AS WE SEE IT

A valued correspondent inquires: "What is the 'free world' and what is free about it, and what countries are part of the free world? Is Portugal a free country? Portugal is governed by a dictator, as are other countries with which our Government is very friendly, and which are recipients of billions of dollars of 'foreign aid' from taxpayers of the United States?" Our correspondent is, of course, on strong ground, at least technically speaking, in objecting to the use of the term 'free world' in the way it is commonly employed. The term usually seems to embrace all those countries which are not dominated by the Soviet Union or Communist China. The only exception that occurs to us at the moment—"if it is an exception—is Yugoslavia, which, however, does not seem to be communicative but does not permit itself to be governed from Moscow. In this long list of countries there are many in which individual freedom as we have known it in the past or even as we know it today is non-existent.

We obviously have here in this usage a bit of inexact semantics as is so often the case in things political. It may or may not be a fact that there are no countries outside of Russia and its satellites and China where there is so little individual freedom left as in those countries. As to that we could not say, but it is clear enough that the facts do not warrant a description of the whole non-communist world as the 'free world' if the term is to be taken in any strict sense. Only in a special sense is 'freedom' the issue. The cold truth of the matter is that the world ambitions of "unfree" Russia is a compound of doctrinaire Marxism and the historical imperialism of the Czars for decades and even centuries before Mr. Lenin was ever heard of.

History of Mankind

The recorded history of mankind could almost be written in terms of the rise of powers with ambitions to gain ownership of valued resources of others and to gain the mastery over other nations or (Continued on page 23)

Electronics Manufacturers Face A New Technological Challenge

By Col. William S. Heavner,* Chief, Reconnaissance Laboratory, Wright Air Development Division, Wright-Patterson AFB, Ohio

The already proven feasibility of Molecular Electronics is said to require a corresponding updating in technology by electronics manufacturers if they are to avoid creative destruction. One of the advantages claimed for this step toward Functional Building Blocks is lower cost over present conventional equipment. Besides the impact of electrical phenomena ME promises, Col. Heavner notes other phenomenological effects that are so radical that they necessitate new curricula for teaching the subject.

One year ago Colonel Lewis of ARDC gave a talk in which he indicated a firm USAF requirement for Molecular Electronics. He pointed out that the Air Force had found a way to reduce the size and weight of electronic equipment, and a new breakthrough, namely Molecular Electronics, is a feasible and proven way to get size and weight reduction and also offers a decided improvement in reliability. We have for years been trying to prove this reliability, I will give further logical analyses to show that the basic design and fabrication of functional electronic blocks offers an inherent improvement. There have been many philosophies and definitions announced to describe what is meant by molecular electronics. All of them might be acceptable but I’d like to use the definition given by Messrs. Noble and Larson in an article they wrote for Aviation Week. "It is the synthesis of matter with predetermined electronic properties such that, under particular stimulus, the matter exhibits complex and complete electronic functions previously performed by distinctive combinations of active and passive devices."

They then described a functional electronic block (FEB) as "A molecular electronic item that performs such a process in this paper."

Contract Effort

During the past year the USAF has sponsored work with Westinghouse Electric Corporation and Radio and Communication Systems, Inc. to develop FEBS and prove the feasibility of using the basic properties and effects in matters for performing electronic functions. Many effective FEBS have been designed and fabricated which proved the capability of performing such functions as switching, amplification, oscillation, detection, etc.

Eight functional electronic blocks were specified in the Westinghouse contract and in eight months of contract operation they produced functioning models which indicated a very high rate of successful effort.

Now appears possible to produce FEBS in very large quantities, when there is a specific requirement for high production rates. However, this is not the usual pattern to follow for we expect low production, high pay-off, custom-made equipments to be made by teams of system engineers, device makers, and material specialists. We also admit that it is not anticipated that all component parts used in equipment will be molecularized, such as loudspeakers, antennas and high powered electronic items.

Conventional Parts

In commenting on the use of conventional parts, note should be made by equipment and component parts manufacturers that when the Services convert to molecular electronic equipment, it will be practically no requirement for the conventional resistors, capacitors, inductors, diodes.

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WILLIAM H. GUMPPEL
New York City

Ryan Aeronautical Co.

We are witnessing the beginning of a Scientific Revolution, in which knowledge of the electrodynamics will play the major part. About this problem, the President of the American Electric Industry, in his recent statement, said that the electronic business could look forward to unlimited future. This is the fact of all its field, and the electronics are identified with "growth."

According to the latest statement, made by Mr. R. C. Jackson, Executive Vice-President, "the order backlog of approximately $145 million is up $16 million from the previous quarter, while shipments have risen to a 6-months' total of $72.2 million, or $72 million a year earlier, while prime contracts will account for a second-quarter total of $250 million in fiscal 1960, up from $35 million the year before, plus the result of an important increase of production of electronics with volume schedules to rise to $21.6 million this year from $5 million in fiscal 1959."

This confirms the forecast in the company's 1959 annual report that I am greatly impressed with the management's past performance and the size of the company's future, as it has succeeded in changing over from its "old" frame of mind to the "new," which is the result of an internally managed policy.

A Cinderella Short-Story

Ryan was in the July, 1959 issue of "Forte" magazine among the names of "the 800 largest companies" according to their dollar volume in sales. The returns on their investment of capital for the 1959 year were so discussed recursively that the newspapers were owned or by any of the numerous institutional investors, although their favors were amongst the majorities of the "First 100," Ryan, ranking among the "masters of the nation," was an institutional orphan.

I have tried to draw the true picture of Ryan, its past and present. The corporation has shown a profit in all but one year (1947) of its operations. As listed above, the company has an excellent record of earnings and sales. The sales have increased from $15 million in 1947 to $18 million in 1958 while earnings have increased eight-fold. This record speaks for the company's ability to manage and has all the earmarks of good management. Due to the company's policy of reinvesting the greatest percentage of earnings, with a minimum paid out in the form of cash dividends, Ryan does not appeal to investors looking for a large current return, but to those who wish to invest in an electronic growth situation and capable management.

The Senate is now considering both the Defense Department and the Space Agency appropriation for the new fiscal year. Whatever the Senate's decision may be, or whether the clouds are lifting, the political horizon will get darker or disappear, one factor will remain: We are in the electronic and space age. The space for Ryan is on. "Science and Electronics" issues will continue to make headlines. No industry can overlook this development. The situation, I consider Ryan Aeronautical selling at 10 times the estimated 1960 earnings at 21—con¬sidering the high of 31.5—very attractive in the glam¬orous electronic, space and missile industry, offering excellent profit gains and growth potential in a dynamic field. Ryan, also, looks like an overlooked "Special Situation." Ryan—"the Orphan amongst institutional investors"—may be adopted by an acquirer, I remembering Virgil's sentence: "Fortune favors the bold ones;" wonder if anyone will be interested on those who favor Ryan with their confidence.

WALLACE C. KEMPER, Jr.

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Free Asia Challenges U.S. Private Enterprise

By George Champion,* President, The Chase Manhattan Bank New York City

Banker tells American businessmen that one of the great challenges of our time, now reaching a decisive stage, is whether the people of the developed world must rely on a private enterprise to help provide the needed push to real progress, now being made. Our unrelenting opposition to the receptive attitude of the American and Japanese businessmen toward the idea of what capital can do, he warns, ultimately result in stagnation, socialism and finally Communism. In recapitulating West Europe's flow of capital and technical know-how, Mr. Champion concludes that our opposite stance on what U.S. industry must take the lead if the job is to be done. The hazards will not be small, he cautions, but the returns for responsible, imaginative investors and firms could be sizable.

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Fund Management Shares

By Dr. Ira U. Cobligh, Enterprise Economist

Reviewing briefly the growth of mutual funds and the emergence of publicly offered shares of management companies.

Mutual funds constitute one of our fastest growing financial institutions, and are today the principal source of new funds which have been flowing into the various financial institutions in this country, such as banks and savings and loan associations. The growth of mutual funds has been due to a combination of factors including increased public interest in the advantages of diversification, lower management fees and the ability to buy and sell shares at any time.

Our PROSPECTIVE DEFENSE SPENDING AND THE INVESTOR

To what extent is the future of the nation's business activity and of common stocks, particularly the "safe-haven" issues, affected by (a) changes in the economic cycle, (b) changes in the price level, (c) changes in the level of defense spending, and (d) changes in the level of corporate profits?

The assumption of a pattern of correlation between changes in the scale of economy and stock prices is a fiction (as demonstrated in the accompanying chart) which has been expressed in concern over portentous trends in stock prices.

Offsetting these, however, is the broad public acceptance of mutual fund investments as a part of an annual record and results of many mutual funds, the attractive new packaged programs and contractual trusts; and, when lip service is paid, the broad new market which may be opened up by the passage of Congress of the Keill bill, or equivalent legislation, permitting the retention of a substantial portion of the $10 billion in tax-free, maintenance to, the retirement investment. Canada has been spending with $2,500 to $3,500, a year, and 10% to 15% of the invested, few, for retirement.

The expansion in the number of mutual funds has been due to a combination of factors including increased public interest in the advantages of diversification, lower management fees and the ability to buy and sell shares at any time.

Thus far, the results have been quite promising, with a number of mutual funds achieving significant returns for their investors.

The Administration's policy of holding to a middle-of-the-road defense policy, with a focus on maintaining a balance between defense spending and economic growth, has been met with varying degrees of success.

The Senate Appropriations Sub-Committee on Tuesday added $800 million to the defense budget, while the House added $200 million. The Senate has yet to act on the House increase, but it seems likely that a compromise will be reached.

No Tie-Up With Summit-in-Grey World system, by which the economic edifice is threatened, is based on the assumption of an impending collapse or an economic downturn, to follow therefrom.

The sound-and-steady policy was clearly set forth by President Eisenhower in his recent post-summit statement. He said: "We must keep our strength, and hold it steady for the long pull — a strength not neglected in complacency nor overbuilt in hysteria." (Nor, we add, should stock market enthusiasm be overgrounded in "hysteria." And again last week from the President's Office, there was no indication that defense spending will be affected by Soviet expansionism."

We will continue to work toward the protection of our interests, both in the short and long run, and in both the military and economic fields.

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The Commercial and Financial Chronicle ... Thursday, June 9, 1960
The June issue of the "Morgan Guaranty Survey," published by the Morgan Guaranty Trust Co. of New York, has the following to say concerning the business situation:

"Business news during the past month was essentially noncommittal. Major industrial developments were mixed with unfavorable..."

The decline in steel production, stemming as it apparently does primarily from users' demand for finished products, rather than from...
The Smith, Barney & Company current issue bond yield was lower than that indicated an overall market rate of over one-half point. On May 25, against 2.50% on June 2, the last point of the March spread, which predates the discount rate change and was an average point of the week, currently, the market was as many as one point better.

Recent Financing

Albuquerque, New Mexico awarded $3,000,000 (1961-1965) with a coupon of 3% on June 2, the bonds were priced at 101.74% of par value, a two-thirds of the issue was placed on the secondary market. The demand for Albuquerque bonds has become more vigorous since commercial and resort activities have become more prominent nationally.

The state has expressed an interest in the issuance of new bonds, and the state and municipal bond market has been about the average for the past few months. On June 2, the average yield was 3.02%, and dollar quoted municipal revenue issues were at 3.00%. There was a marked change in the demand for municipal revenue issues, which was dampened among municipal bond buyers, but a market has been found for some of the smaller issues. This, we believe, is the largest representation of the “Blue List” in recent municipal bond history.

Index Reflected Price-Enhancement

The Commercial and Financial Chronicle price index for the state and municipal bond market is shown below. This index provides a comparison of price movements in high grade and lower grade issues for the past year. This is a substantial index as a result of the price movement in high grade issues for the past year. The state has been about the average for the past few months. On June 2, the average yield was 3.02%, and dollar quoted municipal revenue issues were at 3.00%. There was a marked change in the demand for municipal revenue issues, which was dampened among municipal bond buyers, but a market has been found for some of the smaller issues. This, we believe, is the largest representation of the “Blue List” in recent municipal bond history.

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The Fiduciary Investment Act of 1949 provides that the bonds are authorized investments for fiduciaries, as defined in said Act, in Pennsylvania.

The bonds will be direct and general obligations of the Authority and all the bonds issued and to be issued will be equally secured by the pledge of the full faith and credit of the Authority, by the pledge of all rentals payable by the Commonwealth from its current revenues under leases covering projects leased by the Authority to the Commonwealth, which leases are to provide for the payment of annual rentals sufficient to meet the annual Principal and Interest Requirements on the bonds, and by the pledge of all other revenues, rentals and receipts of the Authority. The full faith and credit of the Commonwealth will not be pledged to the payment of the principal and interest on the bonds.

The bonds are offered when, as if issued and received by us and subject to the approval of the Attorney by Messrs. Bergin, Reiff & Fuld, Pittsburgh, Pennsylvania, bond counsel, and Warren B. Holmes, Esq., general counsel for the Authority. It is expected that delivery of the bonds in definitive coupon form in the denomination of $1,000 will be made on or about July 6, 1960.

<table>
<thead>
<tr>
<th>Principal Amount</th>
<th>Interest Rate</th>
<th>Due July 15</th>
<th>Yield to Maturity</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
<th>Due July 15</th>
<th>Yield to Maturity</th>
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<td>$680,000</td>
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<td>1971</td>
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<td>1972</td>
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<td>3%</td>
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<td>3.40</td>
<td>1973</td>
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<tr>
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<td>3%</td>
<td>1966</td>
<td>3.30</td>
<td>935,000</td>
<td>3.40</td>
<td>1974</td>
<td>3.40</td>
</tr>
<tr>
<td>765,000</td>
<td>3%</td>
<td>1967</td>
<td>3.50</td>
<td>950,000</td>
<td>3.50</td>
<td>1975</td>
<td>3.50</td>
</tr>
<tr>
<td>790,000</td>
<td>3%</td>
<td>1968</td>
<td>3.70</td>
<td>960,000</td>
<td>3.50</td>
<td>1976</td>
<td>3.50</td>
</tr>
<tr>
<td>815,000</td>
<td>3%</td>
<td>1969</td>
<td>3.85</td>
<td>985,000</td>
<td>3.50</td>
<td>1977</td>
<td>3.50</td>
</tr>
<tr>
<td>845,000</td>
<td>3%</td>
<td>1970</td>
<td>3.90</td>
<td>1,000,000</td>
<td>3.50</td>
<td>1978</td>
<td>3.50</td>
</tr>
</tbody>
</table>

(accrued interest to be added)

For information relating to The General State Authority and these bonds, references are made to the Official Statement of The General State Authority dated June 7, 1960, which should be read prior to any purchase of these bonds. The Official Statement may be obtained in any state from each of the underwriters including the undersigned, or may legally offer these bonds in such state.

DREXEL & CO. | HARRIMAN RIPLEY & CO. | THE FIRST BOSTON CORPORATION | KIDDER, PEABODY & CO.
SMITH, BARNET & CO. | BLYTH & CO., INC. | LEHMAN BROTHERS | PHILLIPS, FENN & CO.
EASTMAN DILLON, UNION SECURITIES & CO. | B. J. VAN INGEN & CO. INC. | WHITE, WELD & CO.
A. C. ALLYN AND COMPANY INCORPORATED | EQUITABLE SECURITIES CORPORATION | CAREL M. LOED, RHAODES & CO.
HEMPHILL, NOYES & CO. | LEE HIGGINSON CORPORATION | F. S. MOSELEY & CO. | STROUD & COMPANY INCORPORATED
YARNALL, BIDDLE & CO. | ALEX. BROWN & SONS | W. E. HUTTON & CO. | A. G. BECKER & CO.
SHEARSON, HAMMILL & CO. | HALLGARTEN & CO. | AMERICAN SECURITIES CORPORATION | BARR BROTHERS & CO.
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BUTCHER & SHERRILL | SINGER & CO. | W. H. NEWBOLD'S SON & CO. | KING, QUIRK & CO. INCORPORATED
MOORE, LEONARD & LYNCH | PENINGTON, COLKER & CO. | STERN BROTHERS & CO.
C. F. CHILDRENS & CO. | WILLIAM R. STAATS & CO. | KING, QUIRK & CO. INCORPORATED
NEW YORK HANSEATIC CORPORATION | JANNEY, DULLES & BATTLES, INC. | GREEN, ELLIS & ANDERSON
E. W. SPARKS & CO. | RAND & CO. | BACON, WHIPPLE & CO.
NEWBURGER, LOEB & CO. | ERNST & COMPANY | JOHNSTON, LEMON & CO.

June 8, 1960.
Long-Range Trends 
In the U. S. Economy

By James W. Knowles,* Joint Economic Committee, U. S. Congress

A preview of what is likely to be the economic situation in 1980, based on the behavior of real GNP and changes in consumer expenditures, indicates that the size of the growth potential for 1980 will remain about 3.0% (enough to add 12.0 billion dollars to the gross national product) or about 4.0% if you use the more recent calculation of the Federal Reserve Bank of St. Louis.)

James W. Knowles

In the last two decades the use of long-range projections of the growth potential of total output has become standard practice in major business, government, and private decisions. The development of this concept was a logical and necessary outgrowth of the changes in the government’s methods of operation. For example, the Federal Trade Commission is an active participant in the Committee’s work.

The Employment Act of 1946 does not purport to guarantee or insure full employment, but it does provide for an adequate level of output and the maintenance of a stable level of prices, but it does commit the Government to cooperation with other public and private agencies, to utilize all its planning functions, and to provide forecasts to aid in the accomplishment of all these objectives. With these conclusions as the basis of public policy, it is not unreasonable to attempt to forecast the level of full-employment resources will be achieved within an adequate rate of growth. Even if we are successful in achieving these objectives, full employment will not be seen to be achieved each and every year.

The labor force is assumed to rise from about 5 million in the current year 1960 to about 103 million in about 1980. Average annual hours of work have tended to decline over the past 50 years at a rate of about 0.6% per year. A somewhat slower rate of decline in average annual hours of work over the next 20 years is assumed, or about 0.5% per year.

For these projections, the rate of capital accumulation has been assumed to be somewhat more modest than could reasonably be expected. The projection is consistent with the average pace of change in the capital stock. The actual rate of change in the capital stock is shown in the following table, as the percent change in the capital stock.

The trend of the capital accumulation rate is assumed to be somewhat more modest than could reasonably be expected. The projection is consistent with the average pace of change in the capital stock. The actual rate of change in the capital stock is shown in the following table, as the percent change in the capital stock.

Finally, the assumption that the capital accumulation rate is assumed to be somewhat more modest than could reasonably be expected.

Ladenburg, Thalmann & Co.

Bear, Stearns & Co.

Sutro Bros. & Co.

June 8, 1960.

Lloyd Haas

Forms Own Co.

Lloyd Haas & Company, Inc. has been formed with offices at 135 East Fifth Street, New York City, to act as dealers in stocks, bonds and commodities. Lloyd Haas is principal. He was a former partner in Haas, Raymond & Company. He recently announced that Edward E. Anderson, retired senior vice-president of Discount Corporation of New York, has been associated with the firm as a consultant.

Anderson With Smith, Barney & Co.

Smith, Barney & Co., 20 Broad Street, New York City, wrote in the Federal Register: "We have been informed that Edward E. Anderson, retired senior vice-president of Discount Corporation of New York, has been associated with the firm as a consultant."

Named Director

PHILADELPHIA, Pa.—George W. Betz has been elected to the board of directors of United Biscuit Co. of America, parent company of Keebler Biscuit Co., which has a large plant in North Philadelphia. Mr. Betz who is associated with the Philadelphia office of Reynolds & Co., is a member of the Board of Directors of several corporations, including the Harmonic Reed Corp. of Rosemont, Pennsylvania.

James W. Knowles

assistant

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

NEW ISSUE

The Teleregister Corporation

6,000 Units

Consisting in the aggregate of
$6,000,000 principal amount of
6% Subordinated Sinking Fund Debentures due May 1, 1980
(with Warrants attached)

and

240,000 Shares of Common Stock
(Without Par Value)

Offered only in Units, each consisting of a Debenture in the principal amount of $1,000, with a Warrant attached, and 40 shares of Common Stock. Each Warrant will entitle the holder to purchase 20 shares of Common Stock on or after November 1, 1960 at $15 per share to and including May 1, 1963 and at $17 per share thereafter. A Warrant may not be detached from the corresponding numbered Debenture, or exercised, until the Debenture and Warrant have been separated and delivered to the Warrant Agent for its countersignature on the Warrant.

Offering Price $1,500 Per Unit
(and accrued interest)

George R. F. Stearns

Lloyd Haas

Barney & Co.

George R. Stearns has been with the firm of Stearns & Keidel, Jr., Vice-President and Secretary; Churchill G. Carey, Vice-President and Treasurer; Lawrence P. Naylor III, William G. Houson, and George M. Brady, Jr., Vice-Presidents; and George M. Stearns & Keidel, Jr., Assistant Secretary.

Lloyd Haas

Magazine’s Special Situation Serv-

is to be engaged in securities business offices at 1300 Florida Avenue, Northwest, Washington, D.C.

Foremost undertakings in Finance and Investment at Drexel Institute of Technology in Philadelphia.

George Rath Opens

George H. Rath is engaging in a securities business from offices at 135 East Fifteenth Street, New York City, under the firm name of George H. Rath Company.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.
Where Should Investors Steer Their Portfolios?

By John P. Chase, Treasurer, Chase Distributors, Boston, Mass.

Mutual fund head reveals basic changes in the investment environment which have brought to the certainty of a "free ride" from an increase in the "accretionary" times earnings typical of most firms. Chase recommends going after earnings prospects of firms whose stocks have not already discounted this in the P/E ratio; suggests four broad investment areas; and advocates the use of "keystone" stocks as a source of buying opportunities.

It is my opinion that a basic change is taking place in the overall investment environment and that investors, without attempting here to elaborate upon the reasons for that change, should take note of it as a basis for this conviction.

1. The United States for the first time competing for its primary economic existence in the world economy.

(2) The difficulties of demand occasioned by this country can appear to be due to lessening control over our own market areas, thus greatly reducing, if not eliminating, the psychological urge to sell money.

(3) Excess productive capacity exists in most U. S. basic industries.

(4) U. S. basic wage scales are some three times that of Western Europe, eight times that of Japan and perhaps ten times that of Japan.

(5) Many of our basic industries have become high-cost-marginal producers in the world market.

(6) The U. S. no longer has a monopoly on mass production techniques with which to offset higher cost scales.

(7) World raw material supplies are substantially in excess of effective world demand, resulting in shrinking world commodity prices.

(8) Our international trade position has been seriously weakened by our ability to receive the type of payments in which our buying power is based on our gold reserve and the relative value of the U. S. dollar.

(9) The U. S. is no longer master of its own destiny, nor is it able to expand credit and lower interest rates as it did in the past. It is now a speculative capital market, and thus capable of economic instability and depression.

(10) The rate of economic growth in Western Europe, Russia, Australia, and Japan exceeds that of the U. S. While our booms appear to have run its course, the economies of other nations appear to be at about the same stage of economic development as we were ten years ago.

(11) We are entering a period when international investment in this country appear likely to be lessening, and our current account would seem to the world country likely to be quiescent for the time being. This situation is not only depressed, but may even be negative for the United States.

(12) We are in the process of changing from a "boom" market to a "distribution" market, indicating the end of the postwar boom.

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The need for reassessment of basic investment policies would seem to be further heightened by another factor. During the 50's, the 425 companies making up the Standard & Poor's Industrial Stock. Averages appreciated 236%, but the earnings of these same companies increased only 11% over the rate of only 2.75% per annum. Put it another way, 90% of the appreciation was due to an upward revaluation of the times earnings ratio at which these 425 stocks sold. The 30 companies whose stocks constitute the Dow Jones Industrial Averages did somewhat better, showing a 65% appreciation. But even here, in the Dow Jones Industrial Averages was due to an increase in the times earnings ratio, which was 84% of the current and near-term earnings prospects are not being capitalizing on a high times earnings ratio. The appreciation is not justified by foreign competition or excess domestic competition.

(2) For those who desire growth, and are able to accept the risks involved, investment in emerging industries is well worth while. This type of investment would appear to be a sound and reasonable investment policy that would show a degree of confidence of attaining successful investment results.

"Magic" Formula Ingredients

There are four broad areas offering investment attraction within the 15 times earnings outlook which are discussed below. Each relates to one or more industries that are going in an emerging in the free world where definite advancement in "build out" and industrialization is still in an early stage of development. The other three, which should provide the major portion of any portfolio, lie within the bounds of the "keystone" stocks, which are in prospect and whose stocks have not already discounted this in the P/E ratio; suggests four broad investment areas; and advocates the use of "keystone" stocks as a source of buying opportunities.

(1) Since the rate of economic growth in Western Europe, Russia, Australia, and Japan gives every indication of exceeding that of the U. S., these countries are likely to offer the best investment opportunities for most of their basic industries with more likelihood of being seen to recognize investment representation in the basic materials and heavy equipment industries.

One may well ask, however, are not the political, social, currency, and other factors of the U. S. environment likely to result in lower growth and competitive costs? The answer is yes, but the investor should consider the opinion that this is not so.

(a) There should be a war in the United States.

(b) Socialism in its more advanced form, which has resulted nationalization and industrialization, appears to have lost heavily in public favor, as evidenced by the recent elections and by the general decline in the skillful virtual repudiation of nationalism, as evidenced by the recent elections, has been and will continue to be a prime target of the anti-communist campaign.

(c) For currency risks, it would seem obvious that the trend toward the narrowest possible position of the U. S. dollar has become more precarious than that of the other major currencies with which we are concerned. Again, this is a trend that must be expected to continue.

(d) As for production costs, the currency of any nation whose position in one world is not based on the other nations whose currencies. This is the more significant since all these nations have had firsthand experience with experiments and have, in effect, capitulated.

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(3) Lastly, the disintegration of the international financial system relating to leading foreign companies is becoming more easily obtainable at a substantial true financial position of many of those nations, whose currency is being devalued, the investment values favored will be better appreciated.

Other Investment Areas

The rate of populaton growth and family formation in the United States for the first time competing for its primary economic existence in the world economy. Particularly when coupled with steadily expanding production power, the trend toward emerging economic stability and investment policies will be of continued importance.

This means that the new outlook into the future will be a changing one, as illustrated by the growing number of companies which are showing the trend of growth, others which have fallen from a position of prominence, may, by virtue of the development of new policies and products, and even the injection of new leadership, still be able to recover a larger share of the market. One may well ask, however, are not the political, social, currency, and other factors of the U. S. environment likely to result in lower growth and competitive costs? The answer is yes, but the investor should consider the opinion that this is not so.

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The Implacable Demand for Speciality Metals for the ’60s

By Dr. Frank H. Driggs

Specialty metals will show the greatest percentage growth of all metals, either ferrous or nonferrous, is Dr. Driggs’ prediction. Though keeping his analysis objective by treating “specialty metals” as a group rather than individual items, it will be important in four future areas of large scale development to illustrate their incalculable growing importance. Moreover, the metals referred to in the proceeding paragraphs and attention is directed to the fact that their advantage depends on their over-all cost and not upon a pound pound comparison with costs.

Since these remarks are made before a first of financial analysts I will attempt to direct their focus toward the commercial aspects of the metals which are to be discussed, rather than into the more romantic or exotic characteristics of the metals. However, I must admit that the romance of a rapidly growing Indus try is not lost on the investor and a large number of investors as well as myself have been interested in these metals for a number of years, either fero or nonferrous, in the coming decade.

By the term “specialty metals” as used in this particular paper we refer to those elements which are either relatively new or not to date attainable on any large scale or general commercial importance. They have variously been referred to as rare, exotic, unusual, little known, refractory and various other terms. Actually they number some 30 to 30 elements altogether and some are probably destined to remain obscure for a few more years. In my discussion I shall mention only a few of the better known ones whose immediate future growth seems assured.

While also being aware of the limitations imposed by the SEC and the New York Stock Exchange, I must hasten to add that I am speaking of metals which are available at the manufacturing representativeness of any particular metal or metals, and I am considering the “specialty metals” as a group and not any one metal or specialty metal, as a particular company presently engaged in that industry.

I will now attempt to present a few reasons and fundamental considerations for future growth in these metals in order to accord the above prediction seems more reasonable and plausible.

Four Areas of New Development

In the years ahead we are fairly well agreed that the 1960’s will be characterized by large scale growth and growth in the following areas:

1. Atomic energy
2. Supersonic travel
3. Missiles and satellites
4. Transportation

If we can assume that a substantial, if not phenomenal, growth and development of the above areas, it must be pointed out that the influence of these developments will demand:

1. Properties and characteristics that are present among the more prosaic metals
2. Higher order of magnitude of sufficient thickness, will serve still more satisfactorily. For instance, we were shielding personnel from atomic radiation in a nuclear powered aircraft, it would obviously not be feasible to utilize the added weight of concrete for this purpose, no matter what the specific atomic radiation absorbed or the use of a more efficient shielding material.

As another example, the metal beryllium is used in housings for structural parts in missiles and satellites even though it is more expensive than aluminum or other light weight materials. However, the favorable weight-strength ratio of beryllium is such that the weight saving obtained, even at a higher cost, can be more than compensated for in the added range or speed or the extended life of the fuel boost.

Similar illustrations could be cited for all of the metals which have been listed above. They all possess one common characteristic, namely, they represent the ultimate in certain desirable physical, chemical or electronic properties, or a combination of these properties, which are not yet available in the existing nonferrous metals.

Unlimited Areas of Development

It seems to me that many metals could be used in theoretical and actual development of the ultimate in a number of industries. It is important that these metals be developed and evaluated as far as possible in the various fields of research as possible.

President, Foundt Metallurgical Corp.,
North Chicago, Ill.

Dr. Frank H. Driggs

While in the throes of forecast¬ing-fever, I will also risk the usual fate of forecasters by stating that advances and growth in the above areas will continue and exceed by many times the total growth and development to date in these same areas since their inception. The pace of technological development is continually increasing. Seventy-five years elapsed between the Wright Brothers’ heavy¬lier-than-air flight and commercial aviation.

Missiles, satellites and super¬sonic travel are products of the 50’s. This time they should mature in the 60’s. I seriously doubt whether in the next ten years would be appropriate for a discussion of these metals ten years hence.

* * *


Carpenter Now With Goodbody

Goodbody & Co., members of the New York Stock Exchange and other leading financial institutions, and Goodbody & Co., members of the New York Stock Exchange and other leading financial institutions, and Goodbody & Co., members of the New York Stock Exchange and other leading financial institutions, have announced that Laurence E. Carpenter, Jr., is now associated with the firm in an administrative post at the home office, 2 Broadway. Prior to joining Goodbody, Mr. Carpenter was employed in the New York Stock Exchange Department. The announcement is not an offer to sell or a solicitation of an offer to buy these securities. The offering is made only by the Prospectus.

Greene Co., Chicago Wire

Greene and Company, 37 Wall Street, New York City, announce the installation of a direct wire to First Securities Company of Chi.

Bellemore With M. K. Mellott

Dr. Douglas H. Bellemore, Professor of Finance at the Graduate School of Business Administration of New York University, has become consulting economist to New York organization of M. K. Mellott Company, advisors in financial community relations. Dr. Bellemore was formerly consulting economist for Tucker, Anthony & L. Day.

With Milwaukee Co.

MADISON, Wis.--Emmett P. Smith has become associated with the Milwaukee Company, First National Bank Building. Mr. Smith for the past 17 years has been associated with the First National Bank of Madison in the Trust Department.

$45,000,000

Northwestern Bell Telephone Company

Thirty-Eight Year 4½% Debentures

Dated June 1, 1960
Issued June 1, 1998

Price 101.304% and accrued interest

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

HALSEY, STUART & CO. INC.

AMERICAN SECURITIES CORPORATION BEAR, STEARNS & CO.

DICK & MERLE-SMITH EQUITABLE SECURITIES CORPORATION WERTHEIM & CO.

BACHE & CO.

BUNNIN HANCOCK COMPANY R. S. DICKSON & COMPANY INCORPORATED

WEEDEN & CO.

WILLIAM BLAIR & COMPANY INCORPORATED

WM. E. POLLOCK & CO., INC. ADAMS & PECK COURTS & CO. FAHNESTOCK & CO.

GREEN, ELLIS & ANDERSON THE MILWAUKEE COMPANY VAN ALSTYNE, NOEL & CO.

June 7, 1960.
Inside Story of the Ups And Downs of British Stocks

By Paul Einzig

The recent weeks' incongruous effect of favorable production and employment news upon the London Stock Exchange, which has been just as likely to cause a fall in equities as a rise, is one of the developmental examples that indicate the necessity, in this situation, for the economics writer measures the possible effect upon Throgmorton Street of the various disinflationary moves the Government is likely to make. The movement, which has been going on for the last two years, the measures considered include preening Government spending, higher bank rate and credit squeeze, and further cut in

Costs tariffs.

LONDON, England—The London Stock Exchange seems to be quite incapable of making up its collective mind whether the publication of favorable advices about British business conditions and prospects is a Good Thing or a Bad Thing. On the face of it this may sound absurd. But anyone who has followed closely the ups and downs of British equities during the last fortnight of May and the beginning of June would agree that the answer is far from simple and obvious.

Until a few months ago any favorable reports about increased production, employment and consumption, such as appeared again and again in recent months, would have stimulated the Stock Exchange boom. Today they are as likely to cause a fall in equities as a rise. The reasoning investors and speculators give the recent advance in an optimistic framework of mind and their anticipation of expanding profits and higher dividends puts up the prices of equities. On other occasions, however, they can only see the other side of the picture. They visualize drastic Government measures to kill the inflationary boom. Hence the ups and downs of equities.

The Stock Exchange that rose more or less at the conclusion that the Government is really determined to terminate this period of profitSeven's inflation even at the cost of a smaller aggregate production. The cost of living index has now been stable for two full years. Nobody would have thought this possible two years ago. As month after month the index failed to increase in 1958 and the first half of 1959 the industrialists saw that something more and more people felt increasingly that this was too good to last. Yet it has been far from its end.

Of course, the Government claims credit for it as the result of the

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

NEW ISSUE

200,000 Shares

DU BOIS CHEMICALS, INC.

COMMON STOCK

($1 Par Value)

Price $13.50 per Share

Coopies of the Prospectus may be obtained from the underwriters.

ALLEN & COMPANY

ALBERT PRATT

Federal Transfer Tax Hike Strongly Opposed by IBA

Strong oppositional arguments were voiced against Congressional proposal to saddle investors with additional tax fees. Mr. Pratt could conceivably stem $26 million for an SEC operation of $8 million—the ostensible purpose of the bill—which doesn't include double taxation of corporate revenue; does not encourage the investing public to invest and analogously compares SEC services with those of private tax firms.

In urging that the cost of SEC be met from the general tax fund and not from the beneficiaries involved.

Federal Transfer Tax Hike Strongly Opposed by IBA
What Does the Analyst of Securities Want to Know?


A behind the scenes briefing on what an analyst wants to learn, prior to and in making an on-the-spot analysis of a company's operations, and the resultant factors in the judgments of those in investment. Investors, too, should find here a profitable insight as to what analysts need to know in order to ascertain a company's prospects and returns.

Mr. Johnson explains what a "special sheet" is and its use in the initial study preparatory to the actual visitation; points out what a quality analyst must have and the importance of these considerations; and delineates ways earnings per share may be made larger or smaller than they should be. In the latter, he instructs the reader how to sift such unfairly treated items in an income account as nondeducting profits and losses, operations of subsidiaries or affiliates, and inventory, to obtain a true picture of a company's operating results.

Before attempting to discuss just what a security analyst wants to know—let's make sure we understand what the security analyst is attempting to do and why he has come to meet me, and why he wants to see their plant in operation.

The answer to the first question is that the analyst attempts to distinguish between thousands of companies whose securities are offered for sale in the market, and determine which may represent true value—or real investment opportunities. In other words, if I realize, commutes almost as great a risk as a stapled evening gown on at all significant. So, when a security analyst comes to call on a company, for example, may be relatively inaccessible. Moreover, as transportation inconvenience is concerned—this makes them inaccessible. And please don't misunderstand the impression made in no way results from any minor inconvenience for such an impression is important, not in the way information but, even more, the man himself. Opinions based upon impressions—impressions received beginning with the very first, may be the only thing that had been planned his trip.

You, the investor, is true. If an analyst discovers in plotting an itinerary around the country to call on various companies that one company, for example, may be relatively inaccessible. Moreover, as transportation inconvenience is concerned—this makes them inaccessible. And please don't misunderstand the impression made in no way results from any minor inconvenience for such an impression is important, not in the way information but, even more, the man himself. Opinions based upon impressions—impressions received beginning with the very first, may be the only thing that had been planned his trip.

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Why Make Use of Mortgage Banker Representation?

By Walter C. Nelson, Former President, Mortgage Bankers Assn.; President, Eberhardt Mortgage Co., Minneapolis, Minn.

A vigorously stated case for mortgage bankers' services is made by that industry's spokesman, Walter C. Nelson. With light efforts made to bypass or eliminate their services, reviews improving trend in what they have to offer; and casts the blame that mortgage banking is a "stagnant and static" field as an "anachronistic need and interest of savings and mortgage banking industries, and supports interstate investments in mortgages.

In a relatively short time, about 20 years, we have seen the mortgage banking business grow into a dynamic industry with representatives in all of the major population centers. During this period we have seen our Association membership increase to more than 1,200 firms. It has in its membership all of the major financial institutions that are concerned with the originating and investing in real estate loans. Many mortgage bankers are active members in MBA and find it an excellent organization to help develop their necessary contacts and programs for the future.

I recall the early 1940s when I first began my activities in MBA, at that time we were just beginning to feel the need for closer working relationships on a national basis not only within our industry, but with other mortgage banking firms. We were all seeking advice and guidance to properly organize and prepare ourselves for the tremendous boom in real estate financing that developed after World War II. To illustrate the almost "horse and buggy" era of mortgage banking of that period, I would like to recall one of my earlier experiences in program participation.

On two different conference or clinic programs I talked on the advantages of manual bookkeeping as opposed to the new machine bookkeeping techniques that were being developed by that time. We were actually serious in our discussions because there was a serious doubt of competition and to our advantage. We could develop our services in order to provide a kind of representation that we thought only our firm could give.

Fortunately, in true situation, the needs and desires of the growing banks cannot be carried on in the same manner. As the smaller banks continue to grow, and as the need for higher yields continues, mortgage bankers in mortgage scarce areas will continue to perform as representatives in the field of mortgage banking and servicing. I recall a talk that one of our former past-presidents, Brown Whately, gave to the New York State Association of Savings Bankers in which he also commented upon the advantages to be found in extending mortgage loan investment field to other states through the wider use of mortgage banking facilities. We know that occasion¬ally legislators will suggest the enactment of legislation that would curtail savings banks' wide¬ranging lending activities. Certainly from the broader point of view, this might be classed as provincial attitude. The savers concentrated in the East and Northeast, for example, do not think of the use of their savings in other parts of the country. Where development is so rapid that capital must be imported to serve their needs, the type of leadership offered by the iron ore in Minnesota instead of by our steel mills. Neither plan makes much sense.

Therefore, the possibility of serving as middlemen between our banks and the states to develop better legislation for mortgage lending. Through our leadership the foreclosure laws of various states have been made more in line with urban living as compared to rural or farm lending legislation. I feel that in this field there is a great deal of need for the cooperation of the Association's state vice presidents. More states make changes in their laws to facilitate the handling of mortgage loans, it becomes easier to have additional states consider necessary amendments to remain attractive to the very necessary out-of-state investor. We must continue to keep in mind that the competition for the investment dollar will last for a long time. We must continue to go after a wider area on a basis that will give the real estate borrower at least as good an opportunity to use funds with every other type of borrower.

Other Examples of Cooperative Efforts

Another example of the importance of our group work is the need to have life insur¬ance companies for consideration of mortgage loans. The percentage of loan to value limitations would never get this idea be¬yond the talking stage, but finally the mortgage bankers. In Minnesota and State as a result many other states have recognized the important competitive factor for the mortgage man.

We have with savings leaders and those of other lending institutions have a new kind of Federal Housing legislation. Admittedly, as you look at present stages last have been passed from time to time they have done very little in which we have had little or no influence. But I suppose the influence of the mortgage bankers is undoubted.

Most bankers are familiar with and participate in our various School of Mortgage Banking at Northwestern and Stanford Uni¬versities. Certainly our Senior Executives Conference at New York and Washington, D.C. have added a great deal of knowledge to the mortgage lending fraternity. And now we are embarking on another conference this fall in Los Angeles. It is our correspondence course for mortgage bankers, an idea intended to help train those in our offices who do not have the opportunity to attend our regular conferences. We have a strong impact in the vari¬ous mortgage banker offices and in the development of the program spreads and develops.

Many savings bankers have participated in our various educational programs and lending more than normal sup¬port. In addition, as they have seen this growing type of business and as their auditors have voiced opinions, we as mortgage bankers have benefited by the advice and assistance they have giver.

Because of their broad look at the work of their institutions, many are in a position to educate the mortgage banker well beyond his knowledge, and thus is indeed the advantage of cooperation between the organiser and the investor.

I recall a challenge issued by one of our past presidents to mortgage bankers to go more to the needs of our investors, improve servicing techniques, increase our ability to warehouse loans, make immediate deliveries, strengthen our asset position, and generally stabilize the mortgage banking business.

We know that bankers frequently need investments quickly, and must have assistance to buy mortgages out of warehouse accounts. Our bankers have never been represented in meetings of these banks throughout the country. As our mortgage banking firms have grown, our member banks have developed and completed new policies to suit our requirements. Fortunately this is paying off for us and our investors. Interim and warehousing of mort¬gage backing is of utmost importance for the last few years. We can continue to develop new work and in the future even more favorable for the ease of bidding, offering and acceptance.

Solicits Continued Help

Savings bank investors must continue to help us develop these cooperative endeavors from various types of lenders and to be a boon to the mortgage banker. Certainly it has been an excellent source of help to many lending institutions that have been willing to venture into mortgage banking.

The problem of tight money is an all important factor in our current world of com¬mercial banks. As I visit with mort¬gage bankers throughout the country I find problems concerning the need for more flexibility of funds for construction loans, warehousing, etc. I am sure that we must try to improve our net worth in order to meet the demands being placed on him for loans. Maybe this situation will have some im¬pact on the states if the government operate within its budget and not have to resort to a heavy borrowing as was true in 1959. These and many similar "economic facts of life" must be understood and watched by us all.

Balances in Commercial Banks

One mortgage banker in discussing lines of credit with his commer¬cial bank exter¬nally the balance position created by large loans made by the bank during the year. In the past, some investors began draw¬ing down the balances and we considered to be in excess from the standpoint of the bank. When the investors realized the communities served by the mort¬gage bankers were in real need of funds, they have a strong impact in the various mortgage banker offices and in the development of the program spreads and develops.

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Present Depreciation Laws Hurt Our Economic Growth

By Maurice E. Petrolati, CPA, President, Price, Petrolati & Co., New York City

In repressing the Treasury for ignoring abuses problem under present tax rulings, the Treasury has known accountant challenges the Department for holding "fallacies and delusions" as to the economic and revenue effects of depreciations. Avering our growth rate can be increased by improving depreciation treatment, Mr. Petrolati says there would be no resultant loss of Federal revenue as enough new taxable earnings would be generated by producers of capital goods.

Lee Sherman to Join Rodetsky

JERSEY CITY, N. J. — On July 1, Lee D. Sherman will be admitted to partnership in Rodetsky, Kleinman.

Albert Caplan With Taggart Co.


Named Director

Louis S. Blumm, president of the Mutual Savings Bank, Inc., has been elected to the board of directors of Mutual Savings Bank of Los Angeles, Calif.—John W. Donnan has been added to the board of directors of the First National Bank of Corpus Christi, Tex., 223 South Spring St., by the former with J. A. Hogle & Co.

F. E. Hutton Adds

LOS ANGELES, Calif.—With H. E. Michael has been added to the sales force of the F. E. Hutton Co., 723 South Spring St., the company

According to the document, the economic and revenue effects of depreciation are being questioned by the Treasury, which is holding fallacies and delusions as to the economic and revenue effects of depreciations. The author, Maurice E. Petrolati, CPA, argues that the depreciation deduction for tax purposes would be correct and satisfactory, but the Treasury does not believe that any of these assumptions will stand up under examination and analysis.

Lee Sherman is joining Rodetsky, Kleinman, while Albert Caplan is with Taggart Co. in Philadelphia. Louis S. Blumm has been elected president of the Mutual Savings Bank, and F. E. Hutton has added a new member to its sales force in Los Angeles.
The traditional summer rally took hold early in this week's stock market, carrying the industrial average back to the best mark of the post-January and, in the process, retracing about half of the January-March down trend.

The various resistance levels plotted by the market technicians were all eclipsed early in the week. The strong sessions produced a net improvement running to 16 1/2 points. That carried the average above even the highpoint of the resistance levels around 636-638. They were pierced decisively when it soared above 645.

There wasn't too much talk spurred through the average continuing and eventually reaching a level high enough to countermand the bear market signal of March 3. It would have to close above 655 to access those levels, and the steel-auto news is not inspiring enough for that, according to the market's opinion. But this week's accomplishments did start talk of another score of points rise as within the realm of possible. We may see the summer rally is over.

The new strength seemed to be largely a case of enthusing the market, with the buying spreading to all corners. The chart for the near future would be more critical.

Non-"Glamour" Issues Shine

The market reflected this mostly in the equity line, "standard" items, rather than the glamour, or science, stocks that sparked the rebound. With the flurry of buying in auto, chemical, paper, glass and oil shares were able to take the limelight away from electronic, vending and rocket issues where demand had been pinpointed for so long. The latter, in fact, had definite troubles at times.

It was too soon to be definite as to whether the run was over for the glamour issues. They had in no way run up so far and so fast that even sharp reactions in them would not have been fully expected, though in the high space corrections and not the end of the line. But for a change they were not dominating the lists of gains.

Their disappearance from this list was mostly responsible for a temporary lase in the recovery of the advance, with the market still outpacing the lows slowly. For a couple of sessions last week the Dow Joneses were well ahead. But the recovery this week restored the old order.

Bank and finance company issues were prominent, notably San Diego Imperial which is a holding company for a group of western savings and loan associations. This was a natural leader but finding it a bit of a tale at over its past high.

Beneficial Finance rates as the second largest in the small loan field and has its champions because of its ability to maintain earnings even during a period when the picture is poor or clouded. It moved steadily upward in per-share terms from a low of 1 13/32 in the 1957 recession reporting $1.09 in year, $2.02 in year and all indications point to a continuation of the improvement in this year to where the issue is selling at slightly better than 10 times earnings on anticipated results for this year. That is a low multiple compared to the 60 and 80 price of the glamour stocks recently.

One rather basic company that has had little investor interest in recent times is not only the largest producer of metal cans but, by acquisition of Dixie Cup and Markell Corp. three years ago, branched into paper goods.

First, the issuance of shares for the expansion of the plant, and secondly, the steel strike of last year which carried over into this year's first quarter, had a depressing effect on per-share earnings of American Can and led to apprehension by investors over the growth aspect of the company. The company, however, is confident that the year will be good as its cost-cutting efforts are producing increases back to normal in the final three quarters of the year.

The company's outlook by investors has kept it depressed to where it offers a yield of better than 5% for good companies in an investment-grade stock.

The Weather Lifts the Plywoods

With better weather expected finally to reverse the trend, new housing starts, the plywood companies had a rather wide following since the product is the fastest growing segment of all the forest industries. The admitted unknown factor in this situation is the lumber shortage, best described as a litigated situation. General plywood developed a finishing method for plywood that is simple and has the obvious advantage of eliminating the later preparation and painting of plywood before development, apparently, was recognized, and immediately imitated by several of the other large plywood companies, created the comparatively small General plywood outfit into the courts

where it finally, on appeal, won title to its patent. The next step, underway, is to sue competitors for violating its rights to royalties; after that, the very General will finally become apparent. Violation of the royalty laws, they can be lost so at General has to be regarded as a speculation, though it has won preliminary turmoil.

Drug Perk Up

Drugs were showing occasional demand for a change after they had been rather neglected for a good while. A recent move that showed an ability to move into new high territory although it has only been available in limited quantities for about a week and a half during which time it held for the most in a 15-point range until it started to move ahead lately.

Upjohn's sales record is definitely one of growth and in 30 years it has averaged a 12% increase, has been a steady climb without faltering. Earnings have not grown quite as steadily but since the beginning of the 40s have been very strong year. The dividend record shows unbroken continuance since 1929 and 10 increases in the past 20 years. This has been a family-owned company until a public offering was made late in 1957. Upjohn's ability to growth, apart from the record, is that it has reorganized itself on the foreign field, which was relatively neglected heretofore, and should bolster its future growth.

Bowling Pinsetters Go

A growth record of proven proportions that has also gone overseas to add to the future prospects revolves around the Pinsetters of American Machele & Foundry, installations have already been made in Monaco, Tidlington and this summer both will be in Australia. This overseas swelling, and the local bowling boom, have brought times to AMF. In the first quarter of the year earnings increased more than 10% on sales gains to put 1956 in line for new record earnings and revenues above the 1955 results with much profit-making.

While the pinsetter is not so important in helping AMF show such impressive results, these are the company's only line since its diversification with products ranging from cigarette making machines, small new machinery, equipment such as missile launching, bicycles and other leisure items and it is still waiting to get research for energy research for energy studies.

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

Central South & West Corp.

Central and South West Corp. is keeping tight control on some of the properties in the olefin field. The present subsidiaries—Central Power & Light, Public Service of Oklahoma, and Western Power, and West Texas Utilities have purchased a bond of about 2,900,000 in the Middle Area. About 57% of them are owned by Oklahoma, 39% by Louisville and 4% by the group of the large cities served are (185,000), Shreveport-Bossier City (191,000), Abilene (78,000) and Lubbock (90,000).

The service area includes many natural resources—oil, natural gas, copper, sulphur, coal, lead and salt. These have stimulated a chemical industry which in turn has contributed to area development. Farming is also important, the principal products being corn, wheat, cotton, and livestock.

In spite of industrial development in the area only 23% of the farmers are still engaged in agriculture and it has not been unbroken. The insurance company is a family-owned company until a public offering was made late in 1957. Upjohn's ability to growth has been very strong year. The dividend record shows unbroken continuance since 1929 and 10 increases in the past 20 years. This has been a family-owned company until a public offering was made late in 1957. Upjohn's ability to growth, apart from the record, is that it has reorganized itself on the foreign field, which was relatively neglected heretofore, and should bolster its future growth.

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By WALLACE STREETE

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BANK AND INSURANCE STOCKS BY LEO I. BURRINGTON

This Week — Insurance Stocks

THE CONTINENTAL INSURANCE COMPANY

Continental Insurance remains among the few leading fire-casualty concerns that has not entered the life insurance field. Nonetheless this company’s possible entrance into the life insurance business has continued to be the subject of much speculation. Management recently has brought forth replies prefaced only by “when” rather than “if and when." Management presently believes the company’s primary concern is not with the immediate entry into the life insurance field, but rather with the improvement of underwriting results.

Continental Insurance, the parent company of the American Fore Group, has recently released an offering of two million shares of newly issued stock. The company has a strong record of earnings growth and continues to be a leader in the industry. The offering is expected to be well received by investors looking for a stable and secure investment in the insurance sector.

Selected Statistics — Growth and Underwriting Controls

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<th>Year</th>
<th>Premiums Earned</th>
<th>Premiums Written</th>
<th>Premiums Earned</th>
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<td>1960</td>
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Management recently has estimated 1960 investment income will approximate $15.6 million, a 9.2% gain was achieved during the first quarter of 1960 over the first quarter results of 1959. Consolidated earnings between 4.50 and 4.70 are expected for 1960, and further improvement in earnings is the prospect for 1961. Should the improved trend in underwriting continue, the $2 dividend may be increased since Continental's financial position is very strong. This week Continental will be paying out its 240th consecutive dividend; cash dividends have been paid every year since 1935. A 10% stock dividend was paid in 1959.

At the recent price of 50, a 4.4% yield is obtained on the present $2 dividend rate. Continental has a strong investment portfolio and over 50% of company assets are represented by common stocks. The Loyalty Group acquisition added further strength to the investment position. Presently Continental shares are selling at a 35% discount from stated book value. Pleasing to stockholders is the consistent and unique listing of the stock on the New York Stock Exchange. Although the poor underwriting experience of Continental has burdened the patience of stockholders, the investment segment of the business has achieved an above average performance.

New Corporation

GLENDALE, Calif. — Christianens & Co. Investment Securities, Inc. has been formed to continue the insurance business of Christiansen & Co. Investment Securities, 1417 West Kenneth Road, Office 70, Los Angeles, Calif. are Angar M. Christiansen, Jr., President; L. A. Christiansen, Vice President; and Louise E. Williams, Jr., Secretary.

With Ball, Burga & Kraus

(Brokers to the Pennsylvania Companies)

CLEVELAND, Ohio — Morris B. Rosenthal has been added to the staff of Ball, Burga & Kraus, Union Commerce Building, members of the New York and Midwest Stock Exchanges.

New Security Diversified

WINSTON SALEM, N. C.—Security Diversified Share Mgt., Inc. has been formed with offices at 420 North Spruce Street to act as underwriter and distributor for Security Diversified Shares, Inc. Officers are S. L. Booke, President; Jonathan G. Guillick, Vice-President; Marion J. Dwyer, Treasurer; and R. G. Witherow, Trustee.

Form Cullen-Stanford

Cullen-Stanford Corporation has been formed with offices at 99 Wall Street, New York City, to conduct a securities business. Frank R. Gafseth is a principal of the firm.

Financial Highlights

Price 100.50% and accrued interest

The Circle may be obscured in some states in which the security is not registered or qualified for sale.

The Circular may be omitted in any state in which this memorandum is excluded from registration on the grounds of similarity to one or more of the following:

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NEWS ABOUT BANKS AND BANKERS

The First National City Bank of New York announces the promotion of three senior officers.
Effective June 7 are the appointments of Walter B. Winston as Executive Vice-President; George A. Guerdan, as Senior Vice-President and A. Halsey Cook, as Vice-President, operations.

Mr. Winston, formerly Senior Vice-President, is in charge of the Bank's Overseas Division including 86 branches in 29 countries abroad. He joined the Bank in 1946. He has served in the Company's Division, the National Operations and joined the Bank in 1916.

Mr. Guerdan, formerly Vice-President, will assume general administrative duties with the Bank's senior management and joined the Bank in 1946.

Mr. Cook formerly Vice-President, will assume general administrative duties with the Bank's senior management.

The Chase Manhattan Bank, New York has promoted David S. Carse, Charles J. Clune, Ralph K. Hollje and Robert B. Whittaker to the position of Vice-President and former investment officers in the trust department.

Appointed investment officers were: Apollo J. Adamak; John J. Fitzgerald; and Howard A. Schill Jr.

Appointed Assistant Treasurers in the investment department were: George W. Lamp; Howard B. Shwab; William D. O'Brien; Douglas H. Randall; Donald P. Rayson; and Barry F. Sullivan.

Kingfish Kinne of New York has been appointed Assistant Treasurer in the United States department.

Walter R. Miller was elected a Trustee of the First National Bank of Long Island, New York. Prior to his election, he was a Vice President of Manufacturers Trust Company, New York, for 25 years.

Approval has been given by banking authorities for the establishment of a bank in Melville by the Long Island Trust Company, of Melville, N.Y. A new branch will be the Trust Company's 11th and its first in Long Island.

To be located on Walt Whitman Road between Northern State Parkway and Jericho Turnpike (Town of Huntington).

Fred C. Daniels, President of the payroll Savings Bank, Pawling, N.Y., died of a heart attack at the age of 62.

Mr. William I. Tucker, President of the Vermont and Savings Bank, Brattleboro, Vt., announced that Mr. J. Lawrence Young, Jr., has been appointed Trust Officer of the bank.

Mr. Daly will start his new position at the Company's Connecticut National and Savings Bank on July 5.

Mr. Edmond P. Bagdon was elected Assistant Cashier of the Worcester County National Bank, Worcester, Mass., it was announced by Horsell C. Flanagan, Chairman of the Board.

Appointments of William R. Cowie, Vice-President of the American School of Banking and Donald J. Donahue, Treasurer of American Metal Clamix, Inc., members of the Advisory Board of Manufacturers Trust Company's Rockefeller Center Office were also announced by Mr. Flanagan.

The First National Bank of Rochester, N. Y., has increased its common capital stock to $75,000,000, to $125,000,000, to be paid by the sale of new stock effective May 23. (25 shares outstanding — 12,500 shares, par value $20).

First National Bank of Pompano Beach, Pompano Beach, Fla., increased its common capital stock of $500,000 to $600,000 by a stock dividend and from $1,000,000 to $1,500,000 to be paid by the sale of new stock effective May 24, (25 shares outstanding — 150,000 shares, par value $10).

By a stock dividend the common capital stock of The American National Bank of Winter Haven, Fla., was increased from $150,000 to $250,000 effective April 28. (25 shares outstanding — 2,500 shares, par value $10).

J. Robert Ridehalgh, 55, a Vice President of the Bank of California, Portland, Ore., died suddenly May 28. Mr. Ridehalgh first joined the Bank in 1942 and Vice-President in 1955.

The Royal Bank of Canada, Montreal, has announced an agreement to purchase the principal stock in the Bank of Commerce of Mount Vernon, Ohio, for an estimated cash price of $250,000 to $300,000.

The First National Bank of Liberty County, Liberty County, Ga., is in liquidation.

The Bank of Virginia, Richmond, Va., has increased its common stock, to $250,000, rights to subscribe to 40,000 additions for cash or for stock, for the purpose of providing working capital and to expand operations.

Mr. Moseley said that the bank's Executive Committee directed the offering after a special meeting of stockholders in which an amendment to its Articles of Incorporation was approved. A. B. J. Wheat and Company, has agreed to purchase the additional shares at the expiration of the subscription period.

Edward Cornelius, Stevens, Cornell, and Company, Pocantico Hills, N.Y., has been elected a Director of the Bank of Buffalo, and four others should be elected at the annual meeting of shareholders to be held May 15.

The Ohio Citizens Trust Company, Toledo, Ohio, has increased its common stock from $125,000 to $250,000, to be paid by the sale of new common stock, to $500,000 to $600,000, to be paid by the sale of new stock effective May 16. (25 shares outstanding — 12,500 shares, par value $20).

The Ohio Citizens Trust Company, Toledo, Ohio, has increased its common stock from $125,000 to $250,000, to be paid by the sale of new common stock, to $500,000 to $600,000, to be paid by the sale of new stock effective May 16. (25 shares outstanding — 12,500 shares, par value $20).

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First National Bank of Pompano Beach, Pompano Beach, Fla., increased its common capital stock of $500,000 to $600,000 by a stock dividend and from $1,000,000 to $1,500,000 to be paid by the sale of new stock effective May 24, (25 shares outstanding — 150,000 shares, par value $10).

By a stock dividend the common capital stock of The American National Bank of Winter Haven, Fla., was increased from $150,000 to $250,000 effective April 28. (25 shares outstanding — 2,500 shares, par value $10).

J. Robert Ridehalgh, 55, a Vice President of the Bank of California, Portland, Ore., died suddenly May 28. Mr. Ridehalgh first joined the Bank in 1942 and Vice-President in 1955.

The Royal Bank of Canada, Montreal, has announced an agreement to purchase the principal stock in the Bank of Commerce of Mount Vernon, Ohio, for an estimated cash price of $250,000 to $300,000.

The First National Bank of Liberty County, Liberty County, Ga., is in liquidation.

The Bank of Virginia, Richmond, Va., has increased its common stock, to $250,000, rights to subscribe to 40,000 additions for cash or for stock, for the purpose of providing working capital and to expand operations.

Mr. Moseley said that the bank's Executive Committee directed the offering after a special meeting of stockholders in which an amendment to its Articles of Incorporation was approved. A. B. J. Wheat and Company, has agreed to purchase the additional shares at the expiration of the subscription period.

Edward Cornelius, Stevens, Cornell, and Company, Pocantico Hills, N.Y., has been elected a Director of the Bank of Buffalo, and four others should be elected at the annual meeting of shareholders to be held May 15.

The Ohio Citizens Trust Company, Toledo, Ohio, has increased its common stock from $125,000 to $250,000, to be paid by the sale of new common stock, to $500,000 to $600,000, to be paid by the sale of new stock effective May 16. (25 shares outstanding — 12,500 shares, par value $20).

The Ohio Citizens Trust Company, Toledo, Ohio, has increased its common stock from $125,000 to $250,000, to be paid by the sale of new common stock, to $500,000 to $600,000, to be paid by the sale of new stock effective May 16. (25 shares outstanding — 12,500 shares, par value $20).

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Commodity Price Trends
Today and Tomorrow
By CARLISLE BERGERON

The refusal of the over-all price stability in commodities to succumb in line with the decline in common stock prices and the future direction of real estate values. We have already indicated that the over-all price trend appears to be in a downward direction. The question is whether commodity prices will follow this trend and if they do, to what extent.

The Dow-Jones Industrial Stock Average, after a decline of over 1,000, has been showing a marked tendency to stabilize. This is due to the fact that the price of commodities, particularly metals and oils, has been holding up well. The reason for this is that the demand for these commodities is not as strong as it was in the past.

Brazilian Coffee

The long-term prospects for Brazilian coffee are not very promising. The country has been experiencing a decline in coffee production, which has been offset by an increase in coffee imports. The result is a surplus of coffee, which is driving down prices. In the short term, prices are likely to remain weak.

Japanese Steel

Japan has been experiencing a decline in steel production, which has led to a surplus of steel in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Sugar

The demand for sugar has been growing, but production has been growing even faster, which has led to a surplus of sugar in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Copper

The demand for copper has been growing, but production has been growing even faster, which has led to a surplus of copper in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Aluminum

The demand for aluminum has been growing, but production has been growing even faster, which has led to a surplus of aluminum in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Crude Oil

The demand for crude oil has been growing, but production has been growing even faster, which has led to a surplus of crude oil in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Gold

The demand for gold has been growing, but production has been growing even faster, which has led to a surplus of gold in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Silver

The demand for silver has been growing, but production has been growing even faster, which has led to a surplus of silver in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Ore

The demand for ore has been growing, but production has been growing even faster, which has led to a surplus of ore in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Fertilizer

The demand for fertilizer has been growing, but production has been growing even faster, which has led to a surplus of fertilizer in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Cotton

The demand for cotton has been growing, but production has been growing even faster, which has led to a surplus of cotton in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Wool

The demand for wool has been growing, but production has been growing even faster, which has led to a surplus of wool in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Leather

The demand for leather has been growing, but production has been growing even faster, which has led to a surplus of leather in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Rubber

The demand for rubber has been growing, but production has been growing even faster, which has led to a surplus of rubber in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.

Textiles

The demand for textiles has been growing, but production has been growing even faster, which has led to a surplus of textiles in the market. This has put downward pressure on prices. In the short term, prices are likely to remain weak.
**Study Made on the Impact Of Higher Interest Rates**

Research project by two economists uncovers three points: (1) high interest rates are required to attract savings from individuals; (2) use of large-scale bank credit expansion is costly and, in time, disadvantageous; (3) the existence of a market for interest rates in a modern economy; (3) selective credit control and interest rate ceilings are unsatisfactory alternatives to a free interest rate; and that higher interest rates are low. The researches' report that debt increased between 1945-1959 more than during the entire history of the U.S. to the end of 1945; and point out that high interest rates are not a solution to the problem of Federal deficit. They also recommend Federal debt redemption and higher interest rate induced savings through prosperity, and development of a national mortgage market for individual investors.

**Four Alternatives to Higher Rates**

The authors state that four alternatives to higher rates that have been used are:

1. **Legislative**
   - Legal to higher interest rates
   - The authors declare, large-scale bank credit expansion to satisfy most of all demand from credit-worthy borrowers.

2. **Government Lending to Decrease Borrowers**
   - The government lends to borrowers to increase the supply of credit. This works by reducing the demand for credit generated by the growth of the economy.

3. **In the 14 years from 1946 through the end of 1959 period, the increase in debt was larger than during the entire history of the U.S. to the end of 1945.**

4. **In the 1945 period, the increase in debt was larger than during the entire history of the U.S. to the end of 1945.**

**The study offers evidence that**

- **The Causes and Effects of Higher Interest Rates**
  - was conducted by the University's Graduate School of Business Administration with part-time counsel of the Reserve of the Bank of New York.

**The study offers evidence that**

- **4. Legal ceilings on interest rates**
  - For all the alternatives to higher interest rates, the authors declare, large-scale bank credit expansion to satisfy most of all demand from credit-worthy borrowers.

- **Legal**
  - The government lends to borrowers to increase the supply of credit. This works by reducing the demand for credit generated by the growth of the economy.

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Discussion of “Good Alternatives”

Discussing two “good alternatives” to higher interest rates, the study suggests a certain way to hold down interest rates and make more credit available. Borrowers would be “the use of Federal funds,” in line of prosperity to retire public debt.

From the viewpoint of the national economy as a whole, additional loanable funds are best provided by an increase in savings relative to current consumption expenditures. More savings provide added loanable funds for all classes of borrowers without bank credit inflation. At the same time, restraint on consumption rates available additional economic resources to the borrowers who utilize these savings. To the extent that higher interest rates induce individuals to save more and spend less, they cause a shift in the utilization of resources from consumption to investment purposes.

Effects on Borrowers

In considering the effects of higher interest rates on borrowers, the study finds that they “impose little added burden on most borrowers because of factors which modify or neutralize their effect.”

The impact of higher interest rates on business, it finds, is minimized because profits on capital funds average far higher than interest rates paid and interest is deductible from taxable income. With respect to small business, the effect of lessened availability of funds is minimized by increased use of trade credit and accounts receivable financing, as well as by bank borrowing.

The effect on state and local government financing is found to be slight, since a record volume of new issues of such obligations has been floated at higher interest rates, while interest payment remained less than 5% of expenditures of state and local government.

The authors do find, however, that “mortgage borrowers are affected by lessened availability of funds, as distinct from higher interest rates, more than are other classes of borrowers. The chief handicap of mortgage borrowers in competing for funds is the absence of a “broad market for mortgages among individual investors such as that which exists for Government, tax-exempt and corporate obligations.”

Solution of the problem of mortgage fund availability in times of credit stringency, say the authors, may require the development of “instruments to facilitate large-scale direct investment by individual investors in obligations backed by real estate values as well as the broadening of institutional demand.”

Effects on Banks

In a section of the study on the effect of interest rates on net profits of commercial banks, the study finds that the rate of return realized by banks on capital funds has been highest when low interest rates have prevailed.

The authors state there have been records of Federal Deposit Insurance Corporation was established that insured commercial banks. The chief imported net profits after taxes, reserves and losses of over 10% on their capital funds. These were 1945 and 1946, years in which interest rates were at the lowest level reached during the century 1859-1959.

The assumption that commercial banks realize larger net profits when interest rates are high and smaller net profits when they are low simply does not accord with the facts of the past two decades.

“Two reasons account for the increase in net profits reported by commercial banks when interest rates have been low. In the first place, commercial banks have excess reserves at such times to support an expansion of earning assets. Secondly, commercial banks realize capital gains on securities when declining interest rates cause bond prices to rise.”

High interest rates curb expansion of earning assets of banks and give rise to capital losses on securities.

In terms of narrow self-interest, therefore, the study points out, commercial banks “might be expected to favor large-scale credit expansion, with concomitant low interest rates, in the light of the earning record.” But such an attitude, the authors suggest, would be shortsighted because the well-being of banking over the long run is so closely tied to that of the economy as a whole, and bank credit inflation undermines the stability and in time the growth of the economy.”

Sidney SchwartzOpens

Sidney H. Schwartz is engaging in a securities business from offices at 500 Fifth Avenue, New York City.

Now Waterman, Whitehill

PATERSON, N. J. — The investment business of Samuel Hochman & Company, was conducted under the firm name of Waterman, Whitehill & Co. Remaining partners are Messrs. Hockman, Sanford Wasserman and Paul Webstein.

Form Second Gibraltar

Second Gibraltar Corporation has been formed with offices at 152 West 42nd Street, New York City, to engage in a securities business. Officers are Sylvia R. Madsen, president, and Seymour Lauber, secretary-treasurer.

H. L. Wright Co. Opens

H. L. Wright & Co., Incorporated, has been formed with offices at 99 Wall Street, New York City to act as brokers, dealers and underwriters of securities. Harry L. Wright is president of the firm.

Pre-engineered steel buildings: another area of growth
Free Asia: Challenges to U.S. Private Enterprise

Continued from page 3

The leaders and a look at the statistics suggest that the people themselves — all that there is in the right direction. The big question is whether the program can be rapid, enough, especially in some key areas, the advance now occurring in Communist China is the luck of those unfortunate people at such a time.

There is one nation in Asia, of course, which stands apart from the others. Japan has achieved the status of a modern, up-to-date, and highly economic, advance, and well they might be. The Japanese have increased their national product on an average of 8.6 percent a year in the "fifties" — a rate that compares favorably with any country in the world. The Japanese have the industrial base and the technical know-how to carry on a very great deal to the rest of Asia.

At the opposite end of the Asian are the countries of that great sub-continent whose continued advance is important to the welfare and well-being of the whole of Asia. Free Asia. Many are familiar, I know, with the general ideas of the region. It has been very real, although slow, but the changes have been so formidable that some people think of the changes as if they were not available.

In the past, the national product has grown at a rate of 4 percent a year. Yet, these accomplishments have been made in the face of many difficulties, including inflation. And yet India, as the rest of Asia, is a country which is in the process of achieving an industrial society.

It is not the intentions of this paper to make critical of the progress that has been made, but it is our intention to call attention to the problems of the nations of South and Southeast Asia, which, while they are quite different, are faced with the same problems. We can gain a better understanding of the problems of these countries by looking at the problems of other countries that have faced similar problems.

Notes Critical Lack of Capital

One basic fact about South Asia is that there is a lack of capital. This lack is not only a lack of capital for the private sector, but also a lack of capital for the public sector. The lack of capital is a critical problem for the development of the region.

It is not that the countries of South Asia do not have the resources to invest in their own development. It is simply that they do not have the capital to invest in their own development. This lack of capital is a critical problem for the development of the region.

One of the first things that needs to be done is to increase the availability of capital. This can be done by creating new sources of capital, such as private investment, public investment, and foreign investment. It is also important to improve the efficiency of the existing capital markets. This can be done by improving the regulatory framework and reducing transaction costs.

We can undertake to supply...
AS WE SEE IT
Continued from page 1
peoples. There have, of course, been many of them. Most of them have had their day, held to the belief of dominating the affairs of others. About the only exception is what is now known as the Union of Soviet Socialist Republics—which is, of course, a direct successor of the already dissolved Russian Empire. It was involved with England, France and Germany for extensions of its influence and participation in world events. China at least in modern times was more sentenced against than dominated, as indeed are many of the attemps of modern communism is apparently firmly bent upon enlarging her sphere in world affairs.

We ourselves, as is well known, have always been free from foreign domination. Several more recent times have withdrawn largely from the field, leaving such peoples as those of the Philippines and Cuba to manage their own affairs. At the same time we have, in the last twenty years, let it be said, virtually abandoned the ideal of building a modern world order which left by the decline of the British Empire in world politics. We have been involved in two world wars and have conceived the idea that in order to protect ourselves and our allies it was necessary for us to build and maintain bases all over the world. We have now become involved in large and very costly programs designed to prevent encroachments by Russia and China. Historically it is a new role for us, as we have virtually abandoned the idea of exploiting the resources of other continents.

It Might Have Been?

But the fact that the "free world" that we now feel we must defend is "free" only in a limited, or even a Pickwickian, manner is not merely a controlling factor, so no one really supposes that all those countries now we are trying to defend from Russia or China are devotees of the sort of individual liberty which we are so keen on. But what kind of a world would be like now had we strictly adhered to the doctrine of Washington, we do not feel able to say. The fact is though that long ago ceased to do anything useful about what we were dealing with. The world, and have for decades been earnestly trying to reshape much of the world more to our liking. It has cost us billions of dollars and involved us in ways that are too numerous to mention.

We should be even more naive than we are often accused of being were we to suppose that all peoples where there is now little or no individual liberty are gasping to be free. We say that we are interested in democracy as such. Many of them have no conception at all of democracy as we think of it and still less ambition to embrace it in their own country. And, of course, we have always been as the people should be free to manage their own affairs as they think best. This obviously means that in dealing with the peoples of the world, whatever may have been our chief object, we find them. We can not— or at least we certainly should not—grant relief, for example, or withhold it from any given individual nation or people on the basis of whether their governments are democratic.

The circumstance that we are friends with dictators or grant aid to dictators in the name of defending the "free world" is, therefore, an anomaly only in a semantic sense. What we are really trying to do is to protect our own investors, which is to say that we are trying to protect our own investments by helping to control the domestic affairs of other countries.

Whether or in what degree or amounts we should make use of our huge wealth for the purpose of influencing world affairs is plainly a question as to which opinions may and do differ. Certainly we should not deprive ourselves in the use of the term "free world."
Present Depreciation Laws Hurt Our Economic Growth

Continued from page 15

development of new products, making corrections in the case of most equip- men are manufactured, and that prices are paid for them, and by increasing the sales price of the old in order to cover the increased cost of the new.

The experience argument is rather precarious. It may be that the ma- nufacturer has already depreciated it and that its depreciation is disregarded. In any event, it is very difficult to tell a man who is adding a product to his line whether his experience argument is to be used against him to show that he was satisfied with the efficiency of the old conditions.

It is only a little different telling a man that if you solved the problem that the machine will produce a product, and the use of a machine to produce a product is not to prove that its usefulness to the man is unsalable, on the other hand that it is difficult to differentiate between what is a reasonable profit and what is not. Hence the machine is still in use, and the experience argument is disregarded. In any event, it is very difficult to tell a man who is adding a product to his line whether his experience argument is to be used against him to show that he was satisfied with the efficiency of the old conditions.

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SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

"Some Sales Nuggets From an Old Pro"

Last week I had a visit with an old friend who used to work with me years ago. Today he is an executive vice-president of a large New York security firm.

Knowing that I am always interested in sales ideas and that I still write a column for salesmen he was kind enough to drop a few experiences of his own in my laps.

His firm is located in a medium size city where one bank dominates the local trust business. Although his firm does not carry a account with this bank, he finally made a breakthrough into trust account business using the following straightforward approach.

He continued to call on the senior trust officer of the bank for several years but he could not obtain any business.

Finally, he told the bank officer that some of his firm's clients were thinking of opening trust accounts and that the bank should come up with additional promotions.

However, since he was not able to open any business from his clients that already had trust accounts with the bank he certainly did not recommend that anyone else use the bank's trust facilities.

After all the reservations he required that if any of the trust accounts were also his clients that all they would do was to sit tight and wait for the business to come to them.

This trust officer that despite this polite and diplomatic approach he was still left in charge of his firm's business with my friend's firm.

He admitted that he was missing an opportunity for valuable, well-paid work with his firm.

Several weeks later the first order was placed through the office of the trust department and the considerable business has followed.

If he had not "put it on the line" valuable business would have been shunted to others that rightfully belonged to him.

If you have clients who are investors they are also potential trust accounts for a bank. Unless you are going to receive the re¬lated accounts are taken over by a trust department you should re¬commend the services of the organization.

The salesman used the proper approach—he had something to offer, too—a large potential of clients who someday might desire trust services. He used force, properly, to obtain what was rightfully coming to him.

Ask for Recommendations

Sometimes salesmen ask squemish about asking a satisfied client to say a good word for them—even when a friendly relationship exists. This opportunity should not be overlooked when these recommendations may be properly used. There was a very instructive letter that I received from a bank officer that indicated a salesperson might say a few words in his behalf.

This caused another bank officer to add his name to the list of customers that our firm had lost. When he called personally to get an appointment, he was told that he was very welcome because his firm had been recommended on a job of opening the door for him.

If you have a satisfied client and a good friend, and you know that he is an active investor, why not make a good client, let him open the door for you.

Many people are only too glad to be helpful if you deserve their recommendations but you have to ask them to help you. In most cases they will do so vol¬untarily—it just doesn't enter their minds.

And Don't Forget This One

Sometimes my friends ask me, "Salesman, but on calls and in sales illustrations. Illustrates one of the oldest, hypers, in personal selling and is worth repeating. After an interview that covered the subject adequately, the young salesman in charge of the call said to the customer, "But he staked and seemed unable to bring up the interview to a close.

My friend then asked the interviewer if he would like to have the securities registered in his name or in joint tenancy with his wife and he was told that he had thought joint tenancy would be better. Then he asked if 500 shares would be about right and the client assented. With that, the young salesman thanked him and said, "If you young salesman also go to the next day.

As just as they approached the bank, the young salesman turned to the customer and asked him another question only remotely connected with the order and that could not be eliminated completely.

This caused a breach in the interview and the customer said, "You know, maybe I had better think this over, call me tomorrow, I'll let you know what I decide."

When they left the customer, the young salesman asked his firm, "Did he really mean it?" and seemed to consider that that made him change his mind?"

My friend answered, "You just broke rule number one in personal selling. "If a man says, "Let's wait," makes you the mind, and gives you the order, put on your hat, say "Thank you" and get all aboard. You saw this sometimes it doesn't hurt to repeat it.

THE PUBLIC UTILITY ISSUE OF THE CHRONICLE

Will Be Published June 16, 1960

The 1960 edition of our ANNUAL PUBLIC UTILITY ISSUE will present the official opinions and forecasts of the nation's public utility leaders and non-industry authorities on the outlook for this vital segment of the nation's economy.

Get your perspective on this year's prospects and the future trends of the public utility industry.

Do not miss the opportunity to advertise your Firm, Corporation or Bank in this important issue. Please reserve your space requirements before closing date of June 13th.

Regular advertising rates will prevail for space in this important issue.
Electronics Manufacturers

Face Technological Challenge

Continued from page 1

and transistors since the molecular

uranium is a problem in all electro-

nuclear warheads. These new equip-

ent payoffs are considered to be

reliability. Reliability is also related
to maintenance and operating cost.

When a problem in all electronic

equipment is a problem in all elec-

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of which will give good Mo-

needs 60 mw. Commensurate

consumer Mollifield et al. [9]

in their food to waste power in

in heat loss or in coupling reac-

ior Technology Laboratory also has a

with standard components.

Time Scales

To give you an indication of when

the equipment is to be used and

in computer in 1961. If these two

is an area for further study.

Supply and Maintenance

The supply and stockpiling of FEI

is the ultimate approach to make

in their output. Nevertheless, in
cases where large quantities of FEI

as in computer assemblies, it is

blocks would be paid off, but this

the key. But we do know that since

on maintenance for new purposes.

molecular electronics may be the

practical no maintenance is easy for

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Federal Transfer Tax Hike
Strongly Opposed by IBA

Continued from page 12

is an agency or brokerage transaction. In the
Federal Reserve system, normal transac-
tions are on a principal or dealer basis.
The underwriter is a dealer in selling bonds
and the other party of the transaction is the
securities investor or a member of the bond
selling group, and from such the under-
writer, then from the underwriter to the
bond buyer. The underwriter receives a portion
of the price per bond or per secondary or part of
the over-the-counter market; title to the bonds
changes between several times among dealers before
it finally goes to the investor or might be subject
of an investor. This problem is recognized in Senate
Financial Research, and the Senate Report points out:

"It has been noted that difficulties may be
encountered in applying the provisions of
the bill in the over-the-counter market be-
cause of the difference in the provisions of
such transactions as compared with those handled
in the over-the-counter market. One of these differences is that
securities transactions are subject to a tax in
the normal course of events unless until they have
achieved their primary distribution. On the other hand,
primary distribution is normally
completed in the over-the-counter
market.

"It is the opinion of your com-
mittee that the provisions of
this bill, the fee in the over-the-counter
market should apply to underwriters in the trans-
fer of ownership of the security
by the underwriter or an intermediary.
Under this interpretation, the
transfer of ownership of a security
acquired by the underwriter and then
owned by him should be subject to
the initial transfer of the security
from the owner to an underwriter
without attaching significance to the
actual distribution of possession.
In this way, the purpose of the
underwriter will be served by the
fee on the transfer of ownership,
and in such a way as will avoid attach-
ing significance to the situa-
tion where the underwriter has
previously distributed the securities
and the underwriter retains for own
account accounts from which
distribution is made in a manner
analogous to the nature of the
securities transactions which under
our tax legislation is considered.
Under this concept, the tax would be
levied on sales transactions of
securities, the proceeds of which
are derived from the sale of such
securities. Under this concept, the
underwriter may be held to be the
principal or agent of an interchange
underwriter and, as a clearly identifiable
category, the investor in this
country is already paying special taxes
which cover many, many times the
amounts levied against the Underwriters
Commission operations — the
ostensible purpose of the
Commission."

The present Federal Stock Transfer Tax
alone, and in keeping with its purpose,
was established by the act of June 21,
1961 covering the SEC's fiscal
year, 1962, to the extent of
$8,900,000. There are no actual
statistics on the revenue derived from
this tax but the estimates for 1962
Tax since fiscal 1961, but at that
time, the tax was only amounting to
$22,077,000. We have made an estimate of the Federal Stock Transfer Tax for calendar
1959 (in available figures, and
with the figure of $31,419,700). Our
method of making this estimate is as
Exhibit 1. Here no allowance has
been made for any peak, a fact which should
make this estimate on the con-
ning side of the issue. It can readily be seen that
investor are already paying in the
amount of $9,000,000 more than the
rates, more than three times the
amount of this tax.

In the final analysis, the
investor, the owner of the Federal Stock
Exchange. Here again, no statistics
are given on the effect of the tax.

EXHIBIT 1

Estimate of Stock Transfer Tax — Calendar 1959

<table>
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<td>Total</td>
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<td>Add transactions (½ of total transactions)</td>
<td>2,903,880,000</td>
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<td>Add mutual fund share redemption</td>
<td>782,549,251,865</td>
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<td>86,314,170</td>
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<No allowance made for breakdown, a fact which should make this estimate on the conservative side.>

Power of the Commission is conceded in connection with the adminis-
tration of the Federal Underwriting
Commission. The power of regulation or rule making to report
and regulation or taxation of corporate
activities or income earned through
business concerns which the
Commission is to determine and
the way to which sales taxes will be
applicable from the amount of ownership
of the Commission is to apply for

With respect to the effect of the
provision, the Commission has
already submitted its estimates at the hearings before
the Senate Appropriations of the
Budget Committee. The appropria-
tions for 1961, and double-
taxes will already have reviewed
this Committee, so we shall not go
into that aspect of the proposal.

As indicated above, our objec-
tions to this bill are more funda-
tional than they go to its entirety.
First of all, we subscribe to the
view that where services rendered
governmental departments or agencies should
be paid or otherwise be subject to
a major part, but we do not sub-
scribe to the principle that
commercially regulated individuals or
industry should have to pay a tax.
We subscribe to a principle
primarily in the general public
policy. We feel that the simplest
times: we do not think
that a citizen of a community
who makes a loan to a person
or a fireman for his services in
fighting a fire should have to pay a special
fee or tax therefor. We believe that the
Commission, and the SEC within this
category and that they will be
successful in early stages of
good results from out of

tax revenue.

We have already seen, however, that the
provisions of this new fee or transfer tax, as
it applied in the case
of the owner or as a
transferor, and, as a clearly identifiable
group, the investor in this
country is already paying special taxes
which cover many, many times the
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<No allowance made for breakdown, a fact which should make this estimate on the conservative side.>
What Does the Analyst of Securities Want to Know?

Continued from page 13

or failure of a given enterprise. The obvious reason, in attempting to analyze management, we are really trying to appraise executive capacities, rather than objective, such factors as personality, temperament, or administrative ability. These complex concepts represent a real challenge, and the economist who can help the analyst determine by the due to a company's real value is to be found in a successful performance of this technical task.

Now as I suggested earlier, the analyst comes to visit will have superimposed upon him additional questions, however, analysis and a good knowledge of the subject will be obtained from observations and impressions received while visiting and touring the plant.

As an example, on one occasion when I was traveling on a midwest itinerary the first stop that I made was at a large industrial company which occupied a large building. I was shown around the plant, the salesmen and other employees recommended the company as a good place to work. I asked if I could talk to the president of the company and the company said yes.

I met him and started talking to him about the company's prospects for the future. The president was very helpful and he gave me a lot of information about the company's operations. He showed me around the plant and explained how the company operated.

And the things that he said were very helpful to me. He gave me a lot of insight into the company's operations and how the company was able to grow so quickly. He also told me a lot about the management of the company and how it was able to keep the costs down so that the company could remain profitable.

Therefore, when you are looking at a company, you should ask questions about the management of the company, the operations of the company, and the future prospects for the company. It is important to get as much information as you can about the company before you make an investment decision.

In conclusion, the analyst of securities wants to know about the management of the company, the operations of the company, and the future prospects for the company. It is important to get as much information as you can about the company before you make an investment decision. You should ask questions about the company's management, operations, and future prospects.
Within Seven Seconds of Wall Street

John L. Loeb, Senior Partner of Carl M. Loeb, Rhoades & Co., pushes the button setting into operation the firm's new automated communications network, linking 110 cities, 60,000 miles, a high-speed telegraph network that puts all of the offices of the company and branches in contact with the main New York office of Carl M. Loeb, Rhoades & Co. and the stock and commodity exchanges within seconds. It operates at a speed of 450 characters per minute, reducing by half the amount of time formerly needed to transmit buy and sell orders. Walter P. Marshall, President of Western Union, who designed, engineered, and built the complex system, joined Mr. Loeb in sending messages automatically to the 110 brokerage offices. Second lives the first order discovered by the system, which keeps track of the 12 communications that have been sent simultaneously to all stations selected on circuits with automatic access to all other offices in sending or receiving messages. This flexibility is made possible by the simple insertion of a program card by the message. The system has also been engineered for the handling of integrated data processing traffic.

Investors, no matter where they are in the United States, were brought within seven seconds of Wall Street June 8 when John L. Loeb, senior partner of Carl M. Loeb, Rhoades & Co., pushed a button setting into operation the firm's new automated communications network, linking 110 cities, 60,000 miles, a high-speed telegraph network that puts all of the offices of the company and branches in contact with the main New York office of Carl M. Loeb, Rhoades & Co. and the stock and commodity exchanges within seconds. It operates at a speed of 450 characters per minute, reducing by half the amount of time formerly needed to transmit buy and sell orders. Walter P. Marshall, President of Western Union, who designed, engineered, and built the complex system, joined Mr. Loeb in sending messages automatically to the 110 brokerage offices. Second lives the first order discovered by the system, which keeps track of the 12 communications that have been sent simultaneously to all stations selected on circuits with automatic access to all other offices in sending or receiving messages. This flexibility is made possible by the simple insertion of a program card by the message. The system has also been engineered for the handling of integrated data processing traffic.

Ettiger Joins Investor's Div.

MINNEAPOLIS, Minn.—Hugh M. Ettiger, Jr., who joined Investors Diversified Services, Inc. Investors Building, in the investment division, specializing in the buying and selling of individual stocks, Mr. Ettiger was formerly with Merrill Lynch, Pierce, Fenner & Smith, Incorporated.


**Securities Now in Registration**

**NEW ISSUE CALENDAR**

**June 10 (Friday)**

- **Dunbar Films, Inc.**
  - (Merril Cohn & Co.) $200,000
- **Electro-Communications Co., Inc.**
  - (S. D. Fuller & Co.) $7,800
- **Elco.**
  - (L. D. Fuller & Co.) $1,000
- **Equitable Leasing Corp.**
  - (First Securities Corp.) $100,000
- **Laboratory For Electronics, Inc.**
  - (Offering to stockholders—underwritten by Palter, Inc.) $100,000
- **National Publishing Co., Inc.**
  - (First Securities Corp.) $300,000
- **Yale Express Sys., Inc.**
  - (Michael G. Kitz & Co., Inc.) $1,650

**June 13 (Monday)**

- **A. E. Electric Corp.**
  - (Hilton Morton & Co.) $700,000
- **Airport Parking Co., Inc.**
  - (F. R. Rothchild & Co., Inc. & Marsh & Co.) $42,575
- **Alz, Inc.**
  - (White & Co.) $1,000
- **American Penn Life Insurance Co.**
  - (Capital) $3,575
- **Caban's, Inc.**
  - (Manfild & Kahn, Inc.) $500
- **Chemical Package Co., Inc.**
  - (Mainland Securities Corp.) $100,000
- **Coca-Cola Bottling Co., Inc.**
  - (Eastman Dillon, Glotzhorn Securities Co., Inc.) 28,204
- **Continental Guaranty & Investment Service**
  - (Mandel & Co.) $3,200
- **Crawford Corp.**
  - (G. H. Bestor & Co., Inc.) $200
- **Development Credit Corp. of Maryland, Inc.**
  - (First National Bank & Trust Co.) $12,500
- **Doak Pharmacal Co., Inc.**
  - (Securities, Inc.) $200
- **Furniture, Ltd.**
  - (Myron A. Lemauney & Co.) $500
- **Friendly Frost Inc.**
  - (Offering underwriting) $1,150
- **Great American Realty Corp.**
  - (Debentures—(First National Bank & Trust Co.) $2,000
- **Great American Realty Corp.**
  - (Debentures—(Bull & McColloch, Inc.) $2,000
- **Hampshire Gardens Associates—Units**
  - (Mandel & Co.) $1,000
- **Henderson’s Portion Pak, Inc.**
  - (Henderson’s Portion Pak, Inc.) $500
- **Howe Plastics & Chemical Companies, Inc., Inc.**
  - (Bull & McColloch, Inc.) $1,000
- **McGowen Glass Fibers Corp.**
  - (Messman, Riblin & Co.) $300
- **Republic Graphics Corp.**
  - (American Bankers Ass’n & Roehm & Kuhrt, Inc.) $200
- **Security Industrial Loan Corp.**
  - (Debentures—(Lipstat & Co.) $50
- **Security Industrial Loan Corp.**
  - (Debentures—(Lipstat & Co.) $50
- **Thermal Industries of Florida, Inc.**
  - (Peter Morgan & Co.) $125
- **Westmore, Inc.**
  - (First National Bank & Trust Co.) $100
- **Whitmoyer Laboratories, Inc.**
  - (Huntington, Jenks, Kirkland & Co.) $100
- **Whitmoyer Laboratories, Inc.**
  - (Huntington, Jenks, Kirkland & Co.) $100

**June 14 (Tuesday)**

- **Bowmans Towne City Block Corp.**
  - (Demuth-Thorp & Co.) $1,500
- **Consolidated Bank & Trust Co. of New York**
  - (Bonds) $41
- **Long Island Trust Co.**
  - (Capital) $1,412
- **Speed-Way Food Stores Inc.**
  - (Huntington, Jenks, Kirkland & Co.) $300
- **Telecomputing Corp.**
  - (Debentures—(Finnell & Co.) $1,000

**June 15 (Wednesday)**

- **Alz, Inc.**
  - (Jeans, Inc., Birkett, Jenks & Co.) $500
- **American Frontier Life Insurance Co.**
  - (Capital) $500
- **American International Aluminum Corp.**
  - (Common Stock) $42,500
- **Brush Beryllium Co.**
  - (Rutin, Loeb & Co. and McDonald & Co.) $400
- **Federal Steel Corp.**
  - (Common Stock) $300
- **General Atronics Corp.**
  - (Warrington & Co.) $545

*INDICATES ADDITIONS SINCE PREVIOUS ISSUE*  
*ITEMS REVISED*
Volume 191 Number 5968 ... The Commercial and Financial Chronicle

(2499) 31

American Bowls-Bowling Corp. (6/27/7) •

Aptos is listed with 100,000 shares of common stock $1 par value and warrants to the purchase of 10,000 additional $1 par value shares. The company proposes to offer these securities for public subscription. A price of $25 per warrant is indicated.

American Frontier Life Insurance Co. (6/15) •

Nov. 30 listed 200,000 shares of capital stock $5 par value, and warrants to the purchase of 200 additional $5 par value shares. The company proposes to offer these securities for public subscription. A price of $25 per warrant is indicated.

American Country Life Insurance Co. (6/15) •

Debentures—1,000 6% debentures maturing July 1, 1934, at $100 par value, and 50,000 shares of preferred stock, $100 par value.

American Capital Life Insurance Co. 

April 15 listed 96,450 shares of class "A" common stock, $1 par value. Price—$5.80 per share Proceeds—For general corporate purposes. Office—315 15th St., N. W., Washington, D. C.

Powertron Ultrastron Corp. (Common) •

Pyramid Electric Co. (Common) •

Reeves Broadcasting Development Corp. (Capital stock) •

Saucone Development Corp. (Common) •

Sierra Electric Corp. (Common) •

Selma, Inc. (Common) •

Swimming Pool Dev. Corp. (Common) •

Trans Tech Systems, Inc. (Common) •

Triumph Storercrafters Corp. (Common) •

United States Boat Corp. (Common) •

Win-Chek Industries, Inc., Class A (Common) •

Tampa Electric Co. (Bonds) •

Central Illinois Electric & Gas Co. (Bonds) •

Dallo Corp. (Common) •

Central American Steel Corp. (Common) •

American Securities Corp. (Common) •

Amoco Electronics, Inc. (Common) •

American Development, Inc. (Common) •

Amoco Insurance Co. (Common) •

American Steel & Wire Co. (Common) •

Amoco Oil Co. (Common) •

Anatol Corp., Inc. (Common) •

Arkansas Western Gas Co. (Common) •

Aspen Electric Corp. (Common) •

Atlantic Bowling Centers, Inc. (Common) •

Automatic Catering Equipment Co. (Common) •

Calliope Battery Corp. (Common) •

Chemet Corp., Inc. (Common) •

Compressed Construction Corp. (Common) •

Edgeron, Germeshausen & Grier, Inc. (Common) •

Epeh Mfg. & Electronics Corp. (Common) •

Franklin Corp. (Common) •

Garrett Corp. (Common) •

Hemco, Inc. (Common) •

Illinois Bell Telephone Co. (Common) •

Sierra Pacific Power Co. (Bonds) •

Gulf Power Co. (Preferred) •

Gulf Power Co. (Common) •

Gulf-Tex Development, Inc. (Common) •

Hannibal & St. Joseph Gas Co. (Common) •

Hotel Corp. of America (Debentures) •

I.C. Inc. (Common) •

Illinois Beef, L. & W. S. Inc. (Common) •

Lambert Industries, Inc. (Common) •

Lee Motor Products, Inc. (Common) •

Montgomery Ward Credit Debentures •

Navigation Companies, Inc. (Common) •

Northern States Power Co. (Bonds) (M. L. Lee & Co. & Millon & DeKoos & Co.) •

Polyest Corp. (Common) •

Powertron Ultrastron Corp. (Common) •

Pyramid Electric Co. (Common) •

Reeves Broadcasting Development Corp. (Capital stock) •

Saucone Development Corp. (Common) •

Sierra Electric Corp. (Common) •

Selma, Inc. (Common) •

Swimming Pool Dev. Corp. (Common) •

Trans Tech Systems, Inc. (Common) •

Triumph Storercrafters Corp. (Common) •

United States Boat Corp. (Common) •

Win-Chek Industries, Inc., Class A (Common) •

Tampa Electric Co. (Bonds) •

Central Illinois Electric & Gas Co. (Bonds) •

Dallo Corp. (Common) •

Central American Steel Corp. (Common) •

American Securities Corp. (Common) •

Amoco Electronics, Inc. (Common) •

American Development, Inc. (Common) •

Amoco Insurance Co. (Common) •

American Steel & Wire Co. (Common) •

Aspen Electric Corp. (Common) •

Atlantic Bowling Centers, Inc. (Common) •

Automatic Catering Equipment Co. (Common) •

Calliope Battery Corp. (Common) •

Chemet Corp., Inc. (Common) •

Compressed Construction Corp. (Common) •

Edgeron, Germeshausen & Grier, Inc. (Common) •

Epeh Mfg. & Electronics Corp. (Common) •

Franklin Corp. (Common) •

Garrett Corp. (Common) •

Hemco, Inc. (Common) •

Illinois Bell Telephone Co. (Common) •

Sierra Pacific Power Co. (Bonds) •

Gulf Power Co. (Preferred) •

Gulf Power Co. (Common) •

Gulf-Tex Development, Inc. (Common) •

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Polyest Corp. (Common) •

Continued from page 30

* American League Professional Football Team of Boston, Inc. 

June 3 filed 120,000 shares of common stock (par $1). The company proposes to offer these securities for public subscription. A price of $25 per share is indicated.

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of offered for public sale in units (2,000) known as "Invest-
ment in Stock," at $10 per share, and common and $783
shares of stock. Price—$1,800 per unit, Proceeds—
that to be paid on account of capital stock, and carry-
unfavorable conditions for disposition. Office—210 Center St., Little Rock, Ark.
Penn Life Insurance Co. (6/13-17)
March 30 filed registration of 127,500 shares of capital stock, of which 105,000
holders of record on April 28, 1960, with rights to ex-
and stockholders, will be used to purchase ($500 of bonds and
banes & Pittsburgh Life Insurance Co., and carry until market conditions are favorable for dispo-

March 30 filed registration of 127,500 shares of capital stock, of which 105,000
holders of record on April 28, 1960, with rights to ex-
and stockholders, will be used to purchase ($500 of bonds and
banes & Pittsburgh Life Insurance Co., and carry until market conditions are favorable for dispo-

American Rubber & Plastics Corp. (6/20-24)
May 11 filed 200,000 shares of common stock. Price—To be supplied by amendment. Proceeds—To selling stockholders, to be used to

American Security Corp. March 30 filed registration of 1,500 shares of capital stock (par $2). The company is an affiliate of the Citizens Trust Co. By reason of the fact that each of their stock-
holders is a director and officer of the trust's bank, each of these shares will be registered as shares of the stock of the trust. It is proposed to file 100,000 shares of American Security Corp. at the par value of each share. The price of the stock issued by the company's Agent's Stock Option Plan. Price—$28 per share. Proceeds—To be used for working capital, capital surplus, and surplus.

Atlas Bowling Centers, Inc. (6/27)
May 2 filed 100,000 shares of class A common stock (par $10) and 700,000 shares of preferred stock (par $25). Price—$100 per share. Proceeds—For additional working capital.

Basic, Inc. (7/15)
May 17 filed 100,000 shares of common stock. Price—To be supplied by amendment. Proceeds—To selling stockholders, to be used to

Bausch & Lomb Inc. May 19 filed $6,657,500 of convertible subordinated debentures due 1965, 1,000 shares each of which may be converted into 200 shares of voting common stock at $25 per share. Proceeds will be used for working capital and other purposes. Office—454 Hanna Building, Cleveland, Ohio. Underwriter—Stone & Webster Engineering Corp., New York.

Bessemer Steel Homes, Inc. (6/20-24)
March 30 filed $1,600,000 of 9% convertible subordinated bond debentures due 1965, 1,000 shares of common stock and 50,000 shares of preferred stock, all of which may be converted into 1,000,000 shares of voting common stock at $25 per share. Proceeds will be used for working capital and other purposes. Office—1041 Center St., Pittsburgh, Pa.

Bircher Corp. May 8 filed $1,000,000 of 6% convertible subordinated debentures due April 20, 1970, and 10,000 shares of preferred stock (par $25). Proceeds—To be used to redeem, replace, and make additional capital for the purchase of an additional 50,000 shares of common stock at $9.30 per share. Proceeds will be used for working capital and other purposes. Office—Palo Alto, Cal. Underwriters—G. H. Waterman & Co., New York, and N. W. Taylor & Co., New York.

Bomar Marine, Inc. May 21 (letter of notification) filed 2,000 shares of common stock (no par) and 3,120 shares of preferred stock (no par) to be offered in units consisting of one share of common and two shares of preferred. Price—$100 per unit. Proceeds—To pay off a note, accounts payable, legal fees, and general expenses. Office—300 Delaware St., Archibald, Pa. Underwriter—Willie E. Jacobson.

Bowling Investments, Inc. (6/14)
May 18 filed registration of 500,000 shares of common stock (par $10) to be offered for public sale at $1 per share by the present holders thereof and 100,000 shares to be offered for public sale by the present holders thereof at $2 per share. Proceeds—To be used to acquire deposits and for general corporate purposes. Office—1525 N. 2nd, St. Paul, Minn., 3rd Fl.

Brockway Glass Co., Inc. (7/11-15)
May 18 filed registration of 105,000 shares of common stock (par $1) to be offered for public sale at $5 per share, which 25,000 shares are now outstanding and 80,000 shares are to be offered for public sale by the present holders thereof and 30,000 shares are to be offered by the issuing company. Price—To be supplied by amendment. Proceeds—To be used to build and equipping and a new glass container plant at Rochester, Minn., near St. Paul and Minneapolis, estimated at $5,000,000, which will be purchased by the company from the funds. Office—1200 Wood Street, Chicago, Ill. Underwriter—Lemmon Brothers and Blyth & Co., etc., both of New York.

Brook Labs, Inc. (6/15)
May 18 filed 108,000 shares of common stock (par $10) which 25,000 shares are being sold for selling stockholders, Price—$7.50 per share. Proceeds—To be used to purchase land at 1747 West Lincoln Place, Brookly, N. Y. Underwriters—Sands, Weil, Tobin & Co., New York, N. J. and J. J. Magari, etc., Wall St., New York, N. Y.

Bruce National Enterprises, Inc. (6/22)
May 18 filed registration of 7,000,000 shares of common stock (par $1). Proceeds—$6 per share. Proceeds—For reduction of outstanding indebtedness; to pay off mortgages on certain other corporate securities; and for general corporate purposes. Office—1118 N. E. 3rd Avenue, Miami. Underwriter—George O'Neill & Co., Inc., New York.

Brush Beryllium Co. (6/15)
May 18 filed registration of 500,000 shares of common stock, of which 250,000 shares are to be offered for the account of the present holders thereof and 150,000 shares are to be offered for the account of the present holders thereof. Price—To be supplied by amendment. Proceeds—To be used to purchase land, etc. Underwriters—Kuhn, Loeb & Co., New York.

Buzzards Bay Gas Co., Hyannis, Mass.
May 7 filed 27,000 outstanding shares of common stock. Price—To be supplied by amendment. Proceeds—To be used to purchase land, etc. Underwriter—Coffin & Barr, Inc., Boston, Mass.

Capital Shares, Inc. (6/17)
May 9 filed 100,000 outstanding shares of common stock. Proceeds—To be used in the purchase of additional capital stock. Office—454 Hanna Building, Cleveland, Ohio. Underwriter—Stone & Webster Engineering Corp., New York.

C. F. C. Funding Inc. (6/27)
May 20 filed registration of 500,000 shares of common stock (par $10). Proceeds—$2 per share. Proceeds—To be used to purchase additional capital stock. Office—454 Hanna Building, New York, N. Y. Underwriter—Darius Inc., New York, N. Y.

Cabana Pools, Inc. (6/13-17)

Cape Investments, Inc. (6/13-17)
May 20 (letter of notification) $200,000 of 6% convertible bonds due 1965, 100 shares of which may be converted into 1,000 shares of voting common stock at $25 per share. Proceeds—To purchase property and for working capital. Office—1224 2nd St., Box 124, Harwich, Mass. Underwriter—None.

Central Illinois Electric & Gas Co. (7/1)
June 1 filed $10,000,000 of first mortgage bonds due 1965. Proceeds—To be used to provide a portion of
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mining
June 6, 1960

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company

shares

Inc., New York, N. Y.

S.

E.

N.

The Commercial and Financial Chronicle . . . Thursday, June 9, 1960

—To increase capital and surplus and expand the business.
Office—1515 Spring St., N. W., Atlanta, Ga.
Note: The above is a summary of the statements of condition as of Dec. 31, 1960, with $1,107,000 to be contributed to surplus or loaned to subsidiaries.

Farrington Manufacturing Co. (6-20-24)


Farnum M. Thomas, York, N. Y. Underwriter—

—To be sold by the company’s Employees’ Stock Plan. Proceeds—For reduction of bank loans, for working capital, and surplus.

Farrington, Myron F.

—To be supplied by amendment. Proceeds—$300,000 will be received by the company for the purchase of equipment and the remainder will be used as working capital. Underwrite—Equitable Funding & Trust Co., Newark, N. J. Underwriter—Hayden, Stone & Co., New York City (market).

Farrington, Raymond E.

—To be supplied by amendment. Proceeds—$660,000 will be for working capital, $200,000 to pay bank loans, and for general corporate purposes. Underwrite—Myron A. Lamomay & Co., New York.

Farrington, Robert H.

March 3 filed 100,000 shares of class A common stock (par $1), proceeds—$98 per share. Proceeds—For general corporate purposes. Office—8414 Phipps street, Brooklyn, N. Y. Underwriter—Myron A. Lamounay & Co., New York.

Farrington, R. H.

—To be supplied by amendment. Proceeds—$200,000 for additional working capital, $100,000 for expansion facilities for the Portland Discount Center; $75,000 for the purchase of equipment and equipment for administrative use; $50,000 for providing working capital for General Sales Acceptance Co. Credit—40 members to participate in the operation. Proceeds of the notes will be used for the following as needed: (1) general corporate purposes, (2) working capital, and (3) new stores.


Farrington, William M.

—To be supplied by amendment. Proceeds—$300,000 will be received by the company for the purchase of equipment and the remainder will be used as working capital. Underwrite—Equitable Funding & Trust Co., Newark, N. J. Underwriter—Hayden, Stone & Co., New York City (market).

Farrington, William T.

—To be supplied by amendment. Proceeds—$660,000 will be for working capital, $200,000 to pay bank loans, and for general corporate purposes. Underwrite—Myron A. Lamounay & Co., New York.

Farrington, Raymond E.

—To be supplied by amendment. Proceeds—$300,000 will be received by the company for the purchase of equipment and the remainder will be used as working capital. Underwrite—Equitable Funding & Trust Co., Newark, N. J. Underwriter—Hayden, Stone & Co., New York City (market).
be used for property additions and improvements and for payment of $3,092,800 of bank loans. Underwriter—
To be determined by competitive bidding. Probable bidders include: Harold Miller, Union Securities & Co. and Stamos Bros. & Co. (jointly); Charles M. Pepebody & Co. and White, Weld & Co. (jointly). Information—Scheduled for July 5, 1960 at 2:30 p.m. in New York City at the offices of Davis, Bernstein & Co., Inc., 15 Wall Street, New York, N. Y.

Gulf States Utilities Co. (6/27) May 12 filed $100,000 of 7% convertible subordinated debentures due 1990. To provide funds for the development of new physical facilities and other general corporate purposes, including the purchase of equipment and other general corporate purposes. Bids—Expected to be received on June 2 at 2 p.m. at the office of Kuhn, Loeb & Co., New York.

Hamburgen, Inc. (6/27) May 12 filed $1,000,000 of 7% convertible subordinated debentures due 1960 to provide funds for plant facilities and equipment and for the balance general corporate purposes. Bids—Expected to be received on June 2 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York.

Kings Electronics Co., Inc. (6/15) May 20 filed $3,780,000 of common stock (par 10 cents) and 100,000 common stock purchase warrants. Proceeds—To be used for the repayment of certain loans, $75,000 for development of new design, and $150,000 for the purchase of new equipment and the balance for general corporate purposes. Bids—Expected to be received on June 2 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York.

Laclede Gas Co. (7/8) June 1 filed $100,000,000 of first mortgage bonds. Proceeds—For the repayment of certain loans and for working capital purposes. Bids—Expected to be received on June 27 at 1 p.m. at the office of First National Bank of St. Louis.

Lumbermen's Trust Co. (6/28) April 30 filed $5 million of 7 1/2% convertible subordinated debentures due 1980. To provide funds for the purchase of equipment or for working capital. Bids—Expected to be received on June 27 at 12 noon at the offices of Myron Schrijver & Co., New York.

Metromedia, Inc. (7/1) May 1 filed $5 million of 7% convertible subordinated debentures due 1990. To provide funds for additional equipment and for the balance for general corporate purposes. Bids—Expected to be received on June 2 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York.

Nashichecker Corp. (6/15) May 12 filed $1,000,000 of 7% convertible preferred stock (par $100). Proceeds—to be used to purchase the shares of common stock currently outstanding. Bids—Expected to be received on June 2 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York.

Harvey Metal, Inc. (6/21) April 21 filed 750,000 of common stock (par $1). Proceeds—to be used to purchase the shares of common stock currently outstanding. Bids—Expected to be received on June 21 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York.

Henderson's Portion Pak, Inc. (6/13-17) April 18 filed $1,000,000 of common stock (par $1). Proceeds—to be used to purchase the shares of common stock currently outstanding. Bids—Expected to be received on June 21 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York.

Howden & C. Co., Inc. (6/13-17) Dec. 14 (letter of notification) 60,000 shares of common stock (par $1). Proceeds—to be used to purchase the shares of common stock currently outstanding. Bids—Expected to be received on June 21 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York.

Hudson Vitamin Products, Inc. (6/22) May 3 filed $2,000,000 of common stock (par $1). Proceeds—to be used to purchase the shares of common stock currently outstanding. Bids—Expected to be received on June 21 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York.


Jemco, Inc. (7/5-8) April 23 filed $3,000,000 of common stock. Proceeds—To be used for general funds and working capital. Bids—Expected to be received on June 27 at 2 p.m. at the offices of Dillon, Read & Co., New York, and Welles, Underwriter—None.

Juniper Petrochemicals Corp. (6/20-24) May 6 filed $3,000,000 of 7% convertible subordinated debentures due 1970, and 50,000 of class A common stock (par $1). Proceeds—to be used for the development of new physical facilities and for other general corporate purposes. Bids—Expected to be received on June 2 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York, and Welles, Underwriter—None.

Kinetic Petrochemicals Corp. (6/20-24) May 6 filed $3,000,000 of 7% convertible subordinated debentures due 1970, and 50,000 of class A common stock (par $1). Proceeds—to be used for the development of new physical facilities and for other general corporate purposes. Bids—Expected to be received on June 2 at 2 p.m. at the offices of Kuhn, Loeb & Co., New York, and Welles, Underwriter—None.

Laclede Gas Co. (7/8) June 1 filed $100,000,000 of first mortgage bonds. Proceeds—to be used for working capital purposes. Bids—Expected to be received on June 27 at 1 p.m. at the office of First National Bank of St. Louis.

Laclede Gas Co. (7/8) June 1 filed $100,000,000 of first mortgage bonds. Proceeds—to be used for working capital purposes. Bids—Expected to be received on June 27 at 1 p.m. at the office of First National Bank of St. Louis.

Laclede Gas Co. (7/8) June 1 filed $100,000,000 of first mortgage bonds. Proceeds—to be used for working capital purposes. Bids—Expected to be received on June 27 at 1 p.m. at the office of First National Bank of St. Louis.
Lantex Industries, Inc. (6/27-7/1)
May 19, 1969

Lasco Industries (6/20)

Lee Filter Corp. (6/27-7/1)
May 27, 110,000 shares of common stock (par $1). Proceeds—To increase working capital and to purchase additional factory equipment. Price—$4 per share. Proceeds—May be used to retire bank loans, the proceeds from which will be used to purchase additional factory equipment for the company's present facilities and to provide additional working capital to meet the other short-term indebtedness; $100,000 for the purchase of additional raw material inventory; and to provide for the general working capital needs of the company. Underwriter—Lyman, J. N. Underwriter—Mr. A. Lomanas & Co., New York. Note—The statement has been withdrawn; refunding is expected in July.

Lee Motor Products, Inc. (6/27-7/1)
May 8 filed 167,000 shares of class A common stock (par $1). Proceeds—$150,000 will be used to repay existing obligations to banks incurred in March of 1969 to finance trade accounts and for other working capital purposes; approximately $50,000 will be used to finance working capital requirements of the Los Angeles offices and purchase additional factory equipment; and the balance of $207,000 will be added to the company's current operations and used for general corporate purposes. Proceeds—Offered to shareholders of record on April 21, 1969, may be used for working capital purposes and to purchase additional factory equipment for the company's present facilities. Price—$20 per share. Proceeds—To finance working capital requirements of the Los Angeles offices and purchase additional factory equipment. Underwriter—Godfrey, Hamilton & Magnus Co., Inc., New York.

Librarian Iron Ore Ltd. (6/23)

Lone Star Airlines, Inc. (6/27)
May 27 (letter of notification) 9,500 shares of common stock (par $1). Proceeds—$500 will be used to finance working capital purposes. Proceeds—Offered to shareholders of record on May 27, 1969, may be used for working capital purposes and to purchase additional factory equipment for the company's present facilities. Price—$2 per share. Proceeds—For general business, working capital purposes. Office—P.O. Box 700, Dallas, Texas. Underwriter—None.

Magna-Lite Corp. (6/22)
Feb. 28, 200,000 shares of common stock of the company. Price—$5 per share. Proceeds—To purchase additional equipment, to expand sales, to finance working capital and to purchase additional factory equipment for the company's present facilities. Underwriter—Crouse, Wedoen, Co., Los Angeles, Calif.

Majestic Utilities Corp. (6/29)
April 29 filed 300,000 of 6% convertible 10-year debentures. Price—$50 face value, $30,000 of common stock, and options to purchase an additional 20,000. It is proposed to use the proceeds secured for public sale in units of 1,200, each consisting of $50 face amount of debentures, 25 shares of common stock, and options to purchase 50 options at $150 per unit. Proceeds—To be applied in payment of a purchase order for additional equipment and the expansion of the company's business. Underwriter—101 Stout Street, Denver, Colo. Underwriter—Burris & Piriven, Denver, Colo. Offering terminated. Expected return in July.

Maxwell Homes, Inc. (6/15)

Martin-Parrish Co. (6/20-24)

Matrix Research & Development Corp. (6/28)
May 18 (letter of notification) 60,000 shares of class A common stock (par $1). Price—$5 per share. Proceeds—To purchase equipment, to improve a physical plant and for general corporate purposes. Office—11th Murphy Street, Nashua, N. H. Underwriter—None.

Metcalf, Inc. (6/15)
April 18 filed 300,000 shares of common stock, (par $1), of which 50,000 shares are to be offered for public sale for the account of the company and 250,000 are to be offered for the account of the holders thereof. Price—To be determined by amendment. Proceeds—For general corporate purposes. Office—419 West 56th St., New York 19, N. Y. Underwriter—O'Flaherty & Co., New York.

Mustang Lubricant, Inc. (6/5)
May 9 filed 80,000 shares of class A common stock (par $1). Proceeds—$25,000 will be used to retire indebtedness on record May 31, at the rate of one new share for each of the outstanding shares. Proceeds—Office—2301 Woodward Ave., Detroit, Mich. Underwriter—Ladenburg, Thalmann & Co., New York.

Natal Foundation Fair Corp. (6/5)
May 16 filed 10,000 shares of common stock (par $1). Proceeds—For general corporate purposes. Office—3000 Hempstead Turnpike, Hempstead, L. I., N. Y. Underwriter—General Investing Corp., New York, N. Y.

National Lawserv Corp. (6/10)

National Old Line Life Insurance Co. (6/15)
April 12 filed 14,112,299 shares of common stock (par $1). Proceeds—$11,078,299 will be used to purchase additional machinery and equipment, to set up a general office building (at an estimated cost of $23,000) on the West Coast to service the fruit and vegetable business, and for general corporate purposes. Office—3002 Brooklyn Ave., Fort Wayne, Ind. Underwriter—Securities and Equity Securities Corp., 212 W. Jefferson St., Ft. Wayne, Ind.

National Union Life Insurance Co. (6/29)
May 27 (letter of notification) 75,000 shares of common stock (par $50 cents). Price—$4 per share. Proceeds—To be used in connection with the operation of an insurance company. Address—Montgomery, Ala. Underwriter—Frank B. Butman, Ltd., Palm Beach, Fla.

Nevada Consolidated Mills Co. (6/30)
May 11 filed 11,951,900 shares of common stock, to be offered for subscription by holders of outstanding common stock. Price—$10 per share. Proceeds—To be used in connection with the acquisition of additional mills. Office—1221 North 16th St., Omaha, Neb. Underwriter—None.

Ninety Light Co. (7/8)
May 16 filed a maximunum of 24,000 shares of common stock (par $25), to be offered for subscription by holders of the outstanding stock. Price—$11 per share. Proceeds—To be used for the purchase of equipment and supplies. Office—7325 Broadway, Chicago, Ill. Underwriter—Putnam & Co., Hartford, Conn.

North American Powder Co. (6/24)

Monowall Homes, Inc. (6/15)
April 22 (letter of notification) 150,000 shares of common stock (par $1). Proceeds—To pay an outstanding note, payment of which is due on or before July 15, 1969. Proceeds—To be used to pay the bank obligations. Proceeds—Office—202 Dwight Building, Jackson, Mich. Underwriter—Paul C. C. Rogers, Detroit, Mich.

Movielab Film Laboratories Inc. (6/20)
May 17 filed 100,000 shares of common stock (par $1) including 62,500 shares to be offered for public sale by the company and 37,500 shares which are outstanding and will be offered by the holder thereof. Price—To be determined by amendment. Proceeds—For general corporate purposes. Office—619 West 56th St., New York, N. Y. Underwriter—O’Flaherty & Co., New York.

Movielab, Inc. (6/15)
April 18 filed 300,000 shares of common stock, (par $1), of which 50,000 shares are to be offered for public sale for the account of the company and 250,000 are to be offered for the account of the holders thereof. Price—To be determined by amendment. Proceeds—For general corporate purposes. Office—Denver, Colo. Underwriter—None.

North American Powder Co. (6/10)
May 27 (letter of notification) 100,000 shares of common stock (par $1). Proceeds—$20,000,000 will be used to retire a bond issue on record May 1, at the rate of one new share for each of the outstanding shares. Proceeds—Office—2301 Woodward Ave., Detroit, Mich. Underwriter—Ladenburg, Thalmann & Co., New York.

North Washington Land Co. (6/10)
May 3 filed $1,600,000 of first mortgage participation certificates. Price—The certificates will be offered at a discount of 7% and will be repaid in full upon completion of the primary purpose of refinancing existing loans. Office—
A financial summary of various companies and their activities:

**Federal Reserve Bank of St. Louis**

14th amendment.

Mar. 29 $800,000

- **Northwell Co., Inc.**
  June 6 filed 30,000 shares of common stock (par $1).

- **Texas Oil Corp.**
  Mar. 29 filed 50,000 shares of common stock (par $1).

- **Oil Shale Corp.**
  March 20 filed 300,000 shares of common stock, to be offered to the public at par.

- **Oklahoma City (of) NY**
  May 24 filed 200,000 shares of 6% convertible subordinated debentures due June 1, 1970.

- **Oxford Manufacturing Co., Inc.**
  May 30 filed 200,000 shares of class A common stock (par $1).

- **Pacific Beef, Inc.**
  April 19 filed 917,825 shares offered at $10 per share.

- **Panacraft Corp.**
  May 17 filed 8,000,000 shares of common stock (par $1), to be offered initially to stockholders of the corporation and to the public at par. Proceeds: To be used for working capital and expansion of facilities. Stock price: To be determined by the underwriters.

- **Parkers Inc.**
  May 11 (letter of notification) 100,000 shares of common stock, priced at $8 per share. Proceeds: To be used for working capital and expansion of facilities.

- **Pawley Petroleum Inc.**
  July 11 filed 100,000 shares of common stock (par $2), to be used by amendment. Proceeds: To be used in connection with a loan, expansion of sales personnel, advertising, development and research and for working capital. Office: 117 North Wacker Drive, Chicago, Ill. Underwriter: Metropolis Securities, Inc., Philadelphia, Pa.

- **Patrick County Canning Co., Inc.**
  May 22 filed 100,000 shares of common stock. Proceeds—About $125,000 will be applied to the payment of bank borrowing incurred in the purchase of plant and equipment. The remaining $105,000 will be available for general corporate purposes. Office: 717 No. Highland Avenue, Holman, Pa. Underwriter: William S. Co., Los Angeles, Calif.

- **Pearson Corp.**
  March 30 filed 50,000 shares of common stock. Proceeds: To be used by amendment. Proceeds: $600,000 will be utilized to repay the company's indebtedness to房东. Proceeds: To be used by amendment. Proceeds: $600,000 will be added to working capital for general corporate purposes, principally to finance capital expenditures. Office: 1 Constitution St., Bristol, R. I. Underwriter: R. A. Holman & Co., Inc., Providence, R. I.

- **Philippines Oil Development Co.**
  March 22 filed 200,000 shares of common stock (par $1), to be offered for subscription by stockholders at the rate of $1 per share. Proceeds: To be used by amendment. Proceeds: To be added to the company's working capital. Office: Soriano Bldg, Manila, Philippines.

- **Polycast Corp.**
  June 7 filed 200,000 shares of common stock (par $1), to be offered by amendment. Proceeds: $150,000 will be used for the payment of expenses incurred in connection with the offering of shares. Proceeds: To be used in connection with the offering of shares. Proceeds: To be used for general corporate purposes. Office: 351 Spring Street, N. Y. Underwriter: B. H. Coo, New York, and M. E. Blau, Inc., New York, N. Y.

- **Powertron Electronics Corp.**
  May 21 filed 200,000 shares of common stock. Proceeds: To be used by amendment. Proceeds: To be used in connection with the purchase of equipment and other items necessary for the company's operations and to reduce the amount of outstanding shares of capital stock. Office: Roosevelt Field Industrial Park, Garden City, L. I., N. Y. Underwriter: B. H. Coo, New York, N. Y.

- **Pyramid Electric Co.**
  April 11 filed 100,000 shares of common stock (par $1), to be offered initially to stockholders of the corporation and to the public at par. Proceeds: To be used for working capital.

- **Rajac Self-Service, Inc.**
  March 18 (letter of notification) 100,000 shares of common stock (par $2), to be used by amendment. Proceeds: To be used in connection with a loan, expansion of sales personnel, advertising, development and research and for working capital. Office: 117 North Wacker Drive, Chicago, Ill. Underwriter: Metropolis Securities, Inc., Philadelphia, Pa.

- **Rambo Investment Co.**
  March 30 filed 487,392 shares of common stock, of which 19,000 shares are to be offered by the company and 198,392 shares are to be offered by Mayfair Oil Co. of California. Office: 717 No. Highland Avenue, Holman, Pa. Underwriter: William S. Co., Los Angeles, Calif.

- **Reeve Broadcasting & Development Corp.**
  March 27 filed 8,000,000 shares of common stock (par $10). Proceeds: To be used by amendment. Proceeds: To be used in connection with the purchase of equipment and for general corporate purposes. Office: 117 North Wacker Drive, Chicago, Ill. Underwriter: Laid & Co., Corp., New York.

- **Republic Ambassador Associates**
  April 29 filed 100,000 shares of common stock (par $1), to be offered by amendment. Proceeds: To be used by amendment. Proceeds: To be used in connection with the purchase of equipment and for general corporate purposes. Office: 117 North Wacker Drive, Chicago, Ill. Underwriter: Laid & Co., Corp., New York.

- **Roller Derby TV, Inc.**
  May 3 filed 50,000 shares of common stock, of which 117,000 shares are to be offered for sale by the company and 117,000 shares are to be sold for the account of certain stockholders. Proceeds: To be used by amendment. Proceeds: To be used in connection with the purchase of equipment and for general corporate purposes. Office: 117 North Wacker Drive, Chicago, Ill. Underwriter: Foster & Marshall, Seattle, Wash.

- **Safeway Super Markets, Inc.**
  June 1 (letter of notification) 28,000 shares of 6% cumulative preferred stock, to be issued for stockholders. Proceeds: To be used by amendment. Proceeds: To be used in connection with the purchase of equipment and for general corporate purposes. Office: 117 North Wacker Drive, Chicago, Ill. Underwriter: Laid & Co., Corp., New York.

- **Sato, Inc.**

- **Saba Craft Boat Co., Inc.**
  May 27 (letter of notification) 275,000 shares of common stock (par $1), to be offered by amendment. Proceeds: To be used by amendment. Proceeds: To be used in connection with the purchase of equipment and for general corporate purposes. Office: 117 North Wacker Drive, Chicago, Ill. Underwriter: Laid & Co., Corp., New York.

- **Saffcraft Corp., Patterson, La.**

- **Saco Development Corp.**
  April 27 filed 1,000,000 shares of common stock (par $1). Proceeds: To be used by amendment. Proceeds: To be used in connection with the purchase of equipment and for general corporate purposes. Office: 117 North Wacker Drive, Chicago, Ill. Underwriter: Laid & Co., Corp., New York.


- Seaway Shopping Centers, Inc. May 6 filed 4,000,000 shares of cumulative convertible preferred stock, ($0.1 par) and 90,000 shares of class A common stock (par 50c per share). Price—$3 per share. Proceeds—For the construction of new shopping centers. Offer—619 Powers Blvdg., Rochester, N. Y., Underwriter—H. Beland & Co., Inc., New York, N. Y., Underwriting—Expected mid-July.


- Service Instrument Corp. (6/20-24) May 23 filed 58,464 shares of common stock, to be offered for subscription on the basis of one new share for each share held on record date, May 1, 1985, at $15 per share. The Pyramid Rubber Co., the largest individual holder of common stock, has agreed to subscribe for 15,000 shares. Pyramid Rubber may within 30 days thereafter resell such newly-subscribed shares. Offer—120,000 shares of common stock. Price—At par ($1 per share). Proceeds—For general corporate purposes. Underwriter—4120 E. Bandini Boulevard, Los Angeles, Calif., Underwriter—J. K. Krieger & Co., Inc., New York, N. Y.

- Sierra Pacific Paper Co. (7/6) May 20 filed 5,000,000 shares of debentures due July 1, 1983, at 100. Proceeds—To finance 10-yr. 7% debentures and 4,500 shares of $3.50 cumulative, non-participating, participating preferred stock, to be offered, in units, each unit consisting of one $5 debenture and preferred share. Price—$100 per unit. Proceeds—To finance construction of new bank and for working capital. Offer—Genova, Calif., Underwriter—California Bank & Trust Co., Los Angeles, Calif.


- United Composites, Inc. May 11 filed 1,200,000 shares of common stock, of which 10,000 shares are to be offered to Sheldon Lichtenstein, directors, and 115,000 shares are to be publicly offered. Price—To be supplied by amendment. Proceeds—For new equipment, advertising, and general corporate transactions. Offer—1201 W. 47th St., New York, N. Y., Underwriter—Darius, Inc., New York, N. Y.

- Universal Nuclear Corp. April 11 filed 100,000 outstanding shares of common stock. Price—To be supplied by amendment. Proceeds—To selling stockholder. Offer—191 North Loomis St., Los Angeles, Calif., Underwriter—DeWitt, drawers, Underwriters—Underwriters Bank, of Los Angeles, Cal., and New York City, Underwriter—None.


will be applied to the repayment of loans to United States States who were used for general corporate purposes, and the balance will be utilized for working capital needs. Offic:—27 Haynes Avenue, Newark, N. J. Underwriter.—Richard Bruce & Co., Inc., New York.

Universal Mortgage Corp. sold 435,120 shares of common stock, to be offered for public subscription byacquired at the subscription price of $100 per share. The record date is Jan. 1, 1963, and the offering will be made through a network of 6,000 brokers and dealers.

Whitmore Laboratories, Inc. (6-13-17) Jan. 28 filed 85,000 shares of common stock and $50,000 of preferred stock, to be sold through a nationwide network of brokers and dealers.

Willer Color Television System, Inc. (7-15) Apr. 28 filed 150,000 shares of class A stock to be offered for sale, $2 per share. Proceeds—For general corporate purposes, including the acquisition of equipment and facilities.

Uranium Reduction Co. (6-15) Mar. 31 filed for sale of 50,000 shares of common stock. Proceeds—For financial planning.

Varian Associates (7-14) May 24 filed 2,000,000 shares of capital stock to be offered for sale. Proceeds—For general corporate purposes, including the acquisition of equipment.

Waltman Precision Instrument Co. (6-15-20) Apr. 15 filed 1,000,000 shares of common stock. Proceeds—For general corporate purposes, including the acquisition of equipment.

Water Gas Co. Apr. 29 filed 150,000 shares of common stock, to be sold to the public for $15 per share. Proceeds—For general corporate purposes.

West Ohio Gas Co. May 19 filed 250,000 shares of common stock. Proceeds—For general corporate purposes.

Westmore, Inc. (6-13-20) 8 (Detroit) filed 50,000 shares of common stock. Proceeds—For general corporate purposes. Office—170 South Ave., Rochester, N. Y.

Wheeler Fibre Glass Boat Corp. May 19 filed 100,000 shares of common stock (par $10). Proceeds—For general corporate purposes. Office—So. 13th Street, Lima, Ohio. Underwriter—None.

$185,000 for working capital and the balance for expansion purposes. Offic:—27 Haynes Avenue, Newark, N. J. Underwriter.—Richard Bruce & Co., Inc., New York.

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Illinois Bell Telephone Co. (7/6)

April 28 it was announced that the company plans the issuance and sale of about $50,000,000 of first mortgage bonds, maturity of which has not been set. Proceeds—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Smith, Inc. and Kidder, Peabody & Co., both of New York.

Orange & Rockland Utilities, Inc. (7/25)

May 11 it was announced that the company presents expect to that part of its construction program through 1962 and the refunding of $14,800,000 series B bonds maturing in 1969. Proceeds—For retirement of company’s $6,395,000 shares of its convertible cumulative preferred stock and, to the extent of any remaining balance, from the proceeds of additional stock offerings.

Pacific Lighting Corp. (11/25)

May 11 was announced that the company, in order to increase its capitalization, plans the issuance and sale of $20,000,000 of preferred stock later this year.

Panhandle Eastern Pipe Line Co. (8/18)

May 11 it was announced that the company might sell about $57,000,000 of debentures, possibly in the third quarter of this year. Underwriters—Merrill Lynch, Pierce, Fenner & Smith, Inc. and Kidder, Peabody & Co., both of New York.

Potomac Electric Power Co. (8/20)

May 11 it was stated in the company’s annual report its 1961 construction program was anticipated that their 1960 construction program would amount to $15 million. Proceeds—For stockholders. Underwriter—Lehman Brothers, New York.

Southern States Electric Co. (8/18)

May 11 it was announced that in addition to the $16,000,000 of new capital expected to be provided by the July bond-equity financing, $30,000,000 will come from other than common stock and from retained earnings.

Long Island Trust Co. (6/14)

May 11 the trustee voted to recommend the issuance of 6,413,000 shares of stock capital, expected to be sold at a special meeting to be held at 8 p.m. on June 14, 1960, the new shares will be offered to stockholders on June 14th, but at the same time, the company’s stock, stockholders. Underwriter—Lehman Brothers, New York.

Laclede Gas Co. (8/18)

May 11 the company plans to announce the issuance and sale of $16,000,000 of first mortgage bonds, Proceeds—For construction. Underwriter—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; The First Boston Corp.; Lehman Brothers; Kidder, Peabody & Co.; Blyth, Eastman Dillon, Union Securities Corp. & Co., White, Weld & Co.; and Blyth, Eastman Dillon, Union Securities Co. (jointly); Underwriter—Lehman Brothers, New York.

July 11 it was announced that the company plans the issuance and sale of $75,000,000 of 1st mortgage bonds, Proceeds—For working capital. Underwriters—Kidder, Peabody & Co. & Co., and Rodman & Renshaw, both of Chicago, Ill., and R. F. Dowd & Co., Inc., 38 Broadway, New York City.

Midland Enterprises Inc. (8/20)

May 11 it was stated in the company’s annual report that it expects issue of $75,000,000 of common stock on or before March 31, 1961 of a bond issue in an aggregate amount not to exceed $100,000,000. Proceeds—For transportation equipment presently on order and expected to be delivered—Cincinnati, Ohio.

Mohawk Insurance Co. (6/16)

May 11 it was announced that the company expects to announce its offering of common stock in June. The offering is expected to consist of approximately 17,000,000 shares of common stock at the approximate time of the company’s offering. Proceeds—For the company’s account and the remaining 34% balance allocated to the account of a stockholder of the company. Underwriter—Van Alstyne, McCarthy & Co., New York City.

Northern States Power Co. (Minn.) (12/6)

May 11 it was announced that the company plans the issuance and sale of $35,000,000 of 30-year 4 1/4% debentures. Proceeds—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc., Kidder, Peabody & Co., The First Boston Corp., and Blyth, Eastman Dillon, Union Securities Co. & Co. (jointly); Underwriter—Van Alstyne, McCarthy & Co., New York City.

Blackstone Bank & Trust Co. (11/28)

May 11 it was stated in the company’s annual report that the bank expects to issue of $75,000,000 of debentures for the second quarter of 1961.

Southern California Gas Co. (7/25)

May 11 it was announced that the company, in order to increase its capitalization, plans the issuance and sale of $20,000,000 of 1st mortgage bonds. Underwriter—The First Boston Corp.; Halsey, Stuart & Co.; Blyth, Eastman Dillon, Union Securities Co. & Co. (jointly); Bids—Expected to be received by Dec. 6

Southwestern Bell Telephone Co. (8/9)

May 11 it was announced that the company plans the offering of approximately $100,000,000 of debentures, subject to approval by regulatory bodies, March 26. Proceeds—For expansion and improvement program over the next five years.

Underwriter—To be determined by competitive bidding. Probable bidders: Blyth, Eastman Dillon, Union Securities Co. & Co.; Kidder, Peabody & Co.; and Blyth, Eastman Dillon, Union Securities Co. & Co. (jointly); Underwriter—To be determined by competitive bidding.

New England Telephone & Telegraph Co. (8/20)

May 14 it was reported that the company plans to issue 3,000,000 shares of stock in a program of stock dividends.

Texas Telephone—September in June. Underwriters—Lauchner, Pierce & Co., Inc., Dallas, Texas.

It was reported May 18 that a "Reg. A" filing of $28,000,000 of debentures will be made with the Texas Corporation Commission; constituting the company’s initial public financing, which will be sold, shorty. Offer—7 East 42nd St., New York City. Underwriters—Lauchner, Pierce & Co., Inc., Dallas, Texas.

It was reported May 18 that a "Reg. A" filing of $28,000,000 of debentures will be made with the Texas Corporation Commission; constituting the company’s initial public financing, which will be sold, shorty. Offer—7 East 42nd St., New York City. Underwriters—Lauchner, Pierce & Co., Inc., Dallas, Texas.

11:00 a.m. EDT at the Bankers Trust Co.

It was announced April 28 that the company expects to provide for the payment of approx. $70,000,000 of mortgage bonds and other debt securities. The timing of the offering was not stated in the report. Offer—Boston, Massachusetts.

Southern Western Bell Telephone Co. (8/9)

May it was reported that the company’s offering of 3,000,000 shares of stock in a program of stock dividends.

Texas Telephone—September in June. Underwriters—Lauchner, Pierce & Co., Inc., Dallas, Texas.

It was reported May 18 that a "Reg. A" filing of $28,000,000 of debentures will be made with the Texas Corporation Commission; constituting the company’s initial public financing, which will be sold, shorty. Offer—7 East 42nd St., New York City. Underwriters—Lauchner, Pierce & Co., Inc., Dallas, Texas.

It was reported May 18 that a "Reg. A" filing of $28,000,000 of debentures will be made with the Texas Corporation Commission; constituting the company’s initial public financing, which will be sold, shorty. Offer—7 East 42nd St., New York City. Underwriters—Lauchner, Pierce & Co., Inc., Dallas, Texas.
STATE OF TRADE AND INDUSTRY

From page 5

This week's Steel Output Based On 63.5% of Capacity

The American Iron and Steel Institute announced that the operating rate of the industry was 63.5% of capacity for the week ended May 23, 1960, compared with 63.0% the week before. The weekly production of ingot and steel castings, based on average values, was also 63.5%, compared with 63.0% the week before.

The weekly production of steel castings was 2.3% above the previous week, 17.5% below the corresponding week in 1959, and 12.5% below the corresponding week in 1958.

Commodity Exchange, Inc.

Commodity Exchange, Inc. reported that the number of contracts traded on the exchange for the week ended May 25, 1960, was 382,000, compared with 372,000 the week before and 376,000 the corresponding week in 1959.

Business Failures Down in Holiday Week Ended June 2

For the week ended June 2, there were 29 business failures reported in the United States, compared with 45 the week before. The number of business failures reported in the United States for the year to date is 515, compared with 710 the year before.

Wholesale Food Price Index

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., for the week ended June 2, 1960, was 105.0, compared with 105.1 the previous week.

The index is based on a weighted average of prices paid by wholesale dealers for a representative sample of items, and is designed to indicate the general price level of wholesale food items.

Lumber Shipments Were 9.3% Above Previous Year

Lumber shipments of 445 mills reporting to the National Lumber Manufacturers Association were 9.3% above the same period in 1959.

Reported sales of softwood lumber for the week ended June 2, 1960, were 12.5% below the same period in 1959, and 5.3% below the year-to-date average.

Carloadings 6.8% Below Corresponding Week Last Year

Carloadings of revenue freight for the week ended May 25, 1960, were 6.8% below the 1959 total, compared with 2.6% below the 1959 total the week before.

It was the 12th consecutive week that the carloadings were below the corresponding week last year.

Witco Chemical Corporation

Witco Chemical Corporation, a leading manufacturer of organics, catalysts, and detergents and a major supplier of industrial appliances, announced that its earnings for the first quarter of 1960 were $1,440,000, compared with $1,372,000 for the same period last year.

The earnings were the result of increased sales and production of the company's products in the first quarter of 1960, compared with the same period last year.

The company's earnings for the first quarter of 1960 were the highest in the company's history.

The company's earnings for the first quarter of 1960 were the result of increased sales and production of the company's products in the first quarter of 1960, compared with the same period last year.

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### Indications of Current Business Activity

#### AMERICAN IRON AND STEEL INSTITUTE:

<table>
<thead>
<tr>
<th>Latest Month</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>1062 4/month</td>
<td>1062 3/month</td>
<td>1062 2/month</td>
<td>1062 1/month</td>
</tr>
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#### Steel lids and oxygen (net tons)

<table>
<thead>
<tr>
<th>Month</th>
<th>Tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>1,720,000</td>
</tr>
</tbody>
</table>

#### CROWE AND CO.

<table>
<thead>
<tr>
<th>Month</th>
<th>Sales (net tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>6,816,500</td>
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#### CIVIL ENGINEERING CONSTRUCTION — ENGINEERING

<table>
<thead>
<tr>
<th>Month</th>
<th>Transactions (in thousands of dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>3,126,200</td>
</tr>
</tbody>
</table>

#### COAL (U.S. BUREAU OF MINEs):

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Pennsylvania anthracite (tons)</th>
<th>Federal</th>
<th>Smelter coal (tons)</th>
<th>Total (tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>5,610,000</td>
<td>310,000</td>
<td>20,000</td>
<td>5,380,000</td>
<td>8,190,000</td>
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</table>

#### DEPARTMENT OF THE TREASURY — FEDERAL RESERVE

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Restrictions, etc.</th>
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</thead>
<tbody>
<tr>
<td>May</td>
<td>13,324,000</td>
<td>31,624,000</td>
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#### ELECTRIC TRANSMISSION:

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>12,134,000</td>
<td>2,073,000</td>
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#### FASHIONABLE COMMERCIAL AND INLAND - DUN & BRADSTREET:

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
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</thead>
<tbody>
<tr>
<td>June</td>
<td>214,999</td>
<td>3,273,314</td>
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#### INDOLOUS COMMODITY PRICES:

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<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
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</thead>
<tbody>
<tr>
<td>May</td>
<td>10,612,500</td>
<td>167,450,000</td>
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#### METAL COMMODITY PRICES

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
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<tbody>
<tr>
<td>June</td>
<td>13,650,000</td>
<td>3,200,000</td>
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#### MOOD'S BOND PRICES DAILY AVERAGES

<table>
<thead>
<tr>
<th>U.S. Government Bonds</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2</td>
<td>85.60</td>
<td>82.02</td>
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#### MOOD'S BOND YIELD DAILY AVERAGES

<table>
<thead>
<tr>
<th>U.S. Government Bonds</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2</td>
<td>85.63</td>
<td>82.04</td>
</tr>
</tbody>
</table>

#### NATIONAL BUREAU OF ECONOMIC RESEARCH:

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>313,558</td>
<td>296,604</td>
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</tbody>
</table>

#### ROUND-LONT TRANSACTIONS FOR ACCOUNT OF MEMBERS

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>3,394,790</td>
<td>279,320</td>
</tr>
</tbody>
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#### ROUND-LONT TRANSACTIONS FOR ACCOUNT OF MEMBERS — COMMISSION

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>310,320</td>
<td>279,320</td>
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</table>

#### ROUND-LONT TRANSACTIONS FOR ACCOUNT OF MEMBERS — COMMISSION

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>329,010</td>
<td>249,480</td>
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#### TALENT COMMUNICATIONS:

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
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<tbody>
<tr>
<td>June</td>
<td>510,010</td>
<td>440,180</td>
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#### TRAFFIC MARKET:

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Value in (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>858,265</td>
<td>768,262</td>
</tr>
</tbody>
</table>

#### TOTAL MANUFACTURERS' INVENTORIES AND SALES

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
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The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date.
THE SECURITY I LIKE BEST... COMING EVENTS

INVESTMENT FIELD

June 9, 1960 (Des Moines, Iowa) Iowa Investment Bankers Silver Jubilee Golf Tournament held at the Wakonda Club.

June 10, 1960 (New York City) Municipal Bond Club of New York annual field day at the Rye Country Club, Rye, N. Y.


June 17, 1960 (Cincinnati, Ohio) Investment Bankers Association of Cincinnati annual meeting.

June 17, 1960 (New York City) Investment Bankers Association of New York Annual Outing at Sleepy Hollow Country Club, Scars-rough, N. Y.

June 17, 1960 (Richmond, Va.) Bond Club of Richmond annual meeting.

June 17, 1960 (Atlanta, Ga.) Southern Bond Dealers Association annual meeting.


June 17, 1960 (Pittsburgh, Pa.) Pittsburgh Securities Traders Association spring outing at Shanksville Country Club.

June 20, 1960 (Louisville, Ky.) Bond Club of Louisville at Standard Country Club.


June 25-26, 1960 (Santa Maria, Calif.) California Group of Investment Bankers Association meeting.

July 7-8, 1960 (Miami, Fla.) Investment Bankers Association of South Florida annual meeting at the Shati-hill Hotel, Miami Beach.

July 8-9, 1960 (Lake Ozark, Mo.) Trucking Exchange Firms meeting of the Board of Governors at the at the 39th Annual Convention.

July 12, 1960 (Los Angeles, Calif.) Pacific Coast Bond Dealers Association annual meeting at the Sheraton Hotel, Los Angeles.


July 13-15, 1960 (New York City) Investment Bankers Association annual meeting at the Sheraton Hotel, New York City.

DIVIDEND NOTICES

Canada Dry Corporation

CERRO DE PASCO CORPORATION

Dividend Notice

The following dividends have been declared by the Board of Directors.

Preferred Stock—A regular quarterly dividend of $0.35 per share on the preferred stock of Cerro de Pasco Corporation at a meeting held on June 7, 1960, declared a cash dividend of twenty-five cents (25 ) per share on the Common Stock of the Company, payable on July 25, 1960, to stockholders of record at the close of business on July 16, 1960.

WILLIAM FISHER

Secretary

June 6, 1960

CONSOLIDATED NATURAL GAS COMPANY

30 Rockefeller Plaza

New York, N. Y.

DIVIDEND No. 50

The Board of Directors has declared a regular quarterly dividend of thirty cents ($0.30) per share on the common stock of Consolidated Natural Gas Company, payable August 15, 1960 to stockholders of record at the close of business on July 15, 1960.

JOHN MILLER, Secretary

June 6, 1960

REGULAR QUARTERLY DIVIDEND

The Board of Directors has declared this day a common stock dividend of $0.25 per share. This is a regular quarterly dividend.

WILLIAM J. T. BARDSTOCK

Secretary

June 6, 1960

THE COLUMBIA GAS SYSTEM, INC.

INTERNATIONAL SHOE COMPANY

Selected List

197TH CONSECUTIVE DIVIDEND

Common Stock

A quarterly dividend of $0.35 per share has been declared by the Board of Directors of the International Shoe Company.

ROBERT O. MONNING

Vice-President and Treasurer

June 1, 1960
WASHINGTON AND YOU
BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL

WASHINGTON, D.C. — Facing the United States Capitol across a plaza is the white marbled Supreme Court building. It is regarded as the most beautiful building in Washington. Every day in the year tourists flock to the entrance to read: "Equal Justice Under Law."

The chief justice of the United States and the eight associate justices donned their black robes, filled into the chamber and heard the courtcir ters admonish one and all: "Oyes! Oyes! Oyes! All persons having business before the Honorable, the Supreme Court of the United States are admonished to draw near and give their attention to the court, which is now sitting, God save the United States, and this Honorable Court."

Normally the Nation’s highest court convenes on Monday through Thursday, but on this particular day, it was Tuesday, because of the holiday weekend.

The chief justice of the United States, Earl Warren, and four of the associate justices, John Marshall Harlan of Ohio; John M. Harlan of New York; William J. Brennan, Jr., of New York; Charles E. Whittaker of Missouri, and Potter Stewart of Ohio (not constituting a majority), were nominated by President Eisenhower.

After Justice Tom C. Clark of Texas was nominated by President Eisenhower and Associate Justices Hugh L. Black of Alabama; Felix Frankfurter of Massachusetts, and William O. Douglas of Connecticut were nominated by President Franklin D. Roosevelt.

The "Tidelands" Decision

The court has rendered some historic and profound decisions that affect all the people. Traditionally, the court renders some extremely controversial decisions.

On this other day the justices rendered a judicial "tultu" that makes law's love of controversy probably can fully comprehend. It was the so-called "Tidelands Cases." Perhaps it was the biggest case as far as a monetary standpoint of the generation in all the history of the tribunal which has had 14 chief justices and 82 associate justices.

It involves billions of dollars of oil and natural gas reserves in the submerged lands off the shores of Texas, Florida, Alabama, Louisiana, Mississippi and Texas. Thus far Louisiana is affected far more than all her sister Gulf States combined. Although oil offshore development is not advanced off Louisiana, there are more than $300,000,000 tied up in escrow fees and production in the disputed areas off Louisiana alone. The Interior Department, which has the Bureau of Land Management, is handling the case for the Federal Government.

Eventually, billions and billions of dollars in crude oil and natural gas will be taken from the submerged lands. There is not much doubt about that in the opinion of the experts. However, the oil and gas market are slightly depressed at this time, and the costs of exploration and drilling are costly.

Six Separate Decisions

What about the unique decision of the Supreme Court? The divided tribunal handed down six separate opinions. I held that Louisiana, Alabama and Mississippi are not entitled to the oil and gas or other minerals beyond three geographical miles from their shores.

On the other hand, the court held that Texas and Florida own all the minerals, oil and gas, beyond 10 geographical miles from their shores. Thus everything beyond three geographical miles from the shores of Louisiana, Alabama, Mississippi and Texas is the property of the Federal Government, and everything beyond 10 geographical miles off Florida and Texas belong to the powerful central government.

By virtue of the far-reaching ruling, it is apparent that Russian submarines can approach and explore the shoals off Alabama, Mississippi and Louisiana, but when they approach the Texas and Florida fields, they must not get any closer than 10 miles.

Some long-time neutral observers, and these include lawyers, have stated that the controversy just does not make legal sense. The Department of Justice had argued that the case for several years on behalf of the Federal Government, sought to restrict the boundaries of all five states to three miles.

Justice Douglas in a dissenting opinion said he would agree that neither Louisiana, Alabama nor Mississippi had proved that they were entitled to 300,000,000 tied up in escrow fees, but they argued for years. Nevertheless, he said that if the standards and requirements are as lax as those used to grant Texas and Florida three leagues from shore, they should be sufficient for the other sister Gulf States.

Justice Black said "Had Congress wanted to give the land to Texas and refuse to give it to the other states, they easily could have done so," in the Submerged Lands Act of 1953.

Neither Texas nor Florida has much offshore exploration or development. So far, geologists say the offshore Texas area has been quite discouraging.

Unanswered Questions

The court's ruling is not of deep concern to the Gulf. The court did not deal with either the states or the Federal Government. One of the reasons for several unanswered questions and there are a number of them — is where does the Federal Government start measuring the three miles off Louisiana, Mississippi and Alabama. The court simply measured the three miles offshore.

Texas claimed she came into the Union with submerged lands extending three marine leagues into the Gulf. Other states made similar claims, but Associate Justice Harlan, who wrote the 81-page controlling decision, said Louisiana, Mississippi and Alabama failed to prove their three league-contentions.

The dispute between the States and the Federal Government started back in the New Deal days. Actually, it was President Roosevelt's staunch New Dealer, Harold Ickes, then Secretary of Interior, who reversed his opinion about State ownership and launched a campaign to wrest title away from the States in favor of the Federal Government.

The Federal Government today owns about 24% of all the land and oil and gas reserves of Louisiana and Mississippi. Although the oil and gas reserves off Louisiana are absolutely tremendous, nevertheless, some 14 years after the "play" was on, the industry is in the red. Actually the industry has a deficit of about $2,000,000,000 in offshore or submerged land development. Why? Because of the huge amounts that the companies have invested, plus the fact it costs a lot more to produce oil and gas and because of the waters than it does on dry land.

Heavy Industry Looses

Ira H. Cram, senior vice president of Continental Oil Company, testified before the Federal Power Commission this year, that records showed at the end of 1969 the industry had leased 3,577,117 submerged acres at a lease bonus of $477,155,000, at an average of $142.13 an acre, and had drilled 2,943 wells on these leases. Revenues from oil or gas or other minerals produced from leased acres go to the producing companies with the remainder, the "substantial" be it State, Federal Government or the individual getting a part of the yield.

As of December 31 the industry had received revenues from the submerged lands, nearly a billion dollars off Louisiana, totaling $725,000,000. But believing in that revenue, the industry had to spend billions alone—excluding all administrative and operating expense, a whopping $3,984,000,000 in 1969.

Therefore, the industry had rolled up a deficit of $6,984,000,000. And it makes us uneasy, and remember a lot of that money has been plowed out there long, long time.

There are numerous reasons why the marine operations are far more expensive than on the land. For instance, mobile drilling platforms cost from $2,500,000 to $6,500,000 each, and fire hazard and weather hazards are far greater.

[This column is intended to reflect "the behind the scenes" interpretation from the nation's Capitol and may or may not coincide with the "Chronicle's" own views.]