We will be sure to make the central point that the law now requires Federal regulation of the price of the crude oil. The Phillips decided shed that particular point of a very large amount of regulating is required and since this is a part of the new government's responsibilities under the present situation, we must make the matter of the producer proposes—in this particular instance, the availability of a controllable market price will type of regulation will work and with this in mind. This type regulation must be a way to control this industry and exempt our partner's producing prices from the concept does provide, however, that the Federal Power Commission shall not continue its disheartened effort to assume a utility control in this field. Instead it calls on the Commission to evaluate all factors in establishing a controllable market price.

The Courts have been clear in their ruling on the definition of "market price". It is that price at which property rights are transferred from a seller to a buyer. Underlying it is the fact of free competition and the role of the classic tests of true competition.

This Association has estimated that the total of a year of increase some 7.5% a year through Indiana, Illinois, and the City of St. Louis, for instance, there are many situations where we have applied for gas to heat their homes. In the Gulf Coast market is growing at 30% per year. In the Appalachian area distributors are now meeting in echinates. Some of the Appalax area foresee a deficiency of 20% by 1980. The State of Florida will be open to natural gas by a new line being built to supply that area. Even in the East Coast there is a devery much to that of competing fuels the market is expanding rapidly because of sound advertising and alert distribution methods. But in a like manner we are watching with growing interest the expanding numbers of our partnership.

Propriety

Judgment on the responsibilit for the propriety of one must recognize this growing demand. Any way you look at it, we will need to stimulate the search for in gas in the future as a commodity and not as a by-product can only result for the long pull in a still or in a market. In those circumstances higher price recognizing this demand, the price must be fully determined for many years, we will call forth gas from the ground to meet the need. Under those circumstances, while prices will certainly rise, this will rise in an orderly way controlled by immutable rules of the economic game but umpired by the FPC.

They will be moderated by lower prices and through our partnership will then experience of course price increases by reason of increased volumes. Then we will certainly see the benefits of more, better, and better partners in Profits and in Service.

Cleveland Security Analysts Announce Fall Meetings

Cleveland, Ohio — The Cleveland Security Analysts Society will hold its annual fall meeting program, with the speakers scheduled:

November 6: General Robinson, President, Carborundum Corp.

November 7: Governor, Treasurer, Harshaw Chemical Co.


November 26: H. B. Funk, General Manager Cleveland Electric.

December 4: Joseph Lasterman, Vice-President, American Steel Foundries.

December 12: George Spudt, President, Clark Equipment Co.

December 18: B. E. Bemanger, President, Brunswick-Balke-Collender.

January 9: Harold Young, Eastman Kodak Co.

January 18: Jeremy C. Jenkins, Cyrus J. Lawrence & Sons.

February 5: Sylvia Davis, Shelby Cullom Davis & Co.

February 25: Philip Sporn, President, American Gas & Electric.

March 5: Jerome A. Barterman, President, Union Machine Tool Co.

March 13: Spyros Skouras, President, Twentieth Century-Fox.

March 26: Kelly Y. Siddall, Administrative Vice-President, Proctor & Gamble.

April 10: Speaker to be announced.

April 23: To be announced.

April 30: To be announced.

May 13: Bengt Jekklen, President, Brush Beryllium.

May 20: Richard Cagan, President, Pure Oil Company.

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

TABLE OF FACTS AND QUOTATIONS—U. S. DEPT. OF AGRICULTURE:in thousands of dollars—except as noted

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BANKERS’ DOLLAR ACCEPTANCES OUTSTANDING—FEDERAL RESERVE BANK OF NEW YORK—As of Sep. 20:

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BUILDING PERMIT VALUATION—DUN & BRADstreet, INC.—115 CITIES—Month of August:

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COMMERCIAL PAPER OUTSTANDING—FEDERAL RESERVE BANK OF NEW YORK—As of Sep. 20 (in millions of dollars)

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COTTON SEED AND COTTON SEED PRODUCTS—DEPT. OF COMMERCE—Month of August

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THE COMMERCIAL AND FINANCIAL CHRONICLE www.fraser.stlouisfed.org
Consumer Products Co.


Continental Insurance Co.

Oct. 10 filed $70,000,000 of 6% capital stock (par $5) to be offered in exchange for capital stock (par $7.50) of Firemen's Indemnity Insurance Co. of the United States. Proceeds—to subdivide 17,000,000 shares of Continental's stock for every 20 shares of Firemen's stock. The offer, which is subject to acceptance of not less than 95% of the outstanding stock, is being held to expire Nov. 1, 1957, but may be extended to Dec. 31, 1957. Underwriter—None.

Continental Screw Co.

Sept. 24 filed 300,000 shares of common stock (par $1), $25,000 par value, to be sold for cash. Proceeds—to acquire additional real estate, for expansion of the business, and for general corporate purposes. Officers—G. H. Brynildson, Pres.; Carl E. Ryland, Sec. Underwriter—Lester Huggins Corp., Boston and New York.

Cooperative Grange League Federation, Inc.


Deluxe Check Printers, Inc.

Sept. 24 filed notification) $25,000 shares of common stock (par $1) to be offered for subscription by employees of the company, its subsidiaries and certain associated companies. Officers will be accepted by the company from Nov. 4 through Nov. 22. Price—$42.25 per share. Proceeds—to general corporate purposes.

Descow Chemical Co.

Oct. 9 filed 20,000 shares of common stock (par $5) to be offered for subscription by employees of the company, its subsidiaries and certain associated companies. Officers will be accepted by the company from Oct. 12 through Oct. 31. Price—To be determined by competitive bidding. Underwriter—None.

Duraco of Minnesota, Inc., Denver, Colo.

Aug. 23 filed 750,000 shares of common stock (par $1), $75,000 par value. Proceeds—to acquire additional real estate, for expansion of the business, and for general corporate purposes. Underwriter—American Underwriters, Inc., Englewood, Colo.

Empire Sun Valley Mining Corp. (11/4)

Aug. 9 filed 340,000 shares of common stock, of which 200,000 shares have been offered for subscription by employees of the company, and 140,000 shares to Stockholders of Sun Valley Mining Corp. (100,000 shares). Proceeds—to acquisition of mines; and for working capital. Officers—Jerome, Idaho. Underwriter—For public offer, John S. Hargis, Underwriter.

Fall River Power Co., Colorado Springs, Colo.

Aug. 23 filed 500,000 shares of common stock (no par). Proceeds—to repay past due bank notes and for construction purposes. Officers—To be determined by competitive bidding. Underwriter—None.

Continued on page 42
Continued from page 41


First National Life Insurance Co., Phoenix, Ariz. July 29 filed 106,500 shares of common stock (par $4) of which 98,000 shares are to be offered publicly and 15,500 shares are idle stock purchase options. Price—To public, $12 per share. Proceeds—For expansion and other corporate purposes. Underwriter—None.

Florida Trust, Pompano Beach, Fla. March 4 filed 850 certificates of beneficial interest in the Trust (par $1). Proceeds—To be acquired by purchase, lease or otherwise, and to hold, own, subdivide, lease, mortgage, exchange, bargain, sell, convey, mortgage, hypothecate and every other encumbrance and use of every real property. Underwriter—None.

NEW ISSUE CALENDAR

October 25 (Friday) Woodbury Telephone Co., Inc. (Offering to stockholders—underwriting) $2,552 shares

October 25 (Monday) Great Divide Oil Corp. (Bolshoyar & Co. & $100,000

Otter Tail Power Co. (Debentures—Offering to stockholders—underwriting by Halsey, Stuart & Co. $1,250,000

Parker-Hannifin Corp. (White, Blyth & Co. & $100,000,000

Strato-Minerals Corp. (Keesman & Co. & $100,000

October 25 (Thursday) American National Life Insurance Co. (Issued & Co. & The First Boston Corp. 180,000 shares

American Telephone & Telegraph Co. (Debentures—Offering to stockholders—underwriting by Pancoast & Co. $100,000,000

Camco, Inc. (Issued & Co. & $100,000

Caruso Foods, Inc. (Common (Issued & Co. & $100,000

Johnsen Service Corp. (Issued & Co. & $100,000

National Cylinder Gas Co. (Merrill Lynch, Pierce, Fenner & Beane) & $17,000,000

Victoreen Instrument Co. (Common (Bulwer, Hiller & Co. & $1,000,000

October 30 (Wednesday) Baltimore & Ohio Rail. Trust Cfs. (Bldg. to be issued) $5,000,000

Simplicity Pattern Co., Inc. (Offering to stockholders—to be underwritten by the Milwaukee Mercantile, 10,000 shares

Time Finance Corp. (Debentures—Offering to stockholders—underwriting by the American Bankers Association's, Inc. $1,000,000

October 31 (Thursday) Rechold Chemicals, Inc. (Common (Blyth & Co. & $100,000

San Diego Gas & Electric Co. (Preferred (Blyth & Co. & $1,500,000

Southern Pac. Co. (Common (Bldg. to be issued) $10,000

Smith-Corona, Inc. (Debentures—Offering to common stockholders—underwriting by Lebanon Brothers $5,000,000

Southern Union Gas Co. (Debentures—Offering to common stockholders—underwriting by Leary, Lough, Freeman & Bean & $1,000,000

Shaw, Greene & Co. (Common (B. Alyn & Co. & $1,000,000

November 1 (Friday) Maine Public Service Co. (Common (Blyth & Co. & $1,000,000

San Diego Gas & Electric Co. (Preferred (Blyth & Co. & $1,500,000

Southern Pac. Co. (Common (Bldg. to be issued) $10,000,000

November 4 (Monday) Coastal Ship Building Co. (Debentures—Offering to common stockholders—underwriting by Southland Brothers $5,000,000

Dow Chemical Co. (Common (Offering to employees—No underwriting) 200,000 shares

Empire Sun Valley Mining Co. (Common (John Sherry Co. & $1,000,000

Ritter Finance Co., Inc. (Debentures—Offering to common stockholders—underwriting by Ritter & Co. $2,000,000

Ritter Finance Co., Inc. (Class B Common (Offering to common stockholders—underwriting by Ritter & Co. $2,000,000

November 6 (Wednesday) Dayton Power & Light Co. (Debentures—Offering to common stockholders—underwriting by Gunderson & Co. $1,000,000

Merrimack-Roxus Electric Co. (Debentures—Offering to common stockholders—underwriting by Gunderson & Co. $1,000,000

November 7 (Thursday) Beneficial Finance Co. (Debentures—Offering to common stockholders—underwriting by Gunderson & Co. $10,000,000

California Trolley Co. (Common—William B. Staats & Co. & $100,000

Heidt-Perlman Inc. (Common (Blyth & Co. $100,000

Perkin-Elmer Corp. (Common (Blyth & Co. & $100,000

San Diego Gas & Electric Co. (Common (Bldg. to $2,000,000


* Gateway Motor Car Co. (10/15) Oct. 22 filed 50,000 shares of common stock (par $5). Proceeds—$25 per share. Proceeds—For business expansion, manufacture and assembly of controls; and for other corporate purposes. Underwriter—None. Offering to be made through selected dealers. Application is still pending with SEC.


Genie Greift Corp. Aug. 8 (letter of notification) $100,000 of 10-year 6% convertible debentures and 120,000 shares of common stock (par $10), at $100,000, to be offered in units of $500 of debentures and 20 shares of common stock. Price—$100 per unit. Proceeds—To discharge short term obligations; purchase real estate for housing capital. Office—1022 1st St., N.W., Washington, D.C. Underwriter—White, Blyth & Co., Inc., Washington, D.C.


Guardian Insurance Corp., Baltimore, Md. Aug. 18 filed 300,000 shares of common stock, of which 200,000 shares are to be publicly offered; remainder reserved as capital stock and unassigned surplus. Underwriter—C. S. Wood, Rudelle Blvd., Fort Wayne, Ind.


Guardian Life Insurance Co., Saint Louis, Mo. Aug. 18 filed 300,000 shares of common stock, of which 200,000 shares are to be publicly offered. Proceeds—None. Underwriter—None.

Guiding Light Life Insurance Co. Sept. 25 filed 316,814 shares of common stock (par 50 cents) and 2,754,950 6% first mortgage sinking fund bonds due November 15, 1975, for public subscription. Proceeds—Price $50 per share. Proceeds—None.

* Gulf State Bank, Inc. Oct. 1 filed 250,000 shares of common stock (par $2.50) and 1,178,000 shares of common stock (par $25) and 1,178,000 option rights to be offered in units of one share and one option right. Price—$25 per unit. Proceeds—For drilling and working capital. Office—1507 Mile High Center, Denver, Colo. Underwriter—None.

* Hamilton Oil & Gas Corp. Oct. 1 filed 175,000 shares of common stock (par $5) and 550,000 shares of preferred stock (par $50). Proceeds—For capital stock and unassigned surplus. Underwriter—None.

* Hamilton Oil & Gas Corp. Oct. 1 filed 175,000 shares of common stock (par $5) and 550,000 shares of preferred stock (par $50). Proceeds—For capital stock and unassigned surplus. Underwriter—None.
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**Hampshire Nickel Mines Ltd.**
Aug. 23 (letter of notification) 400,000 shares of common stock (par $1); Price—$52 per share. Proceeds—to be used for the construction of a new plant, a new office building, and general corporate purposes. Office—Suite 607, 328 Bay St., Toronto, Ontario, Canada. Underwriter—H. J. Cooney & Co., New York.

**Hartford Electric Light Co.**
Oct. 8 filed $2,400,000 of 3% secured debentures, series A, due Oct. 8, 1982, of which $1,000,000 for the purpose of constructing and maintaining two elec¬
tric generating stations and for the purpose of acquiring additional corporate real estate. Proceeds—To be used for the construction of a new generating station and for the purpose of acquiring additional corporate real estate.

**Hewlett-Packard Co., Palo Alto, Calif.**
(11/7) Oct. 9 filed 250,000 shares of capital stock (par $1), of which 100,000 shares are to be offered for the purpose of acquiring the stock of other companies. Proceeds—To be used for the purpose of acquiring the stock of other companies.

**Horace Mann Fund, Inc., Springfield, III.,**
June 21 (letter of notification) 200,000 shares of common stock. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Howell (Robert) Corp.**
(Oct. 8) filed $1,000,000 of 3% preferred stock (par $50) for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Hudson's Bay Oil & Gas Co., Ltd.**
Oct. 17 filed $1,500,000 of 5% preferred stock (par $100) for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Hyde Park Crepe Paper Co., Inc.,»**
(Oct. 17) filed $5,000,000 of first mortgage bonds due Oct. 15, 1957; interest rate 5%, to be paid semi-annually, for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Hutchinson Telephone Co., Hutchinson, Minn.**
Aug. 21 (letter of notification) 1,007 shares of common stock (no par), of which 100 shares are to be offered for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Hyman Mfg. Co., Pasadena, Calif.**
(11/11-12) Oct. 18 filed 400,000 shares of common stock (par $10). Price—To be supplied by an amendment. Proceeds—to be used for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Idaho Power Co.**
(11/19) Oct. 16 filed $5,000,000 of first mortgage bonds due Oct. 15, 1967, to be paid semi-annually. Proceeds—to be used for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Independent Western Loan & Finance Corp.**
Aug. 16 filed $1,500,000 of first mortgage bonds (par $1000) for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Isreal-Mediterranean Petroleum, Inc., of Panama**
Sept. 20 (letter of notification) 100,000 shares of common stock (par one cent). Price—At the market on the date of notification. Proceeds—For exploratory drilling and development of petroleum properties and for acquisition of additional acreage.

**Isthmus Steamship & Salvage Co., Miami, Fla.**
May 21 (letter of notification) 100,000 shares of common stock (par one cent). Price—$1 per share. Proceeds—to be used for the purpose of acquiring the stock of other companies. Underwriter—Anderson-Cook Co., Inc., Palm Beach, Fla.

**Jafan, Inc., Washington, D. C.**
July 1 filed $1,000,000 of 6% debenture stock, due Oct. 1, 1972, and 100,000 shares of common stock of which 60,000 are to be offered for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Johnson (F. N.) Co.**
(Oct. 4) filed 25,000 shares of preferred stock (par $50) for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Ketchum & Co., Inc., New York City**
Oct. 27 filed $1,000,000 of 6% debentures due Oct. 27, 1972, and 100,000 shares of common stock. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Koer Industries & Crafts Co., Ltd.**
Aug. 26 filed 5,000,000 shares of 6% cumulative participating preferred stock (par $100), of which 1,000,000 shares are to be offered for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Lawrence Gas Co.**
(11/18) Oct. 18 filed $2,000,000 first mortgage bonds, series A, due April 11, 1957, at $5,000 per mortgage bond, due May 11, 1972 at $5,000, for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Maine Insurance Co., Portland, Me.**
Oct. 10 filed $1,500,000 of common stock of which 11,000 shares, at $5.31 per share, are to be offered for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Mascot Mines, Inc., Kellogg, Idaho**
June 3 (letter of notification) 800,000 shares of common stock (par one cent). Proceeds—to be used for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**McCormick & Co., Inc.**
(Oct. 19) filed $2,040,000 of common stock (par $100) for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Middle South Utilities, Inc.**
(11/19) Oct. 9 filed 451,694 shares of common stock (par $10). Proceeds—to be used for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Ogletree Life Insurance Co., Savannah, Ga.**
Sept. 12 filed $1,500,000 of common stock (par $25). Proceeds—to be used for the purpose of acquiring the stock of other companies. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Ohio Power Co.**
(11/19) Sept. 29 filed $1,000,000 of first mortgage bonds due 1987. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Ottawa Life Insurance Co.,**
Aug. 31 filed $1,000,000 of first mortgage bonds due 1987. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Peabody (The) Co.**
(Oct. 8) filed $1,000,000 of first mortgage bonds due 1982. Proceeds—to be used for the purpose of acquiring the stock of other companies.

**Rector & Son, Inc.**
(11/7) Oct. 15, 1957, on the basis of one new share for each six shares held to expire on Nov. 9, 1957, Price—$16 per share. Proceeds—for construction of a new addition. Proceeds—for construction of a new addition.

**Rector & Son, Inc.**
(11/7) Oct. 15, 1957, on the basis of one new share for each six shares held to expire on Nov. 9, 1957, Price—$16 per share. Proceeds—for construction of a new addition. Proceeds—for construction of a new addition.

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(11/7) Oct. 15, 1957, on the basis of one new share for each six shares held to expire on Nov. 9, 1957, Price—$16 per share. Proceeds—for construction of a new addition. Proceeds—for construction of a new addition.
Otter Tail Power Co. (10/28)

Oct. 4 filed $3,220,000 of 41/2% convertible debentures due Nov. 15, 1978, for subscription by common stockholders of record Oct. 25, 1973, on the basis of $100 of debentures for each 80 shares of common stock held; rights to expire on Nov. 12. Price—At par. Proceeds—To repay bank loans and for working capital. Underwriter—Blyth & Co., Inc., New York, N. Y.

Paciﬁc Petroleum, Ltd.

Oct. 11 ﬁled 1,403,998 shares of common stock ($1 par), of which 1,368,998 shares are to be offered for subscription by outstanding shareholders. A common stock at the rate of one Paciﬁc share for two Merril shares (one Merril share is worth $1.12 upon exercise of presently outstanding options granted by Merril, which options are additionally assumed by this offering). Offer—O. St. Louis, Alberta, Canada. Underwriter—None.

Palestine Economic Corp., New York

Sept. 20 ﬁled 27,000 shares of common stock. Price—At par ($25 per share). Proceeds—For participation in further development of Israeli industry; for capital improvements and for additional acquisition of operating facilities.

Pearl-Hannifin Corp., Cleveland, Ohio (10/28)

Oct. 7 ﬁled 3,400,000 shares of common stock ($1 par), of which 675,000 shares are to be offered for subscription by outstanding shareholders at a price of $6.35 per share for outstanding common stock at the rate of one Pearl share for two Merril shares (one Merril share is worth $1.12 upon exercise of presently outstanding options granted by Merril, which options are additionally assumed by this offering). Offer—O. St. Louis, Alberta, Canada. Underwriter—None.

Roanoke Gas Co.

Sept. 18 (letter of notification) 11,160 shares of common stock ($1 par) being offered to stockholders of record Sept. 30 on the basis of one share for each five shares held; rights to expire on Nov. 18. Price—To be supplied by amendment. Proceeds—For expansion of business. Business—Proﬁts from sales and services of natural gas, and for capital and other corporate purposes.

Israel Oil Co., Panama

Sept. 27 ﬁled voting trust certiﬁcates over 1,000,000 shares of common stock (par one cent). Price—At mar. on Pac. Stock Exchange. Proceeds—For exploratory drilling and development of presently available leaseholds. Underwriter—None.

Planned Securities Corp., Bossier, La.

Oct. 16 (letter of notiﬁcation) 25,000 shares of 6% cumulative preferred stock ($100 par), of which 10,000 shares are to be offered for subscription by outstanding shareholders at a price of $25 per share for outstanding preferred stock ($100 par). A common stock (par $10) to be offered in units of one preferred and two common shares, at a price of $17.50 per unit. Offer—Helms, Hallett & Brooks, Inc., New Orleans, La. Underwriter—Kidder, Peabody & Co., New York, N. Y.

Perkin-Elmer Corp., Norwalk, Conn. (11/7)


Pleasant Valley Oil & Mining Corp.


Putnam Growth Fund, Boston, Mass.


Ranapo Uranium Corp. (New York)

Aug. 13 ﬁled 125,000 shares of common stock (par one cent). Price—$1 par. Proceeds—For investment. Underwriter—None.

Rapid Electrotype Co., Cincinnati, Ohio


San Diego Gas & Electric Co. (10/31)

Oct. 27 (letter of notification) 1,165,750 shares of preferred stock ($100 par), of which 315,750 shares are to be offered for subscription by outstanding shareholders at $20 per share. Proceeds—For expansion of business. Business—The purchase and distribution of electrical energy for lighting, heating and power purposes. Underwriter—Blyth & Co., Inc., San Francisco and New York.

San Diego Gas & Electric Co. (11/7)

Oct. 7 (letter of notification) 30,000 shares of common stock, par $1, of the company. Proceeds—To repay bank loans and for new construction. Underwriter—Blyth & Co., Inc., San Francisco and New York.

San Jose Water Works, San Jose, Calif.

Oct. 14 ﬁled 40,000 shares of cumulative convertible preferred stock ($100 par), of which 1,000 shares are to be offered for subscription by outstanding shareholders at $25 per share. Proceeds—To repay bank loans and for new construction. Underwriter—Decker, White, Stross & Co., San Francisco, Calif.

Savannah Electric & Power Co. (11/14)

Oct. 26 (letter of notification) 1,000 shares of stock, of which 500 shares are to be offered for subscription by outstanding shareholders at $10 per share. Proceeds—To repay bank loans and for new construction. Underwriter—To be determined by competitive bidding. Business—The purchase and distribution of electrical energy for lighting, heating and power purposes.

Shenandoah Coal Co., Bloomﬁeld, N. J.

Sept. 12 (letter of notification) 100,000 shares of common stock ($10 par). Price—$13 per share. Proceeds—To retire outstanding loans and for working capital and investment in essential equipment. Underwriter—Nashville, Tenn. Underwriter—None.

St. Louis Union Securities Co., St. Louis, Mo.


Southwestern Securities Co., Oklahoma City, Okla.


Southern Union Gas Co. (11/1)

Oct. 8 (letter of notification) 89,000,000 shares of sinking fund debentures due Nov. 15, 1978, to be offered in exchange for common stock of American Telephone & Telegraph Co., which owns 1,793,000 shares (21.4%) of Southern Union capital stock. Underwriter—None.

Southern Union Gas Co. (11/1)

Oct. 8 (letter of notification) 89,000,000 shares of sinking fund debentures due Nov. 15, 1978, to be offered in exchange for common stock of American Telephone & Telegraph Co., which owns 1,793,000 shares (21.4%) of Southern Union capital stock. Underwriter—None.

Standard Oil Co. (New Jersey) (11/18)

Oct. 15 ﬁled a maximum of 5,065,000 shares of capital stock to be offered for subscription by stockholders of record Nov. 8, 1957, at the rate of one new share for each 20 old shares held; rights to expire on Dec. 1, 1957. Price—To be supplied by amendment. Proceeds—To increase investments in subsidiary and afﬁliated companies. Underwriter—Morgan Stanley & Co., New York.

Standard Steel Products Manufacturing Co.

Oct. 27 (letter of notification) 4,500,000 shares of common stock ($2 par), to be offered for subscription by common stockholders of record Oct. 31, 1957, on the basis of one share for each 10 shares held; rights to expire on Nov. 18, 1957. Price—To be supplied by amendment. Proceeds—For expansion and working capital. Underwriter—Blyth & Co., Inc., New York.

Strato-Missiles, Inc. (10/28)


Syntex Corp. (Republic of Panama)

July 24 (letter of notification) 1,165,750 shares of common stock ($2 par), to be offered for subscription by outstanding shareholders of Ogden Corp. on the basis of one new share for each four shares held; rights to expire on Oct. 31, 1957, on the basis of one share for each four shares held; to be offered for subscription by common stockholders of record Oct. 25, 1957, on the basis of one share for each four shares held; rights to expire on Nov. 7, 1957. Price—To be supplied by amendment. Proceeds—To pay outstanding obligations to Ogden Corp., Underwriter—None.

Tax Exempt Bond Fund, Inc., Washington, D. C.


Taylor Instrument Companies

Oct. 1 ﬁled 46,185 shares of common stock ($10 par) to be offered for subscription by outstanding shareholders of record Oct. 25, 1957, on the basis of one share for each four shares held; rights to expire on Nov. 7, 1957. Price—To be supplied by amendment. Proceeds—For expansion and working capital. Underwriter—None.
refise short term bank loans and for working capital and general purposes.

Underwriter—The First Boston Corp., New York. Offering...

Tex-Star Oil & Gas Corp., Dallas, Texas
Oct. 14 filed 400,000 shares of common stock (par $1) to be offered for sale by underwriting firms. Proceeds—For general corporate purposes.

Underwriter—Underwrite.

Texas Oil Corp., San Antonio, Texas
May 29 filed 300,000 shares of common stock (par $1) to be offered in blocks of 15,000 each. Proceeds—For working capital, equipment, and property acquisition.

Underwriter—Underwrite.

Texas Eastern Transmission Corp.
July 23 filed 1,000,000 shares of common stock (par $7) to be offered in exchange, on a basis-for-basis for stock of Continental Oil Co., New York. Offering—To be repaid underwriting firms upon the extinguishment of long-term debt. Proceeds—For working capital.

Underwriter—Underwrite.

Washington National Transmission Corp.
Oct. 2 (letter of notification) 570,000 shares of common stock (par $1) to be offered for subscription by underwriting firms for a period of 30 days. Proceeds—To be repaid underwriting firms upon the extinguishment of long-term debt. Offering—To be repaid underwriting firms upon the extinguishment of long-term debt.

Underwriter—Underwrite.

Western Chrome, Inc., Salt Lake City, Utah
Oct. 10 filed 500,000 shares of common stock (par $1) to be offered for sale by underwriting firms. Proceeds—For development of chrome mines in Biskonky County in northern Arizona. Underwriter—None. J. Bracken Lee is President.

Western Copper and Mining Corp., (Canada)
May 10 (letter of notification) 3,000,000 shares of common stock (par $1) to be offered to underwriters for subscription. Proceeds—For development and exploratory work, working capital, and general corporate purposes.

Underwriter—Underwrite.

Western Oil & Gas Corp., Denver, Colo.
July 29 filed 750,000 shares of common stock (par $1) to be offered for sale by underwriting firms. Proceeds—For working capital and general corporate purposes.


Prospective Offerings

Aircraft, Inc.
July 10—To be offered by underwriters. Proceeds—To be used for development of new aircraft and the First Boston Corp., New York, Offering—Temporarily postponed.

Ulrich Manufacturing Co.
Sept. 24 filed 400,000 of 7% sinking fund debentures and 20,000 shares of class A common stock (par $1) to be offered in units of $500 of debentures and 25 shares of stock. Proceeds—To be used for working capital and for general corporate purposes.

Underwriter—Underwrite.

Tuscan Gas, Electric Light & Power Co.
Sept. 25 filed 200,000 shares of common stock (par $5). Proceeds—To be used for development and construction of gas and electric plant and equipment.


Tulip Engineering Corp.
Feb. 27 filed 100,000 shares of class A common stock (par 10 cents). Price—$1.50 per share Proceeds—To be used for development and construction of plant and equipment.


Union of South Africa
Sept. 15 filed 19,000,000 shares of 6% 50-year external loan bonds due Oct. 1, 1967. Price—To be supplied by underwriters. Proceeds—To be used for construction and development of new sugar factories and for working capital.


United Fiber Corp. (11/14)
Sept. 4 filed 735,000 shares of common stock (par $1). Price—$4 per share Proceeds—For expansion program and other purposes.

Underwriter—Underwrite.

United States Sulphur Corp.
Oct. 13 filed 500,000 shares of common stock (par one cent). Price—$1 per share Proceeds—For plant rental, etc., to be used for working capital; and for other exploration and development work.

Underwriter—Houston, Texas. Underwriter—None.

Universal Winding Co.
Sept. 25 (letter of notification) $300,000 of 5% subordinated convertible debenture stock to bear interest at 5% of which $100,000 is secured by debenture notes for 100,000 shares of stock. Underwriter—None.

Central Illinois Public Service Co.
Apr. 27 it was reported company plans to issue and sell $10,000,000 of $100,000 equipment bond for plant expansion and for construction program. Underwriter—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co., Inc.; White & Co., Kidder & Co., and Kidder, Peabody & Co.

Central Louisiana Electric Co., Inc.
Apr. 14 it was reported company plans to issue and sell $8,000,000 of first mortgage bonds. Proceeds—To be used together with $4,500,000 of 4% 12-year convertible debentures in refunding existing $5,500,000 of 4% 10-year repo...
Florida Power & Light Co.

Oct. 19, it was announced that company plans to issue and sell 300,000 additional shares of common stock (no par) includ- ing $20,000,000 of debentures due 1955. Proceeds—To refund loans and for construc-

Hartford National Bank & Trust Co.

Sept. 3, it was announced that company plans to issue and
sell 300,000 additional shares of common stock (par 50) on
the basis of one new share for each stock held. Proceeds—
To increase capital and surplus. Underwriter—None.

Hathaway (C. F.) Co., Waterville, Me.

June 24 it was announced company plans to offer to stock-
holders of record Sept. 25, 1957 the right to subscribe on
or before Oct. 15, 1957 for 70,000 additional shares of capi-
tal stock (par $10) on the basis of one new share for
each share held. Proceeds—To increase capital and surplus.
Underwriter—None.

Houston Lighting & Power Co. (1:20)

Oct. 14 it was reported company plans to offer $40,000,-
000 first mortgage bonds due 1967. Underwriter—To be de-
cided. Proceeds—For refunding bank loans and for construc-
tion program. Underwriters—Halsey, Stuart & Co.; Equitable
Securities Co.; Lehman Brothers & Co.; Salomon Bros. & Hutzler (jointly); Merrill Lynch, Pierce, Fenner & Beane.

Indiana & Michigan Electric Co. (1:2/58)

Oct. 21 it was reported company plans to issue and sell
$100,000,000 of debentures due 1962. Proceeds—For refund-
ing of bank loans and for construction program. Underwrite-
er—To be decided. Proceeds—To be decided. Underwriters—Halsey, Stuart & Co.; Equitable Securities Co.; Lehman Brothers & Co.; Salomon Bros. & Hutzler (jointly); Merrill Lynch, Pierce, Fenner & Beane

Johnson Service Co., Milwaukee, Wis.

Sept. 30 it was announced bids will be received until 11:00 a.m. (EST) on Nov. 20. Proceeds—To be received by
12 noon (EST) on Feb. 13, 1958.

Johnson Service Co., Milwaukee, Wis. (10/29)

Sept. 30 it was announced bids will be received until 11:00 a.m. (EST) on Oct. 29 at the Department of Commerce Office Building, 324 W. Washington St., Chicago, III., for the purchase of the Attorney General of the United States and the Chairman of the Federal Reserve Board, common stock (par $5) of this company (representing less than one share of each class) of the company. Proceeds—To be received by
12 noon (EST) on Feb. 13, 1958. Underwriter—Robert A. Goodwin, in Chicago, III.

Laclede Gas Co.

Aug. 16 it was announced company plans to raise up to
$11,700,000 new money this year through sale of new se-
curities. Proceeds—To repay bank loans and for construc-
tion program. Underwriter—For bonds, to be de-

Long Island Lighting Co.

April 16 it was announced company plans to sell later this year $20,000,000 of bonds due 1957. Proceeds—To refund $12,000,000 of series C bonds due Jan. 1, 1958 and for construction program. Underwriter—To be decided. Proceeds—To be decided. Underwriters—Halsey, Stuart & Co.; Lehman Brothers, Merrill Lynch, Pierce, Fenner & Beane and Reinholtz & Gardner (jointly).

Louisville & Nashville RR

Bids are being received by the company some time in the Fall for the purchase from it of $14,000,000 of 6% medium term notes. Proceeds—To refinance debt.

Mangel Stores Corp.

June 19 it was reported company plans registration of an offering of leading name stores due 1972. Underwriter—Lee Higgins Co., New York.

Michigan Mining & Smelting Co.


Shell Transport & Trading Co., Ltd.

Oct. 3 it was announced company plans to offer to stock-

Suburban Electric Co. (12/11)

Nov. 11 it was announced company plans to issue and sell
$4,000,000 of preferred stock due 1966. Proceeds—To refund

Superior Tool & Die Co.

July 26 it was announced company plans to issue and sell

Tahoe Scale Co.

Sept. 28 it was reported that, following merger with the
company plans to issue and sell some additional common stock. Proceeds—McDonald & Co., Cleveland, Ohio. Registration—Expected to be opened in December.

Transcon Lines, Los Angeles, Calif.

Aug. 19 it was announced bids will be received in Octo-
ber for 40,000 shares of common stock (par $2.50). Underwrite-
er—Curtenden, Podesta & Co., Chicago, III.

Transocean Corp. of California

May 29 it was announced company plans to issue and sell
$5,000,000 of common stock (par $5). Proceeds—To be
received by May 29, 1960. Underwriting—The First Boston
Corp., for $5,000,000 of common stock at $5.00 per share. Proceeds—To be received by May 29, 1960. Underwriting—The First Boston Corp., for $5,000,000 of common stock at $5.00 per share.
Our Reporter’s Report

Fortunately underwriters were not burdened with the generally volume of new corporation offerings this week. For this there is no doubt these efforts are truly grateful.

What with the stock market getting down hard again under further heavy liquidity in the early days, and the market turning definitely soft, any substantial emission of new corporate offerings might have encountered poor reception.

As a matter of fact some bond market observers were definitely of the opinion that the buying opportunities afforded by the break in stocks were generating keen competition for fixed-term securities among investment interests of some securities dealers. The crux in stocks has lifted yields on equities, very substantially providing for profit in prevailing dividend rates hold over the long period and institutions which are in a position to do so have reportedly been on the buying side in the type of issues in which they would be interested. The real hope in the current situation, as far as seasoned investors are concerned, is the belief in such circles that current selling is being encouraged by a lack of buying of much stronger caliber, a normal development in situations such as these.

Unless there is a rather rapid upturn in the market it appears likely that there will be some further shedding of estimates on prospective corporate spending for expansion stocks. The naturally would tend to reduce the burden on the money market in diluting any demand for any dividend revision. Like this.

Wishful Thinking?

Naturally in circumstances such as these any proposal in the market places and in some sectors of business there is a tendency on the part of some people to turn their eyes toward Washington. The sentiment is that the country, for more than a generation now, has been more or less preoccupied with the problem of Fannie’s. Pump-priming has become, to some, a permanent part of the anti-depression arsenal.

Accordingly there were plenty of discussion this week of the possibility of early Federal Reserve action to help bolster the situation by moving to ease money stringency either through a cut in the discount rate or through a downward revision in member banks’ reserve requirements. But the head of the Federal Reserve Bank of New York strenuously denied any hint of early action of that nature in addressing the Security Analysts of New York. Rather he indicated a “leak into the wind” policy, as backed by Chairman William Mc. Martin, Jr., was still the real prospect.

Consolidated Edison 5c

When Consolidated Edison Co. of New York brought its $60 million first of and refunding 30-year bond issue last Wednesday it was forced to pay the highest price in 25 years for accommodation.

The highest bid accepted was 100.13999 for a 5½% interest rate. And competing bids were received from two other groups for a 5¼% coupon rate, showing the temper of the current market.

The successful bidders reportedly sold the bonds at 100.777 to yield 4.85%. At the stock demand was sluggish but was reported improved thereupon.

Focus of Interest

Next Tuesday American Telephone & Telegraph Co. will open bids for its offering of $250 million of 5½% stock of 30-year debentures. Two bonding groups headed by major investment firms traditionally since the advent of competitive bidding will seek the issue.

Naturally the rank and file is going to be watching this operation closely for it is generally believed that many investing groups have been keeping funds aside for a look at the merchandize.

DIVIDEND NOTICES

ALUMINUM LIMITED

DIVIDEND NOTICE

On October 16, 1957, a quarterly dividend of 25c per share on the 5.5% Preferred Stock, par value $100, was declared payable December 15, 1957 to stockholders of record at the close of business November 1, 1957.

Montreal

JAMES A. DUCELIA

October 16, 1957

Secretary

GOODALL RUBBER COMPANY

COMMON AND PREFERRED DIVIDENDS

The Board of Directors has declared a quarterly dividend of 30¢ per share on the Common Stock of the company, payable December 15, 1957 to stockholders of record at the close of business November 1, 1957.

H. G. DUSEC

Secretary & Treasurer

October 22, 1957

DIVIDEND NOTICES

AMERICAN ENCAUSTIC TILING COMPANY, Inc.

Manufacturers of Ceramic Wall and Floor Tile

DIVIDEND NOTICE

Declared October 16, 1957

Quarterly Dividend

Ex-10c-per-share

February 15, 1958

Dividend Payable

March 15, 1958

4% Stock Dividend

Payable December 16, 1957

Central and South West Corporation

Common Stock Dividends

Declared October 16, 1957

Quarters, 14½¢ per share.

October 16, 1957

4% Stock Dividend

Payable December 16, 1957

SOUTHERN CALIFORNIA EDISON COMPANY

DIVIDEND NOTICE

New York, October 22, 1957

A dividend of 17½¢ per share on 5,000,000 shares of Preferred Stock of this Company totaling a par value of $25 per share has been declared by the Directors of this Company, payable December 15, 1957 to stockholders of record at the close of business December 7, 1957.

DIVIDEND NOTICE

New York, October 22, 1957

A dividend of 17½¢ per share on 4,971,000 shares of Common Stock of Consolidated Railway Company has been declared by the Directors of this Company for the fiscal year ended December 13, 1957, to stockholders of record of the close of business December 7, 1957.

J. J. MAHER, Secretary.

Delta Air Lines, Inc.

General Office: Atlanta, Ga.

DIVIDEND NOTICES

United States Pipe and Foundry Company

DIVIDEND NOTICE

The Board of Directors this day declared a quarterly dividend of thirty cents (30¢) per share on the outstanding Common Stock of this Company, payable December 15, 1957, to stockholders of record on December 1, 1957.

United States Pipe and Foundry Company

JOHN W. BRANSEN, Secretary- Treasurer

DIVIDEND NOTICE

The Board of Directors has declared a quarterly dividend of 50¢ per share on the Common Stock, par value $1.00 per share, has been declared payable December 15, 1957, to stockholders of record November 29, 1957.

The quarterly dividend of $0.06 per share on the 4½% Preferred Stock has been declared payable January 2, 1958 to stockholders of record November 29, 1957.

C. E. HOPKINS, Treasurer


United States Pipe and Foundry Company
WASHINGTON... And You

WASHINGTON, D. C.—The Red Russian Sputnik, zooming in outer space, is the biggest story of its kind since the United States Air Force B-29 bomber, on Aug. 6, 1945, dropped the world's first atomic bomb in warfare, thus bringing Japan quickly to its knees.

The National Security Council, housed in the old State Department building across the street from the White House offices, is probably meeting in open session, possibly with the Defense Department, as a result of the Soviet Broadcasting attack on the world's first man-made moon.

The Sputnik subject is certainly to figure in many speeches and statements by members of Congress and others in the nation's capital. A report of Congress appears inevitable.

In addition to the Sputnik, the civil rights question (pro and con) will be bundled about, along with another in the list of the budget, public education, foreign aid, farm problems, inflation, and tax reduction proposals, plus some unknowns.

It is possible that the United States may send its own satellite into orbit. The rival that could outdo the Russian satellite might be in the making. Meanwhile, the Eisenhower administration's top spokesman, other than the President, says there is every possibility quite together on their public statements.

Conflicting Reactions

Former Gov. Sherman Adams of Massachusetts, President Eisen¬

hower's assistant, when many people feel pretty well roused, came from the White House to the press corps, saying the Sputnik announcement appears to have a sobering and encouraging effect on the political uncertainties abroad.

Mr. Adams told the party faithful that while the United States never intended to get in a race with the Russians, it could launch a Sputnik by 1958. Against the Russians, the Vice-President said, “We have no reason to believe that the Russian satellite is a threat to our well-being.”

Many foreign political leaders have taken a dim view of the Russian satellite.

President John F. Kennedy, the United States President, who had said that “the Russians had pulled one over us,” now says that “we have the best scientists in the world,” and that “we can do a better job.”

Some 55,000,000,000 were destroyed and damaged reached Germany, in the first attack, and the Russians made it known that they were not interested in the Communist world.

President Eisenhower has no intention of calling Congress into special session. There is no need for such an action, he said, the Defense Department and government agencies have all the laws and money immediately needed.

Hiroshima—First Hand

Meantime, the Hiroshima bomb is being disassembled by the scientific council of the century. This council was one of the first Americans in devastation Hiroshima last week, for the first time. Eighties hours were spent in the devastation city.

The vast eerie landscape of flattened, twisted and burned debris of a city, the stench of the burning dead, all seemed like a ghastly nightmare.

The exact casualty figure will never be known, but when American authorities and American scientists, then called the United States dead at 100,000 to 200,000, and wounded from 150,000 to 500,000.

A new, more educational dark cloud fell on the Japanese scientist. It is a scientific fact that these wearing clothing clothing fared much better.

Black buttons on white clothes, they were not killed. Survivors near the center of the explosion died from wind and sound from the bomb, while those a mile or more away were killed by the blast or explosion and with a blinding flash, a much less flash light bulb.

Many fantastic, almost unbelievable things took place, as the world now knows.

The United States Atomic Energy Commission announced today that the United States has a weapon that could be used as a bomb by the United States. The United States has developed a scientific and industrial capacity of great magnitude.

At the result the Vice-President said, “This country must think of its scientific future and welfare before thinking of calling taxes at the next session of Congress.”

No Tax Reduction

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When some critics of the Administration have been

“sounding off” as a result of the Russian Sputnik, President Eisenhower has no intention of calling Congress into special session. There is no need for such action, he said, the Defense Department and government agencies have all the laws and money immediately needed.

Hiroshima—First Hand

Meantime, the Hiroshima bomb is being disassembled by the scientific council of the century. This council was one of the first Americans in devastation Hiroshima last week, for the first time. Eighties hours were spent in the devastation city.

The vast eerie landscape of flattened, twisted and burned debris of a city, the stench of the burning dead, all seemed like a ghastly nightmare.

The exact casualty figure will never be known, but when American authorities and American scientists, then called the United States dead at 100,000 to 200,000, and wounded from 150,000 to 500,000.

A new, more educational dark cloud fell on the Japanese scientist. It is a scientific fact that these wearing clothing clothing fared much better.

Black buttons on white clothes, they were not killed. Survivors near the center of the explosion died from wind and sound from the bomb, while those a mile or more away were killed by the blast or explosion and with a blinding flash, a much less flash light bulb.

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