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Editorial AS WE SEE IT

"What is truth?" asked jesting Pilate, and according to the philosopher Francis Bacon, would not stay for an answer. Were someone, if he could be found, with sufficient intellectual curiosity to inquire of the present-day apostles of liberty, "What is freedom?" he would without doubt get a wide variety of answers, depending upon to whom the question was addressed. Many definitions would leave the inquirer without full satisfaction. For many, "freedom" means merely absence of foreign domination, although in some parts of the world there are those who are all too conscious of slavery or the equivalent imposed by their own countrymen. Franklin Roosevelt gained a great deal of publicity with his "four freedoms"—which to us always seemed a little on the unrealistic side to say the least. At the moment, we—and others of a like mind—are much concerned with the establishment of a condition of popular "freedom" in Cuba, but the Kremlin insists that the safeguarding of "freedom" in Cuba is its goal, too.

Since it is well known that the "plan" of the Russian Communist is to swallow up the whole world into a communist system to be ruled from the Kremlin, the Communist oratory about "freedom" anywhere in the world has a fantastic, not to say hypocritical, flavor to American ears—and quite likely to most other ears not attuned to Marxist dialectics. We should be the last to say that there is no hypocrisy in the declamations of the Communists about "freeing" various peoples of the world and yet the Marxist system of thought—which we, for our part, find quite invalid—lays a basis for this kind of claim. To the Leninist, any people who do not own all the means of production within their territorial limits are "slaves" to foreign "capitalists" or "imperialists"—the only exception being that owned or controlled by Communists who, so it is said, never exploit. The Marxist would also insist the people of any country lack freedom if capitalists (that is, relatively small groups of individuals as opposed to mass ownership) within their own country own or control *(Continued on page 37)*

The Broad Economic Features Of American Electronics Industry

By Dr. Neil H. Jacoby, *Dean, Graduate School of Business Administration, University of California, Los Angeles.; Economic Advisor, Electronics Investment Management Corp., San Diego, Calif.*

The only problem confronting the electronics industry is a definitional one according to Dr. Jacoby, who anticipates a doubling of electronic manufacturing sales in the 1960s and a gradual rise in profitableness. A cautionary note is raised as to the extent investors have discounted growth in capital gains and yields in a reminder that selection requires greater skill and sophistication than other kinds of high-risk investment. Analysis denies the industry faces radical consolidation as occurred in the auto industry, and reveals high sales ratio to fixed investment and to R&D expenditures.

Let us try to describe the broad economic characteristics of the electronics industry of the United States. Knowledge of these features will enable us better to gauge the future size, structure, profitability, and other dimensions of an industry which has burgeoned into one of the nation's largest since World War II, with factory sales of more than $10 billion in 1960.


Dr. Neil Jacoby

Our task is made difficult by the fact that *the official industrial and financial statistics of the United States do not recognize the existence of a major electronics industry.* Hence, there are not readily available figures on the economic dimensions of the whole industry, which enable the analyst to compare its structure and performance with recognized major industries. The Standard Industrial Classification used by Federal agencies in compiling industrial and financial statistics does not list electronics among its 20 "two-digit" major industrial groups. Indeed, even the finer "three-digit" classification of manufacturing establishments into more than 200 different groups contains only one heading of "Electronic Components and Accessories," within the major "Electrical Equipment, Machinery and Supplies" industrial group.

Most of the products regarded by the layman as electronic in nature, such as radios, television, and hi-fidelity sound reproduction receiving and transmitting equipment, are thus classified in the electrical equipment industry. Other electronic products, such as sighting and fire control systems, aerospace systems, and ground communications systems are classified in the "Ordnance and Accessory" industry. Electronic data processing, computing and accounting machines are officially classified in the "Machinery, Except Electrical" industry. Electronic measuring, diagnostic and control instruments are placed in the "Professional, Scientific and Controlling Instruments" industry.

Although there is no major electronics industry according to U. S. Government statistics, the public has no doubt of its existence. There are national and regional "electronic manufacturers" associations; there is an Electronic Industries Association which collects data about the industry. There is a weekly journal which publishes "electronic news" and an index of the prices of "electronic" stocks. There are mutual investment companies whose charters and policies commit them to investments in the "electronic industry." Leading investment bankers and brokers regularly publish studies of the "electronics industry" and appear to have no difficulty in identifying "electronic" firms. Accordingly, it is necessary to look more closely at this strange divergence between official and public practice. What is "electronics"? What is an "industry"? Is the public the victim of an illusion, or should government statistics be cast along more meaningful lines?

Webster's *New World Dictionary* defines "electronics" as "the science that deals with electronic action in vacuums and gasses, and with the use of vacuum tubes, photo- *(Continued on page 25)*

Electronics Industry Featured In This Issue

The Security I Like Best . . .

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

This Week's Forum Participants and Their Selections

Handy & Harman — Lester S. Spitzer, Partner, Draper, Sears & Co., Boston, Mass. (Page 2)

Pullman Incorporated — E. Frederic Uhrbrock, Jr., Securities Analyst, Bear, Stearns & Co., New York City. (Page 2)

LESTER S. SPITZER

Partner, Draper, Sears & Co., Boston, Mass.

Members: New York Stock Exchange, Boston Stock Exchange, American Stock Exchange

Handy & Harman

With the Dow-Jones Industrial Averages approaching the 700 level, the problem of selecting a security that one likes is not overpowering but to locate one of quality and substance where one can additionally feel that they also like its current market price, is indeed a problem. Traded in the Over-The-Counter market and today one might add, relatively unknown to the investing public, shares of The Handy & Harman Co. appear highly interesting. Here is a company of great stature in its own area, highly regarded and respected by all of its many important clients, among whom may be numbered such industrial giants as IBM, General Electric, Ford Motors, International Silver, General Dynamics, Int'l. Tel & Tel, Minneapolis-Honeywell, Bell System, Borg-Warner, Carrier Corp. and many others.

Lester S. Spitzer

While not quite as venerable as "The Chronicle" (Founded in 1839), nevertheless Handy & Harman is looking forward to 1967 for in that year it will reach its 100th anniversary as an American business firm. The Company is an outstanding producer of silver-solders and brazing-alloys that are used in the electronics, atomic, chemical, aircraft and missile industries. Other important products of Handy & Harman are silver oxides and chlorides, bar-silver, dental silver, dental golds, silver and gold wire, silver clad metals, platinum metals, stainless nickel and alloy precision tubing. A wholly-owned subsidiary is an important producer of hypodermic needle tubing in the United States!

Daily, the Dow-Jones News tickers furnish quotations on New York silver quoted by Handy & Harman.

There are many other interesting and impressive facets to the Handy & Harman story. The following quotation taken from their 1960 Annual Report states:

"Our sales figures **do not** include the dollar value of the precious metals contained in many forms of scrap and waste products sent to us by our customers for refining. The pure metals recovered are either purchased from the customers who send us these materials, or refabricated for them. This **part** of our business amounted to $26,900,000 in 1960."

I submit that there are not too many firms that would exclude almost 27 millions from their gross dollar volume.

Management of Handy & Harman has on its record dealt most fairly with its people throughout the years. It has serviced and supplied American industry with vital and critical materials almost as a public utility. It is not inconceivable that management may, in the near future, substantially increase the company's earnings by effecting further selective price increases in additional company products and services. Some price increases were made during the latter part of 1960.

From an industrial viewpoint, it is becoming quite obvious that silver possesses properties that ideally meet space-age requirements and Handy & Harman is the leading company in the U. S. equipped to supply this growing market.

The capital structure of Handy & Harman is made up of a small issue of 9,000 shares of a 5% cumulative non-participating authorized, issued and outstanding and common — 1,500,000 shares authorized, of which 1,421,240 have been issued and are presently outstanding.

Looking ahead to the bright future of silver, Handy & Harman is preparing for occupancy in the first part of 1961 a new plant and new executive offices in New York. It is significant to note that of approximately 1,000 men and women who comprise the Handy & Harman organization, over 400 are employees or members of their families that are among the corporation's stockholders.

The Annual Report for 1960, dated March 10, 1961, states that . . . "For example, we increased the amount spent on research and development. This we look upon as an investment in the future." An interesting comment from a company that has been in existance for almost 100 years!

For participation in the attractive future that seems indicated for the precious metal silver, unique in its status as a dominant factor in its fields, I call to your attention at this time The Security I Like Best . . . Handy & Harman. The stock, suitable for individuals, is traded in the Over-the-Counter Market and is currently quoted at about 11½.

E. FREDERIC UHRBROCK, JR.

Securities Analyst, Bear, Stearns & Co., New York City

Members: New York Stock Exchange

Pullman Incorporated

Today's investor has a wide range of choice from maximum capital gain plus maximum risk to minimum gain and minimum risk. For most people a happy medium choice for part of the funds invested seems reasonable. Pullman Incorporated merits consideration.

E. F. Uhrbrock, Jr.

Pullman, Incorporated common stock combines a long-time tested record of profitable operation, liberal return, together with prospects of continued growth along with cyclical recovery in important sections of the company's activities.

The year 1960 was the 94th consecutive year in which quarterly cash dividends were paid by the company and its predecessors. The current $2 dividend rate provides about a 5.0% current return. Net income per share in 1960 was $2.63, which compares with $2.93 in 1959 and a 10-year average of $2.57. The cash flow per share was $4.08 in both 1959 and 1960.

Transportation is the life line of American industry. Pullman, through its Pullman-Standard division, the world's largest builder of freight cars, and Trailmobile, the second largest builder of highway truck trailers, is a leader in developing and manufacturing equipment designed to reduce the cost of shipping and handling freight. Two subsidiary companies, Trailmobile Finance Co. and Transport Leasing Co. (the latter organized in 1959) finance the sale and lease of trailers and special type railroad cars.

The M. W. Kellogg Company, Pullman's Engineering & Construction division, is a leading builder of industrial plants, i. e., petroleum refineries, chemical works, etc. and Swindell-Dresser Corporation (acquired in 1959) is a major designer and constructor of steel mills, furnaces, highway, water supply and sewerage systems.

Traffic levels are now generally at a depressed level, reflecting current inactivity in the heavy goods industry. While we have looked for a lackluster loading trend for several months, other than a seasonal pickup, we look for a decided upturn in business this fall and winter, which should run through 1962. Once the upturn gets underway, Pullman-Standard and Trailmobile should see a sharp gain in orders, which can be promptly reflected in increased production. In addition to a cyclical upturn in orders, these divisions are aggressively developing a piggyback-container system of freight movement. Containerization bids fair to become a major method of shipment of goods. Pullman's financing units should continue to grow, while its Kellogg division should continue its profitable business. Swindell-Dressler, a relatively small division, holds promise of large potential growth. Its new Orcarb process for direct reduction of iron ore to pig iron, may play a major part in the iron economy of the future.

The annual report best sums up the company's role in our economy. It states:

"Two of the basic functions of industry and commerce are to make materials and products and to ship them to their markets. Pullman Incorporated serves these two basic operations of industry and commerce by creating the capital goods to produce and to distribute industrial and consumer products. The role of Pullman Incorporated in the American economy is important to almost every industry and individual, but the role is a supporting one and not always apparent."

While Pullman is no "glamour" stock, it has interesting potentials from both growth and cyclical recovery of equipment orders, along with a liberal return. It is listed on the New York Stock Exchange.

(This is under no circumstances to be construed as an offer to sell, or as a solicitation of an offer to buy, any security referred to herein.)

Named Director

Vincent C. Ziegler, President of the Gillette Safety Razor Company, has been elected to the Board of Directors of Boston Fund, it has been announced by Henry T. Vance, President.

Electronics Industry: Today and Tomorrow

Contributors to the CHRONICLE'S Symposium discuss the present position of the Electronics Industry in the nation's economy and offer a forecast of future trends. These especially prepared articles should afford the reader up-to-the-minute guidelines for evaluating what's ahead for the country's fastest growing industry. The statements in hand are as follows:

ROBERT S. BELL

President, Packard Bell Electronics

Factory sales by the electronics industry will reach an all-time high for the eleventh consecutive year in 1961. Military purchases and industrial electronics sales will exceed pre-year estimates. Consumer product forecasts could be realized, even if sales continue at present levels.

Robert S. Bell

An upswing in factory sales of consumer products (television, radios and stereo high fidelity equipment) followed the announcement by Commerce Secretary Hodges that the bottom of the recession had been reached.

The Electronics Industries Association estimates that electronic sales would rise from $9.75 billion in 1960 to $10.1 billion in 1961, an increase of 6%. Military purchases, originally projected at $6.3 billion could be increased by $2½ billion or more, depending upon how rapidly President Kennedy's extended budget is reflected in production. Modifications of existing programs and the speed-up of the Polaris and airlift jet planes programs will increase military expenditures by nearly $5 billion over original estimates. Of this amount, it is estimated about 35% will be spent for electronic equipment.

Industrial electronics sales, originally expected to reach $1.9 billion in 1961 for an increase of 8% over 1960, conceivably could exceed $2 billion because of a rapid rise in the sale of computers for process control, data processing and air traffic control. Other important facets of the industrial market are testing and measuring equipment, medical and therepeutic equipment, communications and navigational aids and nuclear-electronic apparatus.

Since early estimates in the consumer electronics field took the recession into account, an increase in unit television sales to 6 million still is possible. Stereo high fidelity consoles probably will reach the 1960 level of 650,000 sets. Radio volume could reach at least 11 million units, as it did in 1960.

Dollar volume in consumer products should increase at a greater rate than unit volume, because of the continued expansion of higher priced television-stereo combination sales and the emphasis on color TV as a replacement for black and white.

JOE BENARON

President, Thomas Organ Co.

The television industry increased both production and sales in the first four months of 1960, anticipating the continuance of the sales boom of last quarter 1959, only to beat a hasty retreat in the last two quarters when sales slumped, inventories mounted and production was cut drastically. To date in 1961, caution has been the watchword. Production has leveled off to the point where even with sales 16.6% below 1960, inventories are gradually declining and practically no liquidations are in progress or foreseen.

Joe Benaron

With the advent of single station stereo broadcasting only months away and a new more dramatic method of adding reverberation to recorded and radio music about to leave the laboratory and enter the manufacturing and marketing phase, the future of high fidelity has never been brighter. So far I have touched only on the business outlook of consumer electronics

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TEXAS GROUP OF IBA CONVENTION COVERAGE

This week's Pictorial Section is devoted to the 26th Annual Convention of the Texas Group of the IBA at Houston. It includes, besides the Candid photos, the address made by Lloyd M. Bentsen, Jr., of Lincoln Liberty Life Insurance Co., Lincoln, Neb., entitled "Life Among the Giants in the Insurance Industry," and a list of those in attendance at the three-day meeting.

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*Article not available this week.

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OBSERVATIONS...

BY A. WILFRED MAY

ROCKETS, SATELLITES, —AND INVESTMENT "GROWTH"

AT&T management are geniuses at not only rendering those outer-space mysteries comprehensible to a science boob like your columnist, but as well in appraising the accompanying investment implications. This was tellingly evidenced in a recent press briefing on the Bell System's dramatic and informative demonstration of its vast pending Satellite Communications projects.

Midst all the discussion about *growth* companies and stocks, including even the "realistic" debunking side, a crucial omission has been created by investors' failure to recognize a major offset to "growth" through an economic factor.

We have in mind the fact that many outlays presumably for expansion, including the $35.5 billion planned for new plants and equipment in 1961* and set up as capital assets following proper accounting procedure, are really *defensive* expenses and, investment-wise, should be charged against current income.

"Defensiveness," as defined by me denotes failure to bring in proportionate earnings. This can result from the outlay's motivation by the need to match the activities of competitors or to suit changed buying habits of customers, or both. In the retail business, for example, this is evidenced by the installation of expensive air-conditioning which over the long-term brings in no increase in net earnings; and by department stores' establishment of suburban units which may (a) carry the offset of reduced "downtown" volume, or (b) at best merely maintain previous sales increases.

"Defensiveness" is strikingly demonstrated statistically in the break-down between manufacturers' capital spending for Modernization versus Expansion. In the period 1947-1957, 52% of total spending went into Modernization and as partly estimated for 1958-1964, 65% will have been so channelled.* Thus, well over half of total capital spending is clearly "defensive."

The Minus Side of Research

The outlays for *research*, although correctly charged against current gross income, represent another important area where *defensiveness* is overlooked. Research as a means of future growth is, like Cash Flow, glorified and exploited to rationalize high-earnings ratios. In fact over $600 million of manufacturing capital spending go into facilities research.

In a recent discussion with us, President Crawford H. Greenewalt of du Pont agreed that dramatization of the advantages of research, as by the investment community, on the ground that half a company's products were non-existent only 10 years before, omits the other-side-of-the-medal, namely that a large proportion of the products of 10 years ago have since become obsolete (e. g., the partial replacing of rayon by orlon, nylon, dacron).

Over-emphasis on research in Great Britain was authoritatively cited last week at a meeting of the Business Economists' Group in Oxford; participated in by a 100 practising economists, including Professor Alec Cairncross, Economic Adviser-designate to the British Government.[1]

*As currently estimated by McGraw-Hill, Publishers.

[1]cf. *The London Economist,* April 22, 1961, p. 309.

"Hidden Earnings" in Two New Eras

Cognizance of the existence of the offsets to a proportionate return on outlays for capital assets should enhance sorely needed realism concerning the current representations about "Cash Flow" — exploited in our Boom-Bull market as today's version of the "hidden earnings" gadget of the nineteen-twenties' New Era.

As an accounting term, Cash Flow comprises simply depreciation and retained earnings. But the bull stock market's "Cash Flow" myth argues that to the stated earnings per share, should be added the amounts devoted to the depreciation of capital assets. These high price-earnings rationalizers term horrendous the above-explained conclusion, and its implication that some of the expenditures set up as an asset have their depreciation reserve under-stated rather than over-stated (the latter principle being so vigorously broached by the harassed business community before our tax authorities).

The realistic investor, then, has the obligation to estimate the relative proportions of "defensiveness" and "offensiveness" in each research or capital expenditure situation, and weigh their impact on the company's *growth.*

* * *

TELEPHONE'S CURRENT EXPANSION AND INVESTMENT GROWTH

The Bell Telephone Laboratories' developing project, on which the company is planning to spend something like $170 million over the next four to five years will launch growth-to-the-sky, literally as well as figuratively, through eventual use of 30-50 rocket-propelled satellites for the telephonic linking of countries all over the world. The signals would be amplified by power from the sun.

Expansion-With-Horns

The world's largest *horn,* a 250-ton contraption described as a "highly sensitive antenna" (but far beyond this writer's comprehension), will serve as a giant ear trumpet to scoop up faint signals that are relayed back from the other countries by means of the satellites.

What Investment Growth?

While all this spells *scientific* growth to the nth degree, the impact in terms of *corporate* growth and earnings constitutes a far different matter.

As expressed in a nutshell by company spokesmen, the effect will be merely to *maintain* the growth rate which has been existing—manifested in year-to-year increases of 20% in overseas tolls throughout the 1950's.

The Company's Overall Growth

Bearing on the *overall* growth aspects of this premier corporate enterprise, President Kappel, with equal frankness, made this statement at last week's Annual Meeting: "Our growth in recent months has been a good deal slower than in early 1960, but fairly well in line with expectations. Last year our business increased rapidly in the early months, but the pace slackened as the year went on. Remember, it is decline in the *rate of growth* [emphasis by the speaker] that I am speaking of here, not decline in the total volume."

Interesting also is Mr. Kappel's further statement, "We expect to maintain earnings levels that will appropriately support our financing." Significantly, the company's last dividend increases in a sense constituted part of the concurrent borrowings.

* * *

So we say again: "Never take your fishy eye off the real score!"

* * *

MORE JAMMING OF THE MARKET SIGNALS

The greater attention being given to the volume of *odd-lot* transactions and *short sales*† as market forecasting *indicators* highlights the basic myth of market-beating gadgetry as a whole.

The use of the state of odd-lot buying, with an increase interpreted as bearish and a decrease as bullish, is based on that plausible premise that the *Sucker,* in the person of the small unsophisticated investor, is usually "wrong." Exemplifying this *bucketing* credo is the following report by one of such leading services:

"The over-all picture, of course, retains the bullish complexion. After all, it is not often that odd-lot sales exceed purchases with any such consistency . . . [this] suggests a continuing public skepticism. . . . During the past week the proportion of odd-lot selling (Balance Ratio) was the highest in a month."

This basic reasoning (a refinement, or perhaps vulgarization, of Mr. Barnum's "sucker" gospel), is convincing. But—lo and behold!—the other school of Toolsters that watches the short-selling professionals assumes that they also are usually wrong. Like the Odd-Lot position, the larger the Short position, the more vulnerable the market, and vice versa.

Thus, you have it that, supposedly, *both* the unsophisticated nonprofessional *odd-lotters* and *short-selling* addicts are wrong! **Reductio ad absurdum!**

On to "Massive Retaliation"

A frequent answer to such demonstrations of a favorite system's vulnerability is withdrawal to the strategy of *Massive Retaliation* ("all right, then, use the Dow-Theory together with X, Y & Z"). One best-selling *how-to* book lists *49* different indicators to be used.‡

But the futility of this alluring escape is demonstrated strikingly by the current empirical action of these same odd-lot and short-sales gadgets. For, as of the April 15 period, the short position's first decline in months (a "strong **bearish** signal") was reported by the Stock Exchange; simultaneously with an odd-lot selling balance (a "**bullish** signal").

Surely not all jamming occurs in the subways!

* * *

MARKET-RATIONALIZATION DEPARTMENT

Myth of the Week

"Monday's market suffered the worst single day's break in months, on the news of the Algerian-French War Crisis."

For the Commentator's Future-File for Use With Europe's Next War Threat§

The market **advanced** briskly yesterday on the news of Europe's latest War Crisis. The rise was sparked by the expectation of stepped-up flight into American equities by frightened European capital.

†An Odd Lot denotes less than 100 shares, the latter termed a Round Lot. A Short Sale is one made without owning the security usually with the expectation of buying it back at a lower price.

‡Cf. *"Observations,"* Dec. 1, 1960.

§Supplied by us free-of-charge.

Named Director

Alterman Foods, Inc. has announced the election of William D. Kerr, partner of Wertheim & Company, New York, N. Y., to the board of directors.

The State of TRADE and INDUSTRY

Steel Production
Electric Output
Carloadings
Retail Trade
Food Price Index
Auto Production
Business Failures
Commodity Price Index

We review, in part, the following brief survey which the Wells Fargo Bank American Trust Co., with over 120 offices serving Northern California, has released in its monthly survey for April:

Business Decline Slows

Although business indicators were somewhat mixed in February, economic activity on balance continued to decline. Personal income edged downward for the fifth straight month, owing to a further reduction in wage and salary disbursements. Nonfarm employment declined more than seasonally in February as a result of job cutbacks in automobile-oriented industries and in construction and trade. An encouraging note, however, was the fact that employment in primary metals was stable for the first time in a year, having previously shown severe and persistent declines. Unemployment rose in February, as is usual for the month; at 6.8% of the labor force, however, the seasonally-adjusted rate of unemployment was little changed from that of the previous two months.

Industrial Production Levels Off

The FRB Index of Industrial Production held in February at the January level, ending a six-month decline in this indicator. Output of a number of consumer goods increased, although auto production continued to decline, while production of goods used in business and industry was maintained at the previous month's pace. Iron and steel output rose for the second consecutive month.

Retail Sales, Housing Starts Rise

Total retail sales rose in February after declining for three months. Although new car sales remained sluggish until late in the month, other types of trade showed improving trends with department store sales rising substantially. Durable goods manufacturing firms reported a rise in both new orders and sales in February; new orders had previously trended downward for four months and sales for eight months. Housing starts advanced about 7% over the January level, although remaining 16% below a year ago. At the same time, the value of total new construction put-in-place in February declined more than seasonally; for the first two months of 1961 private construction was 5% below the year-earlier volume, due to lower residential building, while public construction was up 14%.

Upturn Seen in Capital Spending

According to the most recent survey conducted by the SEC and the Department of Commerce, businessmen expect to spend some $34.6 billion on new plant and equipment in 1961. While this would be 3% less than in 1960, the survey indicates that the decline in spending, which began in the third quarter of last year, will continue only through the second quarter of 1961, with expenditures rising in the last half of the year.

Bank Clearings for Week Ended April 22 Were 13.12% Above Corresponding 1960 Week

Bank clearings last week showed an increase compared with a year ago. Preliminary figures compiled by the *Chronicle* based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, April 22, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 13.9% above those of the corresponding week last year. Our preliminary totals stand at $30,227,614,474 against $26,541,338,569 for the same week in 1960. Our comparative summary for the leading money centers for the week ended April 22 follows (000's omitted):

	1961	1960	%
New York	$16,920,447	$13,140,903	+28.8
Chicago	1,357,187	1,513,916	—10.4
Philadelphia	1,245,000	1,373,000	— 9.3
Boston	835,766	741,018	+12.8

Another Increase for May, Says "Iron Age"

Another 10% increase in May should put the steel industry's operating rate up to 65% of capacity, *The Iron Age* says.

The expected increase for May will follow back-to-back a similar pickup for this month. An increase in number and volume of late orders this month pushed April up almost 10% over March.

As it stands right now, the steel industry is close to equilibrium: That is, the rate of incoming orders, steelmaking operations, and the rate of consumption are all in balance, around 60%. Any uptrend of orders, such as that expected in May, will result in an immediate gain in steelmaking.

The Iron Age says it is now likely that improvement will continue at least through the second quarter. Steelmen who had predicted production of 95 million tons of steel this year are showing renewed confidence that this figure will be reached. This confidence was not apparent a month ago.

But the magazine points out that any goal of 95 million tons will be reached only if there is little or no summer letdown. The possibility of a severe summer slump can not be discounted now, but there are indications that summer business may not fall off enough to hurt the recovery seriously. Plant shutdowns and other seasonal factors will result in some summer dip, but it may not be as severe as predicted a short time ago.

The current pickup in steel operations continues to be based on a broad line of products from a wide area of consumers. However, galvanized and tinplate are way out in front. And some pickup in automotive orders recently has added to the flat-rolled strength.

One major mill says galvanized is sold out through June; another says its books on galvanized are full through June 15. No other products can show anything remotely resembling this strength. Nevertheless, in a few areas, lead times are lengthening out.

In spite of the generally better outlook, *The Iron Age* points to three factors that may still affect the recovery: The summer letdown, strength of the general economic recovery, and auto labor negotiations.

To what extent these factors will affect the market is still open to question and is not likely to be determined for several months.

Upturn in Steelmaking Gains Momentum

The upturn in steelmaking is gathering momentum and running slightly ahead of industry forecasts, *Steel,* the metalworking weekly, said.

Production this week is expected to advance for the seventh consecutive time, topping the 1.8 million ingot tons that *Steel* estimates the industry poured in the week

Continued on page 38

The Electronics Industry's Basic Growing Strength

By William H. Cooley, *President, Television Shares Management Corp., Chicago, Illinois*

Investment managers and investors are oriented by Mr. Cooley on the significance of space exploration to the entire field of electronics. More importantly, he shows why the underlying forces of electronics are so strong that even when the general economy undergoes periods of decline "the demand for electronic applications should and will remain at a high level." Examined in detail is the outlook for the military, consumer, industrial-commercial and replacement parts sectors. Specifically, Mr. Cooley forecasts a rise from $13.85 billion in 1960 to $15 billion this year for electronics products and services.

The Soviet Union's successful orbit of a man in space has ushered in a new area within the broader Space Age which began on Oct. 4, 1957 with the launching of Sputnik 1. During a period of approximately three and one-half years, 46 satellites and space probes have been launched into orbit around the earth, four have been put into orbit around the sun, and one impact has been made upon the moon. These have been significant achievements, and the box score in the space game between the U. S. and the U.S.S.R. shows that our country is well ahead of its rival, by a score of 38 to 13, even though Russia has scored at least three important firsts in the game, and garnered most of the headlines.

William H. Cooley

How many of these space probes constitute "stunts" in the cold war, rather than solid scientific or economic accomplishments, I will leave to the determination of future historians. What concerns us more, in this discussion, is what these achievements, whatever their underlying purpose, mean to us as investment managers and investors, specifically oriented toward the broad Electronics field. For we must consider that the success in astronauts is a direct reflection of the significant part played in this area by electronics engineers, scientists, and elecronic equipment which has been developed and put into practical use.

Without telemetering television and space control devices, the projecting of vehicles into space would not have been possible to the degree thus far achieved. In fact, we may go so far as to say that the whole area of space exploration would not be possible without the electronic devices which have been developed over hardly more than the past five years. This is not meant in any way to deprecate the contributions made by other sciences and industries involved in this highly complex field but we hold firmly to the belief that Electronics is, was and probably will continue to be the key factor in man's quest for information about space.

Just so, Electronics is the key element of the new industrial revolution which has come about since the end of World War II and which has exerted strong pressure on managements to look constantly for the means to reduce manhours per unit of output and thus place their companies on sounder economic basis. Stunts there may be in space, but hard-boiled business considerations are of greater importance here.

Ability to Withstand General Economic Decline

The underlying forces of Electronics are so strong, since they emanate from a science, that demand for electronics applications should and will remain at a high level, even though the general economy may pass through periods of readjustment in which other "industries" may suffer. Electronics is complex from the standpoint of technology and, hence, there are both internal and external developments within the electromagnetic spectrum which constantly produce breakthroughs that add new facets to the picture.

The electromagnetic spectrum forms the underlying scientific basis for the Electronics field. It indicates what products may be produced for what purposes and exercises a strong control over the inter-relationship between such products. The product channels are fairly well defined and limited in width but not in length. In short, while the spectrum determines the type of product, if does not at all limit the product's economic potential.

For example, the use of that part of the spectrum which ushered in television after World War II and turned this field of Electronics into a $1.4 billion industry, at factory prices, in the short space of only five years, has now reached virtual saturation. There just isn't enough space at the very-high frequency portion of the Spectrum to provide broadcasting facilities to satisfy any possible increased demand. Therefore, the Federal Communications Commission has been, for some time, attempting to move television broadcasting out of the narrower band allocated at present to the ultra-high frequency segment of the spectrum and thus open up a wider range of application. Economically, such a move would have an important effect on present facilities, require different equipment both in the station and at home, and, not without some dislocations, change the entire potential in this one area.

Further, in the microwave segment of the spectrum we find congestion which seriously limits the full potential in this field of communications. The demand for channels in this area has so intensified that the authorities are hard put to satisfy requirements.

It may be expected, therefore, that as scientists and engineers probe further and further into the electromagnetic spectrum, to provide products and services constantly in demand, whether for simple or complex purposes, the scope of each particular segment of the spectrum will yield new, exciting and, eventually, highly profitable results.

From this, more philosophic than economic springboard, let us then take a look at the practical, dollar-and-cents, picture of electronics as it was in 1960 and as it may be in 1961.

Dollar-and-Cents Picture

The economy of the United States passed through a period of readjustment in 1960, but it is interesting to note that electronics was still able to advance. It is true that the strongest influence in this advance was the military, but other important segments of the "industry" also showed gains.

While 1961 started off with the general economic tide still running out, the Federal Government provided additional impetus to electronics in its attempt to close what has been termed the "missile gap" and go on to overcome the heralded and often over-emphasized achievements of the Soviet Union. The Kennedy budget has set aside $1.5 billion for the strategic defense systems of the Polaris, Minuteman and Skybolt missiles. There is $44.6 million earmarked for the protection of the Strategic Air Command through ground alert and bomb alarms systems, and continental defense and warning systems have been allocated some $83 million, split $60 million for the Midas early warning satellite and $23 million for air defense interceptor control. Research and development for astronautics, penetration aids, and the Dyna-Soar spacecraft project have been increased by $226 million, and strategic command and control is to receive an additional $16.4 million.

These revisions and additions are significant because they place continued emphasis on the development of weapons systems, command and control systems, and research programs in which electronics plays a vital role. The results of such increases in the defense posture will begin to show up in 1961, but full effect will obtain in 1962. Therefore, provided there is no disarmament development to change the picture, the upward thrust in the military category of electronics should continue through 1962.

In 1960, three of the primary segments of the electronics field set new records, with the replacement part market the only laggard.

The dominant factor, the military, moved to the $5 billion plateau, rising from $4.7 billion in 1959. With increasing Federal budget expenditures, the indications are that military expenditures for electronic equipment may reach a level of $5.5 billion in 1961.

Consumer Sector

The consumer products sector of electronics, while starting this year at a slow pace, should accelerate as the general economy tends to pick up. It looks at the moment that 1961 may attain a $2.2 billion level, compared with $2.1 billion in 1960. A particularly bright spot in this category is FM stereo-radio broadcasting, which may well become brighter once the Federal Communications Commission decides on transmission standards.

From a long-range viewpoint, the star of the electronics drama is certainly the industrial and commercial segment of this field. Here, the growth factor has had the greatest impact and there appears no visible evidence of any slowdown. This situation is dominated by processing control equipment and computers, both lending themselves to operating cost reduction. With wage rates continuing to rise, the pressure is strong on managements to resort to every device that will reduce unit costs.

Demand By Utilities

Industrial and commercial electronic equipment attained an output of $1.75 billion in 1960, up from $1.6 billion in 1959. It may be reasonably expected to move up to the $2.0 billion level in 1961. An influence in this anticipated growth will be the wider use of solid-state computers. These were introduced on a commercial basis in 1960, and the change was so sudden that no significantly new machines were delivered that did not use solid-state circuitry. The electric power and light companies were outstanding in that year in the installation of network control systems using these devices.

The replacement market has been somewhat of a disappointment over the past two years, but this may be attributed in large measure to the circuitry changes which have occurred in so many electronic devices. Miniaturization of components and solid-state applications have reduced demand for tubes, and some other elements. This segment of electronics was at best stagnant in 1960 at an output level of $900 million, unchanged from 1959. It would appear that 1961 would show some slight improvement, with a $1 billion level a fair probability.

The total output of electronic products, at factory prices, may be estimated at the moment at $10.7 billion for 1961, up from $9.75 billion in 1960. To get the overall picture, however, one must add the broadcasting segment.

At the end of 1960, there were 579 television broadcasting stations in the United States, with 488 operating in the very high frequency band and 91 in the ultra-high frequency band. This reflected an increase of 20 stations since the end of 1959. At about mid-April this year there were outstanding 117 construction permits, which would indicate that another 20-25 stations would probably go on the air in 1961. This, of course, would have an effect not only on the manufacturing end of electronics, since the new stations will have to be equipped, but also on station revenues.

Television time sales, comprising network, spot and local, amounted to $1.2 billion in 1960, compared with $1.07 billion in 1959. Indications are that a new record will be set in this area in 1961, with time sales reaching approximately $1.3 billion.

We can add about $2.9 billion to the overall total last year, comprising the "service" factors of retail distribution, installation and repair, and thus set the grand total for 1960 at $13.85 billion. These service factors should add $3 billion to the overall picture in 1961, and, therefore, bring to $15 billion the amount that will probably be spent on products and services in electronics this year.

Texas Group IBA Elects Officers

HOUSTON, Texas—The Texas Group of the Investment Bankers Association at their annual meeting April 12-14 elected Frank R. Newton, Jr., Lentz, Newton & Co., San Antonio, Chairman, succeeding Russell R. Rowles, Rowles, Winston & Co., Houston.

Others elected were Lewis F. Lyne, Mercantile National Bank, Dallas First Vice-Chairman; Tom Ball Jr., Brown, Wareing, Ball & Co., Houston, Second Vice-Chairman; and Edward H. Austin, E. H. Austin & Co., San Antonio, Secretary-Treasurer.

Elected committeemen were John Jay Fosdick, Eddleman, Pollok & Fosdick, Inc., Houston; Richard O. Arneson, Dittmar & Company, Inc., San Antonio; and Robert R. Gilbert, Jr., Sanders & Company, Dallas.

Joins H. O. Peet

KANSAS CITY, Mo. — Henry E. Jensen has become associated with H. O. Peet & Co., 23 West Tenth St., members of the New York and Midwest Stock Exchanges. He was formerly regional representative for Calvin Bullock, Ltd.

TAX-EXEMPT BOND MARKET

By DONALD D. MACKEY

The state and municipal bond market has shown some improvement again this week. A continuing easy bank reserve position has lent the primary impetus to this better market tendency. The lowering of Federal Government borrowing costs has been the most dramatic evidence of the continuing easy money situation. With Monday's April 24 weekly offering of Treasury bills, borrowing costs fell to their lowest level since late last year. For the 90-day bills, bids averaged a yield of 2.186% against 2.292% for the week before and for the 182-day bills, bids averaged 2.30% against 2.358% for the week previous.

Apparently the pressure of funds is great enough to subordinate, at least temporarily, the efforts being officially exerted to maintain short-term interest rates high enough to gradually encourage a more favorable international balance of payments. It would appear that our gold flow situation is showing some improvement that may justify the lower short-term rates at least for the present.

Dillon and "Easy Money"

Additionally, the tendency recently toward lower long-term rates has lent encouragement to those in high office calling for cheaper money generally. In this connection, Secretary of the Treasury Douglas Dillon stated publicly on Monday that the Federal Reserve concurs with the President that easy money will be needed "into the future." It is strongly felt, he inferred, that mortgage rates must be cut in order that all phases of the business situation may be quickly stimulated from a pattern of slow upswing to a more dynamic surge.

Investors Respond Favorably

This lush money situation and its consequent favorable effect on the Treasury issues has of course further helped the market for tax-exempt bonds, as well as that for corporates. There has been no burst of enthusiasm apparent, but new issues have met with generally fair investor interest and, in some instances there has been close to sell-out interest.

This market betterment has been helped by a moderate schedule of new issues with even spacing for the volume items. Moreover, there is an absence of large negotiated type issues which could be dislocating or disturbing in the sensitive market periods such as we're intermittantly experiencing.

Yield Index Again Improves

The *Commercial and Financial Chronicle's* state and municipal bond yield Index reflects a slight average improvement in the market again this week. The average yield this week is 3.323%, down from 3.337% a week ago. Measured in dollars, the market gain is a quarter of a point. This is the fourth consecutive weekly rise despite the general atmosphere of uncertainty throughout the financial community.

The toll road and other revenue type tax-exempt obligations continue to do nicely as a group. March revenue statements were generally good and markets continued to respond favorably. The *Smith, Barney & Company* toll road bond Index was last taken on April 20 when the average yield was 3.69%. It was 3.70% for the week before. On Jan. 1 last it was 3.84%; on the same date in 1960 it was 4.31%.

The trend through this lengthy period has been almost continuously upward. While toll revenue bonds have been rising thus (more than 10 points) the *Commercial and Financial Chronicle's* high grade bond yield Index would reflect an average rise of but half as much for 20-year general obligation bonds.

Technical Position Improved

The municipal bond market's technical position continues to be tenuously favorable. The inventory situation apears to have improved over the past few weeks. As measured by the *Blue List* April 27 the street float is $411,061,000. This is down from the 1961 high of $503,855,000 on March 10. As financial data is now interpreted, this is not an unduly heavy item nor a deterrent to the market.

The calendar of coming issues is also of moderate proportions. Unless this total exceeds $500,000,000, the market usually takes the volume in stride. At present the schedule totals ($380,000,000) considerably less

Recent Awards

The past week's largest offering was the $49,955,000 various Public Housing Administration (1962-2001) bonds which came to market on April 20. Only one bid was submitted for all of the issues. The consolidated group which was awarded all the issues resulted from the merger of three accounts managed respectively by Phelps, Fenn & Co.; Lehman Brothers; Blyth & Co., Inc.; The First National City Bank of New York; the Bankers Trust Co. and The Chase Manhattan Bank. Priced to yield from 1.50% to 3.60% for 3½s and 3⅝s, all the bonds were immediately sold and the account was closed out.

Also on April 20, approximately $8,700,000 Trustees of the Oklahoma City, Oklahoma Airport Trust revenue bonds, due Jan. 1, 1988, were awarded to the account managed jointly by John Nuveen & Co., Allen & Co., and B. J. Van Ingen & Co., Inc. Included among the other underwriters were Merrill Lynch, Pierce, Fenner & Smith, Ira Haupt & Co., F. S. Smithers & Co., and Leo Oppenheim & Co.

The proceeds from the issue will be used to finance the construction of and equipment for the proposed aeromedical building at the Aeronautical Center of the Federal Aviation Agency at Will Rogers Airport. The bonds, which are on a parity with six previous issues (all negotiated) totaling $19,365,000, are secured by the pledge of all lease rental payments accruing from short-term renewable leases with the Federal Government and from gross revenues earned by Oklahoma City's three airports. The issue which was priced at 98.50 for 4⅛s was an immediate sellout.

On Monday, April 24 the high bid for $5,000,000 Kansas City, Missouri School District (1962-1981) bonds was submitted by the syndicate managed by The First Boston Corp. and which included The Continental Illinois National Bank and Trust Company of Chicago and Salomon Brothers & Hutzler as majors. The bonds were priced to yield 1.60% to 3.35% for various coupons. Initial reception of this issue was excellent and only $310,000 bonds remain in account.

Week's Big Ones

On Tuesday, April 25, the State of Oregon came to market with three bond issues totaling $37,300,000. Of the total borrowing, $30,000,000 consisted of Veterans' Welfare general obligation (1970-1978) bonds. In highly competitive bidding this issue was awarded to the syndicate managed jointly by The First National Bank of Chicago and the Morgan Guaranty Trust Co. and included among the majors were Lehman Brothers, Drexel & Co., Phelps, Fenn & Co., White, Weld & Co., and Goldman, Sachs & Co. The bonds were priced to yield 2.80% to 3.35% for 3s and 3.20s. At this writing about $14,000,000 of the bonds are out of account.

The Board of Higher Education Building general obligation (1964-1991) bonds totaling $7,300,000 consisted of two issues, one for $5,000,000 and the other for $2,300,000. Both issues were bought by the account managed jointly by the Harris Trust and Savings Bank and The First National City Bank of New York and including the Bankers Trust Co., the First National Bank of Portland, The Chase Manhattan Bank, Kuhn, Loeb & Co., and many others. Scaled to yield from 2.20% to 4.00% the bonds were all sold upon initial reoffering.

On Wednesday, April 26, the State of Michigan sought bids on $25,000,000 Trunk Line Highway (1962-1986) bonds, series V. The group managed jointly by Blyth & Co., Inc., Halsey, Stuart & Co., Inc., and First of Michigan Corp. was the successful bidder for the issue. Included among the many major underwriters in the group were Braun, Bosworth & Co., Inc., Eastman Dillon, Union Securities Corp., Glore, Forgan & Co., and Kuhn, Loeb & Co. The bonds were reoffered to yield from 1.70% to 3.85%. After the initial order period, the $25,000,000 was about 80% sold.

Also on April 26, the State of Tennessee awarded $15,600,000 various general obligations (1963-1981) to the syndicate managed jointly by the First National Bank of Memphis and Glore, Forgan & Co. and which included among the major underwriters Drexel & Co., Salomon Brothers & Hutzler; and A. C. Allyn & Co., Inc. The issue which was priced to yield from 1.80% to 3.30% was more than two-thirds sold upon initial reoffering.

Firm Market Ahead

As we enter what is normally the most active underwriting period of the year (May and June) it appears to us that the bond market is likely to hold at the current price level and perhaps do better in a modest way. Expressed in very general terms, we again like to point out that for all, excepting the small investor, tax-exempt bonds represent a relatively attractive vehicle of investment. For those in the middle or higher tax brackets, net yields are high enough to afford effective current return for balanced portfolios as well as to moderate the inflationary impact of the foreseeable future.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1978-1980	3.75%	3.60%
Connecticut (State)	3¾%	1980-1982	3.35%	3.20%
New Jersey Highway Auth., Gtd.	3%	1978-1980	3.30%	3.20%
New York (State)	3%	1978-1979	3.30%	3.15%
Pennsylvania (State)	3⅜%	1974-1975	3.05%	2.95%
Vermont (State)	3⅛%	1978-1979	3.20%	3.05%
New Housing Auth. (N. Y., N. Y.)	3½%	1977-1980	3.30%	3.20%
Los Angeles, Calif.	3¾%	1978-1980	3.75%	3.60%
Baltimore, Md.	3¼%	1980	3.40%	3.30%
Cincinnati, Ohio	3½%	1980	3.40%	3.30%
New Orleans, La.	3¼%	1979	3.70%	3.55%
Chicago, Ill.	3¼%	1977	3.75%	3.60%
New York City, N. Y.	3%	1980	3.55%	3.50%

April 26, 1961 Index=3.323%

Larger Issues Scheduled For Sale

In the following tabulations we list the bond issues of $1,000,000 or more for which specific sale dates have been set.

April 27 (Thursday)			
Alcorn County, First, Fourth and Fifth Supervisors' District, Miss.	1,850,000	1962-1986	10:00 a.m.
Berlin-Boylston Reg. Sch. Dist., Massachusetts	1,415,000	1962-1981	11:00 a.m.
Giles County, County Sch. Bd., Va.	2,350,000	1961-1980	11:00 a.m.
Louisiana St. Bond Bldg. Comm., Louisiana	1,000,000	1962-1986	11:00 a.m.
Middlesex School District, N. J.	1,011,000	1962-1981	8:00 p.m.
Minneapolis, Minnesota	4,510,000	1962-1980	10:00 a.m.
April 28 (Friday)			
Nueces County, Texas	1,625,000	1963-1976	Noon
May 1 (Monday)			
Jackson County, Center School District No. 58, Mo.	1,500,000	1962-1981	8:00 p.m.
Palm Springs Unified Sch. Dist., California	1,100,000	1962-1986	10:00 a.m.
Pima County High School District No. 1, Arizona	4,436,000	1962-1981	11:00 a.m.
San Bernardino Elementary School District, California	1,900,000	1962-1981	11:00 a.m.
May 2 (Tuesday)			
Babylon Union Free Sch. Dist. No. 7, New York	4,485,000	1962-1990	1:00 p.m.
Brownwood Indep. Sch. Dist., Tex.	1,000,000	1963-1990	7:30 p.m.
Grand Rapids, Michigan	13,120,000	1962-1985	3:00 p.m.
Johnson County, Shawnee-Mission Rural High Sch. Dist. No. 6, Kan.	2,000,000	1962-1981	2:00 p.m.
Los Angeles Sch. Dist., Calif.	30,000,000	1962-1986	9:00 a.m.
North Olmsted, Ohio	1,971,000	1962-1986	1:00 p.m.
Raleigh, North Carolina	3,080,000	1962-1991	11:00 a.m.
Tulsa, Okla.	7,600,000	1963-1986	10:00 a.m.
Winnebago County School District No. 204, Ill.	2,200,000	1962-1974	8:00 p.m.
May 3 (Wednesday)			
Miami Conservancy District, Ohio	2,715,000	1963-1986	Noon
New Albany-Floyd County Bldg. Authority, Indiana	2,700,000	1964-2001	10:30 a.m.
Passaic County, N. J.	1,090,000	1962-1979	11:00 a.m.
Port of New York Authority, N. Y.	35,000,000	1962-1981	11:30 a.m.
State Teacher's College, Texas	4,110,000	1961-2001	10:00 a.m.
May 4 (Thursday)			
Port of Seattle, Washington	7,500,000	1963-1971	10:00 a.m.
May 5 (Friday)			
Pearl River Valley Water Supply District, Miss.	8,800,000	1964-1999	10:00 a.m.
May 8 (Monday)			
Baker, Oregon	1,014,000	--------	7:30 p.m.
Cranford Township, New Jersey	1,012,000	1962-1981	8:30 p.m.
Madison, Wis.	6,275,000	1962-1981	10:00 a.m.
May 9 (Tuesday)			
Babylon Union Free Sch. Dist. No. 2, New York	1,180,000	1962-1990	11:00 a.m.
Cincinnati, Ohio	21,500,000	1971-2001	Noon
Fresno City Unified Sch. Dist., Cal.	6,000,000	1963-1991	10:30 a.m.
Oakland County Eight Mile Drain District, Mich.	3,038,000	1962-1982	3:00 p.m.
Piscataway Township School Dist., New Jersey	2,400,000	1961-1984	2:00 p.m.
San Diego County, California	7,500,000	1962-1981	10:30 a.m.
May 10 (Wednesday)			
Bloomington Indep. Sch. Dist. No. 271, Minn.	1,400,000	--------	7:30 p.m.
Rockville, Md.	1,225,000	1962-1981	8:30 p.m.
Terrebonne Parish, Louisiana	1,200,000	1961-1980	7:00 p.m.
May 11 (Thursday)			
Bowling Green St. University, Ohio	4,500,000	1963-2000	11:00 a.m.
Cumberland County, Tenn.	1,075,000	1965-1980	10:00 a.m.
Cuyahoga Falls City School Dist., Ohio	2,000,000	1962-1981	1:00 p.m.
Multnomah County School District No. 3, Oregon	1,650,000	1961-1970	8:00 p.m.
May 12 (Friday)			
Oklahoma Industrial Finance Authority, Oklahoma	2,000,000	1991	9:00 a.m.
May 15 (Monday)			
Florida Development Comm., Fla.	2,600,000	1963-1976	11:00 a.m.
May 16 (Tuesday)			
Jefferson County Sch. Dist., Colo.	4,200,000	--------	--------
New York State Housing Auth.	50,000,000	--------	--------
(Negotiated offering to be handled by a syndicate headed by Phelps, Fenn & Co., Inc.)			
Portland Water District, Me.	1,000,000	1981	Noon
Stanislaus County, Calif.	1,000,000	1962-1982	10:00 a.m.
May 17 (Wednesday)			
New Orleans, Louisiana	1,500,000	1962-1990	10:00 a.m.
Pennsylvania State Public School Building Authority, Pa.	24,580,000	1961-2000	Noon
University of Illinois	7,050,000	--------	--------
Warren Consol. Sch. Dist., Mich.	2,750,000	1963-1987	8:00 p.m.
May 18 (Thursday)			
Janesville, Wisconsin	2,615,000	--------	--------
May 20 (Saturday)			
North Dakota St. Bd. of Higher Education, North Dakota	1,200,000	1963-2000	2:00 p.m.

NEW ISSUES

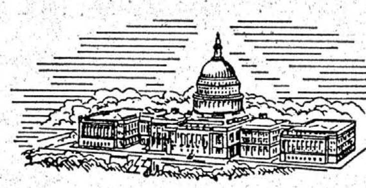
April 21, 1961

$49,955,000

New Housing Authority Bonds

The Bonds of each issue will be secured by a first pledge of annual contributions unconditionally payable pursuant to an Annual Contributions Contract between the Public Housing Administration and the Local Public Agency issuing said Bonds in the opinions of bond counsel. Said annual contributions will be payable directly to the fiscal agent of said Local Public Agency in an amount which, together with other funds of the Local Public Agency which are actually available for such purpose, will be sufficient to pay the principal of and interest on the Bonds when due.

The United States Housing Act of 1937, as amended, solemnly pledges the faith of the United States to the payment of the annual contributions by the Public Housing Administration pursuant to the aforesaid Annual Contributions Contracts.



Quotation from an opinion, dated May 15, 1953, of the Attorney General of the United States, to The President of the United States:

"IN SUMMARY, I AM OF THE VIEW THAT: *** A CONTRACT TO PAY ANNUAL CONTRIBUTIONS ENTERED INTO BY THE PHA[1] IN CONFORMANCE WITH THE PROVISIONS OF THE ACT[2] IS VALID AND BINDING UPON THE UNITED STATES, AND THAT THE FAITH OF THE UNITED STATES HAS BEEN SOLEMNLY PLEDGED TO THE PAYMENT OF SUCH CONTRIBUTIONS IN THE SAME TERMS ITS FAITH HAS BEEN PLEDGED TO THE PAYMENT OF ITS INTEREST-BEARING OBLIGATIONS."

[1]Public Housing Administration. [2]United States Housing Act of 1937, as amended.

Interest Exempt, in the opinion of counsel to the Underwriters, from Federal Income Taxes by the provisions of the United States Housing Act of 1937, as amended.

Legal Investments, in the opinion of counsel to the Underwriters, for Savings Banks and Trust Funds in New York and certain other States.

Bonds Issued by Local Public Agencies which are, or are located in:

Amount	Agency	Coupon / Due
Scale B		
$1,695,000	Bridgeport, Conn.	3½% due 1962-1999
1,570,000	Meadville, Pa.	3½% due 1962-2001
Scale C		
$2,960,000	Birmingham, Ala.	3½% due 1962-1999
2,315,000	Contra Costa Co., Cal.	3½% due 1962-2001
1,015,000	San Buenaventura, Cal.	3½% due 1962-2001
1,445,000	Bridgeton, N. J.	3½% due 1962-2001
1,930,000	Plainfield, N. J.	3½% due 1962-1994
24,635,000	New York, N. Y.	3½% due 1962-2001
Scale C (continued)		
$1,205,000	Cleveland, Ohio	3½% due 1962-2001
2,035,000	Lane County, Ore.	3½% due 1962-2001
Scale D		
$1,175,000	Anniston, Ala.	3⅝% due 1962-2001
1,030,000	Fort Valley, Ga.	3⅝% due 1962-2001
1,875,000	Valdosta, Ga.	3½% due 1962-1993
1,565,000	Williamson County, Ill.	3⅝% due 1962-1999
1,515,000	Inkster, Mich.	3½% due 1962-1998
1,990,000	Great Falls, Mont.	3⅝% due 1962-2001

Maturities, Yields and Prices

	Scale B	Scale C	Scale D		Scale B	Scale C	Scale D		Scale B	Scale C	Scale D
1962	1.50%	1.50%	1.50%	1976	3.05%	3.05%	3.05%	1989	3.40%	3.45%	3.50%
1963	1.70	1.70	1.70	1977	3.10	3.10	3.10	1990	3.40	3.45	3.50
1964	1.90	1.90	1.90	1978	3.10	3.15	3.15	1991	3.45	@100	3.55
1965	2.05	2.05	2.05	1979	3.15	3.20	3.20	1992	3.45	@100	3.55
1966	2.20	2.20	2.20	1980	3.15	3.20	3.25	1993	3.45	@100	3.55
1967	2.30	2.30	2.30	1981	3.20	3.25	3.30	1994	3.45	@100	3.55
1968	2.40	2.40	2.40	1982	3.20	3.25	3.30	1995	3.45	@100	3.55
1969	2.50	2.50	2.50	1983	3.25	3.30	3.35	1996	@100	@99	3.60*
1970	2.60	2.60	2.60	1984	3.25	3.30	3.35	1997	@100	@99	3.60*
1971	2.70	2.70	2.70	1985	3.30	3.35	3.40	1998	@100	@99	3.60*
1972	2.80	2.80	2.80	1986	3.30	3.35	3.40	1999	@100	@99	3.60*
1973	2.90	2.90	2.90	1987	3.35	3.40	3.45	2000	@100	@99	3.60*
1974	2.95	2.95	2.95	1988	3.35	3.40	3.45	2001	@100	@99	3.60*
1975	3.00	3.00	3.00								

(accrued interest to be added)

*In the case of bonds bearing 3⅝% coupon due 1996-2001 priced to first par call date

The Bonds of each issue will be callable fifteen years from their date at a call price of 104 and accrued interest, and thereafter, at the times and call prices, as stated in the Offering Prospectus.

The Bonds are being offered, subject to award, when, as and if issued and received by us, and subject to approval of legality, with respect to each issue by bond counsel to the Underwriters. The offering is not made hereby, but only by means of the Offering Prospectus, copies of which may be obtained from such of the undersigned and other Underwriters as are registered dealers in this State.

Phelps, Fenn & Co. — Lehman Brothers — Blyth & Co., Inc. — Goldman, Sachs & Co. — Smith, Barney & Co. — Shields & Company — The First Boston Corporation — Harriman Ripley & Co. Incorporated — R. W. Pressprich & Co.

The First National City Bank of New York

Drexel & Co. — Eastman Dillon, Union Securities & Co. — Equitable Securities Corporation — Merrill Lynch, Pierce, Fenner & Smith Incorporated — Stone & Webster Securities Corporation — White, Weld & Co. — Bear, Stearns & Co.

A. C. Allyn and Company Incorporated — Bacon, Whipple & Co. — Baxter & Company — Alex. Brown & Sons — Coffin & Burr Incorporated — Estabrook & Co. — Gregory & Sons — Ira Haupt & Co. — Hemphill, Noyes & Co. — Hornblower & Weeks

Lee Higginson Corporation — F. S. Moseley & Co. — Paine, Webber, Jackson & Curtis — Wm. E. Pollock & Co., Inc. — Reynolds & Co. — L. F. Rothschild & Co. — Dean Witter & Co. — Wood, Struthers & Co.

American Securities Corporation — Bacon, Stevenson & Co. — A. G. Becker & Co. Incorporated — Braun, Bosworth & Co. Incorporated — Clark, Dodge & Co. Incorporated — R. S. Dickson & Company Incorporated — First of Michigan Corporation — Fitzpatrick, Sullivan & Co.

Hirsch & Co. — Kean, Taylor & Co. — J. C. Bradford & Co. — F. W. Craigie & Co. — Francis I. duPont & Co. — Eldredge & Co. Incorporated — Geo. B. Gibbons & Company Incorporated — Hallgarten & Co. — E. F. Hutton & Co. Incorporated — W. E. Hutton & Co.

McDonald & Company — The Ohio Company — Rand & Co. — Roosevelt & Cross Incorporated — Shearson, Hammill & Co. — Stroud & Company Incorporated — Tucker, Anthony & R. L. Day — Chas. E. Weigold & Co. Incorporated — Henry Harris & Sons, Inc.

Bankers Trust Company — The Chase Manhattan Bank — Chemical Bank New York Trust Company — Morgan Guaranty Trust Company of New York — Harris Trust and Savings Bank — The First National Bank of Chicago — C. J. Devine & Co. — Kidder, Peabody & Co. — Salomon Brothers & Hutzler

The Northern Trust Company — Continental Illinois National Bank and Trust Company of Chicago — The Philadelphia National Bank — Carl M. Loeb, Rhoades & Co. — The First National Bank of Oregon — Ladenburg, Thalmann & Co. — W. H. Morton & Co. Incorporated — Weeden & Co. Incorporated

Mercantile Trust Company — Dick & Merle-Smith — B. J. Van Ingen & Co. Inc. — Seattle-First National Bank — Blair & Co. Incorporated — City National Bank & Trust Co. Kansas City, Mo. — Dominick & Dominick — Hayden, Stone & Co. — The Marine Trust Company of Western New York — Bache & Co.

Barr Brothers & Co. — Fidelity Union Trust Company Newark — Industrial National Bank Providence, R. I. — Laidlaw & Co. — Mercantile-Safe Deposit and Trust Company — The National State Bank Newark — Trust Company of Georgia — Baker, Watts & Co.

Federation Bank and Trust Company — First National Bank in Dallas — A. M. Kidder & Co., Inc. — National Bank of Commerce of Seattle — National Bank of Westchester White Plains, N. Y. — The Peoples National Bank of Charlottesville, Va. — Third National Bank in Nashville — G. H. Walker & Co.

J. C. Wheat & Co. — Tilney and Company — Tuller & Zucker

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Bond Market — Review — C. F. Childs & Co., 141 West Jackson Boulevard, Chicago 4, Ill.

Building Industry—Analysis with special reference to **Armstrong Cork, Johns Manville, Masonite, National Gypsum, Penn Dixie Cement,** and **Ruberoid**—Thomson & McKinnon, 2 Broadway, New York 4, N. Y. Also available is a report on **International Minerals & Chemical Corp.**

Canadian Oil and Gas Stocks—Report — Draper Dobie & Company, Ltd., 25 Adelaide Street, West, Toronto, Ont., Canada.

Gasoline Tax — Discussion in April "Empire Trust Letter" — Empire Trust Co., New York, N. Y.

Growth Stocks — Memorandum — Orvis Brothers & Co., 15 Broad St., New York 5, N. Y.

India's Sugar Industry—Report—Information Service of India, 2107 Massachusetts Ave., N. W., Washington 8, D. C.

Japanese Market—Review—Nikko Securities Co., Ltd., 25 Broad St., New York 5, N. Y. Also available are reviews of **Gunze Silk Manufacturing, Hoda Giken, Fukusuke Tabi, Naigai Amimono and Hitachi.**

Japanese Market — Review—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are reviews of **Shimizu Construction Co., Kyowa Fermentation Industry Co., Victor Company of Japan Ltd.,** and **Okamura Manufacturing Co., Ltd.**

Japanese Stock Market — Survey —Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also available are analyses of **Yawata Iron & Steel; Fuji Iron & Steel; Hitachi Limited** (electronics); **Kirin Breweries; Sumitomo Chemical; Toyo Rayon; Toanenryo Oil Company; Sekisui Chemical Co.** (plastics); **Yokohama Rubber Co.;** and **Showa Oil Co.**

New York City Bank Stocks—Comparative figures—First Boston Corporation, 15 Broad Street, New York 5, N. Y. Also available are data on New York City Banks U. S. Government Portfolio Distribution.

New York Stock Exchange Fact Book, 1961—New York Stock Exchange, 11 Wall Street, New York 5, N. Y.

Oil — Analysis — Hardy & Co., 30 Broad Street, New York 4, N. Y.

Oil & Gas Interests—Information on tax shelter advantages — Admiral Oils Inc., 400 B Bettes Bldg., Oklahoma City 6, Okla.

Over-the-Counter Index — Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 23-year period — National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Philippines—Brochure—First National City Bank, 55 Wall St., New York 15, N. Y.

Selected Stocks—For various objectives—Courts & Co., 11 Marietta Street, N. W., Atlanta 1, Ga.

U. S. Banks—Compilation of capital funds of 100 largest banks—Republic National Bank of Dallas, Republic National Bank Building, Dallas 1, Texas.

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Amerada Petroleum — Review—Hemphill, Noyes & Co., 15 Broad Street, New York 5, N. Y. Also available are reviews of **Detroiter Mobile Homes, Pfaudler Permutit, Scott Paper Co.** and **Technical Material.**

American Can—Survey—Shields & Company, 44 Wall Street, New York 5, N. Y.

American Hospital Supply — Report — Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif. Also available is a report on **Ennis Business Forms.**

American International Bowling Corporation—Study of the company and the prospects for the bowling industry—Mitchell, Hutchins & Co., 231 South La Salle Street, Chicago 4, Ill.

American Research and Development Corporation — Analysis—A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill. Also available are analyses of **Jones & Laughlin Steel Corporation,** and **Coral Ridge Properties, Inc.**

American Rubber & Plastic Corp. —Analysis—Hooker & Fay, Inc., 221 Montgomery Street, San Francisco 4, Calif.

American Seal-Kap — Analysis—Parrish & Co., 40 Wall Street, New York 5, N. Y.

Anaconda Company — Analysis—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Anheuser Busch Inc.—Analysis—Cruttenden, Podesta & Co., 209 South La Salle Street, Chicago 4, Ill.

Associated Food Stores—Analysis —J. R. Williston & Beane, 2 Broadway, New York 4, N. Y. Also available are analyses of **Bowl Mor Company, National Company, Philadelphia and Reading Corp.,** and **Warner Lambert Pharmaceutical Company.**

Automatic Canteen Company of America — Analysis — Carreau & Co., 115 Broadway, New York 6, N. Y.

Babcock & Wilcox—Memorandum —Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y.

Beatrice Foods Company — Analysis—Gude, Winmill & Co., 1 Wall Street, New York 5, N. Y.

Bell Telephone of Canada—Analysis — Halle & Stieglitz, 52 Wall Street, New York 5, N. Y.

Bishop & Babcock Manufacturing Co. — Bulletin — De Witt Conklin Organization, Inc., 120 Broadway, New York 5, N. Y. Also available is a bulletin on **Pan American Sulphur Company.**

Boeing Company — Report — John H. Lewis & Co., 63 Wall Street, New York 5, N. Y. Also available is a report on **North American Aviation.**

Brothers Chemical — Data—Stearns & Co., 80 Pine Street, New York 5, N. Y.

Canadian Pacific Railway and the MacPherson Commission on Transportation—Discussion—Greenshields & Co. (N. Y.) Inc., 64 Wall Street, New York 5, N. Y.

Canadian Tire — Report — Ross, Knowles & Co., Ltd., 25 Adelaide Street, West, Toronto, Ont., Canada. Also available is a survey of **Levy Industries.**

Clary Corporation — Analysis—Schweickart & Co., 29 Broadway, New York 6, N. Y.

Compudyne Corporation — Analysis — Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia National Bank Building, Philadelphia 7, Pa. Also available is an analysis on **Dymo Industries.**

Consolidated Edison Company of New York—Report—Reynolds & Co., 120 Broadway, New York 5, N. Y.

Continental Insurance—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

Cowles Chemical Company—Analysis—Dreyfus & Co., 2 Broadway, New York 4, N. Y. Also available is an analysis of **W. R. Grace & Co.**

Data Control Systems Inc.—Analysis—Bruno-Lenchner Inc., Bigelow Square, Pittsburgh 19, Pa.

Duncan Coffee Company—Analysis — Parker, Ford & Company, Inc., Vaughn Building, Dallas 1, Tex. Also available are analyses of **Commonwealth Life Insurance Company, Lytton Financial** and **Oklahoma Cement Company.**

El Paso Natural Gas Company — Annual report—El Paso Natural Gas Company, El Paso, Texas.

Eitel Hospital, Minneapolis—Bulletin—B. C. Ziegler & Co., Security Building, West Bend, Wis.

Falconbridge Nickel Mines—Memorandum — Burnham and Company, 15 Broad Street, New York 5, N. Y.

Farrington Manufacturing Co.—Analysis—Schirmer, Atherton & Co., 50 Congress Street, Boston 3, Mass.

Ford Motor Company—Analysis—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 4, N. Y. Also available are reviews of **Atlantic Refining, Boeing Airplane, Combustion Engineering, Worthington Corp., Allegheny Power System, TXL Oil Corp., Standard Brands, Philip Morris** and **Celanese Corp.**

Charles E. Frost & Co.—Report—Weingarten & Company, 551 Fifth Avenue, New York 17, N. Y.

General Instrument — Memorandum—Tucker, Anthony & R. L. Day, 120 Broadway, New York 5, N. Y.

Harris Trust & Savings Bank—Memorandum — Julien Collins & Company, 105 South La Salle St., Chicago 3, Ill.

Hastings Manufacturing Co.—Memorandum — Wm. C. Roney & Co., Buhl Building, Detroit 26, Mich. Also available is a memorandum on **Yard-Man Inc.**

Helene Curtis Industries—Review —Walston & Co., Inc., 74 Wall St., New York 5, N. Y. Also available is a bulletin on **Desalination** and a list of 33 **Speculative Stocks.**

Herff Jones—Memorandum—G. C. Haas & Co., 65 Broadway, New York 6, N. Y. Also available are memoranda on **R. E. Funsten** and **Pueblo Supermarkets.**

Hexcel Products Inc. — Bulletin —Turner - Poindexter & Co., 634 South Spring Street, Los Angeles 14, Calif.

Hico Corporation of America—Report—Winslow, Cohu & Stetson, Inc., 26 Broadway, New York 4, N. Y.

Kaman Aircraft—Memorandum—Chace, Whiteside & Winslow, Inc., 24 Federal Street, Boston 10, Mass.

Lestoil — Report — Colby & Co., Inc., 85 State St., Boston 9, Mass. Also available is a report on **Phelps Dodge.**

P. R. Mallory — Memorandum—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y. Also available is a memorandum on **American Meter.**

Micro Metals Corporation—Analysis—Harris Securities Corporation, 79 Wall Street, New York 5, N. Y.

Mine Safety Appliances Company —Review—Jamieson & Company, Torrey Building, Duluth 2, Minn.

National Cash Register—Analysis —Fahnestock & Co., 65 Broadway, New York 6, N. Y. Also available is an analysis of **Public Service Co. of Indiana.**

National Distillers & Chemical Corp. — Memorandum — R. W. Pressprich & Co., 48 Wall Street, New York 5, N. Y.

National Steel Corporation—Annual report—National Steel Corp., Pittsburgh, Pa.

New York, Chicago & St. Louis—Report—Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y. Also available are reports on **Glass Tite Industries, Inc., Air Products Corp.,** and **Onyx Chemical Corp.**

Norfolk & Western Railway—Report—Bache & Co., 36 Wall St., New York 5, N. Y.

Pacific Gas & Electric and **Southern California Edison**—Discussion of effect of new California rate legislation — H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available are data on **Delta Air Lines** and **Continental Air Lines** and a list of **Railroad Mortgage Bonds** yielding 6% to 7%.

Parke, Davis & Company—Report —Butcher & Sherrerd, 1500 Walnut Street, Philadelphia 2, Pa. Also available are data on **General Tire & Rubber Company, Hudson Vitamin Products, Restaurant Associates, Wellington Management, Brunswick Corp.** and **Heublein Inc.**

Philadelphia Life Insurance—Memorandum—Suplee, Yeatman, Mosley Co., Incorporated, 1500 Walnut Street, Philadelphia 2, Pa.

Phoenix, Arizona Street and Highway Improvement Bonds—Bulletin—Stern Brothers & Co., 1009 Baltimore Avenue, Kansas City 5, Mo.

Provident Life and Accident Insurance Company — Analysis—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y. Also available are reports on **Combustion Engineering, E. W. Bliss Co., Clary Corp.** and **Smaller Food Chains.**

Republic Corporation — Report—Purcell & Co., 50 Broadway, New York 4, N. Y. Also available is an analysis of **Telephone Stocks** with particular reference to **Pacific Telephone & Telegraph, Central Telephone Co., West Coast Telephone Co., Southwestern States Telephone,** and **California Interstate Telephone,** data on **Borg Warner** and **Rheem Manufacturing,** and a memorandum on **Southern Realty & Utilities Corp.**

Rheem Manufacturing—Report—E. F. Hutton & Company, 7616 Girard Avenue, La Jolla, Calif. Also available are reports on **Sundstrand** and **Youngstown Sheet & Tube.**

Royal Industries, Inc.—Analysis—Charles A. Taggart & Co., Inc., 1516 Locust Street, Philadelphia 2, Pa. Also available is an an analysis of **United Bowling Centers, Inc.**

Rubbermaid — Analysis — Hallgarten & Co., 44 Wall Street, New York 5, N. Y.

St. Paul Ammonia Products—Memorandum—Wm. H. Tegtmeyer & Co., 105 South La Salle Street, Chicago 3, Ill.

Salada-Shirriff-Horsey — Memorandum — W. C. Pitfield & Co., Inc., 30 Broad Street, New York 4, N. Y.

School Pictures Inc. — Memorandum — Equitable Securities Corporation, 2 Wall Street, New York 5, N. Y. Also available is a memorandum on **Interstate Life & Accident.**

Seaboard Finance Co.—Review—Penington, Colket & Company, 70 Pine Street, New York 5, N. Y. Also available is a review of **Clevite Corp.**

Simmonds Precision Products—report—Hill, Darlington & Grimm, 2 Broadway, New York 4, N. Y. Also available is an analysis of **A. O. Smith Corporation.**

Southern Bakeries Company—Analysis — Blair & Co. Incorporated, 20 Broad Street, New York 5, N. Y. Also available is a report on **Peoples Drug Stores.**

Sta Rite Products—Memorandum —Loewi & Co. Incorporated, 225 East Mason Street, Milwaukee 2, Wis.

Sterling Drug — Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Stauffer Corporation—Analysis—Hill Richards & Co., 621 South Spring Street, Los Angeles 14, Calif.

Swank, Inc.—Study—Ira Haupt & Co., 111 Broadway, New York 6, N. Y.

Transamerica Corporation—Analysis — Hornblower & Weeks, 40 Wall Street, New York 5, N. Y. Also available are data on **Babcock & Wilcox, Continental Insurance, Crouse Hinds, Interchemical, St. Regis Paper, Champion Spark Plug** and **Chicago Pneumatic Tool.**

U. S. Steel Corp.—Bulletin—The Illinois Company, Inc., 231 South La Salle Street, Chicago 3, Ill.

Form General Economics

General Economics Corporation is engaging in a securities business from offices at 130 West 42nd St., New York City. Leonard Axelrad is a principal of the firm.

Form Inv. Counselors

MURRAY, Utah — Investment Counselors of Utah is conducting a securities business from offices at 5235 South State. Terry R. West is a principal of the firm.

McDonald, Anderson, Peterson & Co., Inc.

MINNEAPOLIS, Minn. — McDonald, Anderson, Peterson & Co., Inc. has been formed with offices in the Minnesota Federal Bldg. to engage in a securities business. Robert J. McDonald is a principal of the firm.

Smith-Corona Marchant, Inc.

By Dr. Ira U. Cobleigh, Enterprise Economist

A rapid review of a well known typewriter and office equipment company, that has found the key to dramatic resurgence in earning power.

One of the liveliest recoveries of earning power, among substantial corporations, is now taking place at Smith-Corona Marchant, Inc. For 1960 on sales of $93.3 million, a deficit of $2.2 million was reported. This year (fiscal year ends June 30, 1961) sales should move to a new high of $95 million and net profit should run above $1 million. SCM has not only turned the corner; it has set the stage for a quite dramatic rise in earning power for future years.

What's been going on here to create such a reversal and resurgence? Let's start with management. The election of Mr. Emerson E. Mead to the Presidency last October completed the build-up of a young (average age 41) and energetic, new decision-making, sales and administrative echelon. Mr. Mead came to SCM with a distinguished record at Kleinschmidt Laboratories, where, in eight years, he had shepherded a growth in annual sales from $350,000 in 1949 to $10 million in 1956, when that company was merged into SCM.

Telecommunications

Second, a long range shift in product mix has been in progress, the benefits of which are now beginning to show up at the cash register. Kleinschmidt Division, acquired in 1956, now contributes over $20 million in annual sales. Kleinschmidt makes a complete integrated line of communications equipment, for military and commercial use. It installed a complete system to speed up and simplify train movements and freight car accounting on the Chesapeake & Ohio RR. More recently it installed a communication system implementing a 4,200 mile leased wire network controlling message dispatch between all Greyhound Bus terminals. Similar telecommunication equipment has been supplied to the U. S. and NATO military forces and to Australia. This division of SCM has been growing at the rate of 20% annually.

Office Equipment

The acquisition and merger (in 1958) of Marchant Calculators brought SCM into the calculator and office equipment business in a substantial way. Marchant produced the first electric calculator in 1915. Since then the line has been steadily expanded, and now includes accounting machines, data processing, and photocopy equipment, for which products a fabulously growing market exists. In data processing, new models include the Typetronic 6615 and 2215. The 6615 is a fully transistorized computer with electric typewriter input and output, which speeds and automates preparation of business forms requiring calculation. The 2215 is a complete writing system centered around an electric typewriter, with punches and readers that automatically process forms by punched tape or edge punched cards. In these systems, the typewriters are turned out by the Smith-Corona Division, the punch at Kleinschmidt; while the photoelectric reader, the electronic activation and the final assembly are supplied at the Marchant Division plant in California.

Typewriters

The early corporate background at SCM was entirely in typewriters. For years Smith-Corona turned out the L. C. Smith standard models, and the famous Corona portable, a college homework standby, and favorite writing instrument of the most renowned authors and reporters of the Twentieth Century. For years at a time there were but slight changes in either the appearance or performance of typewriters. Now all that has been changed. Today's typewriter, to keep pace with the modern office, must be as streamlined as a rocket, and is often bought in a color to match office decor. It must function better than the earlier models, too. The uneven, overenergetic, key pounding of some powerful Tillie the Toiler, has now given way to the electric typewriter, with its automatically and staccato-clear uniform letters, and keys so sensitive they respond instantly and perfectly to the slightest touch.

Most of us don't realize this revolution that's been taking place in typewriters. For years the manual model was king. Beginning in 1955, however, electric models began making major inroads. In that year 142,799 electric units were sold. For 1960, the sales figure jumped to around 250,000—about 40% of the total typewriter market. And this year, for the first time, electrics are expected to outsell the manually operated variety. SCM is very much alive to this trend and has introduced a compact model (SCM 200) that is half the size and half the price of standard electrics. Public response to this, and to the larger SCM 400 office electric, has been excellent. Accenting further the "compact" side of the business, SCM is now the largest producer of portables and the only producer of electric portables.

Typewriters now account for something over 35% of annual sales at SCM. This percentage will probably decline within three years to around 20% due to expansion of other lines. The profitability of company typewriter business has, however, been substantially improved by recent consolidation of all manufacturing facilities at Cortlandt and Groton, N. Y., and by increased plant automation and use of conveyor systems. One portable model is being most efficiently made in England. On the merchandising side, costs have been sizably reduced by unification of all divisional sales offices for all company products.

Here then, in Smith-Corona Marchant, we see a quite reanimated company operating in the main stream of a huge surging demand for automated and labor saving office equipment and machines. While both domestic competition and importation of foreign models (benefiting from low cost labor abroad) made the typewriter business pretty rugged for the past two years, the SCM answer has been smaller, better designed, more streamlined electric models, which are attracting buyers in droves on the basis of quality, appearance, performance and price.

With its other lines — data processing, accounting and adding machines, photocopiers, and telecommunicators, SCM now has a balanced product mix, which has definitely broadened the base of future earning power. The shift to more profitable areas suggests that earnings will run above 50 cents a share this year may reach the $3.00 level before 1965. The figure was 43 cents for the first nine months of this year (fiscal).

Financially SCM is in excellent position with current working capital around $40 million. Of the $34½ million in long term debt, $7.4 million is in 5¼% debentures, actively sought in today's markets because they are convertible into common at the rate of $23.50 per share. The "converts" sell currently around 136. Following this debt is the stock equity consisting of 1,862,670 shares of common, listed on N. Y. S. E. and now selling in the $25 range. SCM sold as low as 11½ last year, while it was racking up a deficit. The shares are obviously worth considerably more now, on the principle that "stock prices are the slaves of earning power."

SCM common today has a lively look about it. This issue has recently been attracting an animated investor following, creating a market strength and activity that might well be regarded as tribute to energetic, competent management, ultra modern products and legitimate prospects for higher earnings, and dividend resumption, in the nearby future.

With Brandtjen & Bayliss

(Special to The Financial Chronicle)

ST. PAUL, Minn. — Robert L. Shapiro is now connected with Brandtjen & Bayliss, Inc., Pioneer Building.

Bank Shares of America

JAMAICA, N. Y.—The firm name of Maxwell May Co. has been changed to Bank Shares of America, and offices are now located at 148-48 Eighty-eighth Avenue in Jamaica. The firm formerly did business from New York City.

Shearson, Hammill Gets Memberships

William N. Moxley, a General Partner of Shearson, Hammill & Co., 14 Wall Street, New York City, members of the New York Stock Exchange, has been admitted to membership on the New York Stock Exchange. Mr. Moxley, formerly Shearson's Floor Partner on the American Stock Exchange, will use the additional membership to handle the increased volume of business the firm is doing on the New York Stock Exchange.

William N. Moxley Raymond C. Forbes

Raymond C. Forbes is being admitted to the firm as a General Partner and to membership on the American Stock Exchange, where he will represent the firm. Mr. Forbes has been with Shearson, Hammill for a number of years in charge of corporate bond trading. The Amex membership now held by Mr. Moxley will be retained for future use, and Mr. Moxley continues as a Governor of the American Stock Exchange.

Mohr Joins A. F.-G. L. Staff

Richard G. Mohr has joined Albert Frank-Guenther Law, Inc., 131 Cedar Street, New York City, national advertising and public relations agency, as an assistant advertising account executive, it was announced. He has been assigned to the account group handling the Merrill Lynch, Pierce, Fenner & Smith Inc. account.

Mr. Mohr previously was promotion manager for the Bowling Products Group of American Machine & Foundry Co. for three years. Prior to that he was a Special Agent for the Federal Bureau of Investigation for more than six years.

Named Director

Harold Reiner, a partner in Reiner, Linburn & Co., New York City, members of the New York Stock Exchange, was elected to the Board of Directors of the Clairtone Sound Corporation Limited.

Why Insurance Stocks Are Attractive Investments

By Roger W. Babson

Statistician Babson announces he is going to buy more insurance stocks instead of complaining about the fine print found in insurance policies. Everyone is working to help them make more money says Mr. Babson, who refuses to try to beat the basic laws of mathematics, or to join the popular demand for stocks that everyone wants.

BABSON PARK, Fla. — I believe in insurance—life insurance, fire insurance, accident insurance, and especially in the "Blue Cross" and "Blue Shield." If I were not a statistician, I would be selling insurance.

The 1960 Hurricane

I own property a few miles north of here which got sad treatment from "Donna." I am down here settling up my losses with the insurance company. These losses were first on the house, which (after some dickering) we agreed would be $400. This included leaks in the roof, windows and screens broken, and other damages. The insurance adjuster finally gave me a check for the damages. When looking at it, I saw it to be for only $300. When I complained he courteously asked: *"Have you read the fine print of your policy?"* I replied that I had not; but upon doing so I learned that the insurance company can make a deduction of $100. In fact, if the loss had been only $100, I would have received nothing!

I next showed the insurance adjuster where my beautiful palm trees had been torn out. These had cost me $75 or more each. We agreed that my loss on the valuable trees, shrubs, etc, was at least $900. But when I asked for a check to reimburse me, the adjuster inquired if I had read the fine print in my policy which specifically exempted the insurance company from all such losses! But this was not all. I also suffered the loss of 50 feet of concrete wall eight feet high attached to my house. Surely, I expected to reimbursed for rebuilding this wall; but for the third time the adjuster asked: "Have you read all the fine print?" Upon doing so I found that the fine print on the policy held the insurance company absolutely exempt from responsibility for damages involving the destruction of any walls!

Insurance Companies Not to Blame

It is not the fault of the insurance companies if you and I fail to read "the fine print." Furthermore, if all of these exceptions were not specifically spelled out, the premium which I paid would have had to be much higher. It is the old story: "We cannot have our cake and eat it, too." When buying insurance, or real estate, or anything else, we cannot beat the basic laws of mathematics.

The same general principle applies to buying stocks. Insurance companies make money by selling umbrellas when the sun is shining. But brokers make money by selling stocks today when everyone wants them. The careful investor will not be fooled by popular demand, which is usually wrong. Write on the cover of your check book: " 'Come into my parlor,' said the spider to the fly."

What About Insurance Stocks?

As most people are stupid and usually do the wrong thing at the wrong time and never read the fine print, I have decided to invest more money in insurance stocks: life, fire, accident, and casualty. In fact, over the past 50 years the life insurance stocks have done more for investors than any other class of stocks.

All insurance companies are slow in getting started; they cannot pay dividends during their early years. They must use their profits for establishing reserves. Insurance companies are carefully supervised by state authorities. Yet, everyone is working to help them make money. This includes the doctors, the druggists, the legislators, the fire departments, and the schools. In fact, even President Kennedy with his work to help the aged is prolonging life, which greatly helps all life insurance companies. Hence, instead of worrying about "the fine print," I am going to go home to Massachusetts and buy more insurance stocks!

Landon Cabell Wins Rauscher Cup

At the annual golf tournament held at the famous Champion's Golf Course in Houston on Friday, April 14, as part of the spring meeting of the Texas Group, Investment Bankers Association of America, Landon Cabell, who represents Televison Shares Management Corp. in Dallas, reported the low gross score for the day of 77, and gained possession for the next year of the Rauscher-Pierce Cup.

Bill Doherty, President of the Texas Fund Management Company in Houston, had the second low gross.

Gene Owen, of Rauscher, Pierce & Co., Inc., Houston, received the prize for the lowest net score, and John X. Kennedy, of White, Weld & Co., Chicago, was runner-up.

Named Directors

Morris Natelson, a partner of Lehman Brothers, and Fred M. Naber, Senior Vice-President of Continental Illinois National Bank and Trust Company of Chicago, Ill., have been elected to the Board of Directors of Maryland Cup Corporation, it was announced by Arthur H. Shapiro, President of the corporation.

Two With Calif. Investors

SAN DIEGO, Calif. — Charles R. Harris and William Livingston have become connected with California Investors, 1956 Fifth Ave.

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

War in Algeria; France threatened; war in Laos, war in Cuba? Mr. Kennedy has been subjected to a tremendous pressure and it is for him now to show his mettle. Up to now he has enjoyed a tremendous popularity. News out of the White House has concerned his frequent messages to Congress on his domestic program and occasional glimpses of Jackie and Caroline. But the prospects are that he is in for one crisis after another during the rest of his Administration.

The prospects are that the situation is bound to get worse before it gets better. This is an age of violence.

At Saturday morning's meeting of the National Security Council, a sadder but wiser President Kennedy was discussing yet another facet of the problem: what to do about the Communist Viet Nam infiltration into South Viet Nam.

The Viet Nam, he said does not have the advantage of New York *Times* reporting how many people it is sending to assassinate officials of South Viet Nam.

He had in mind the pre-invasion stories in the American press about the Cuban fiasco. What has come out of the Cuban affair has been a determination to meet the Communist para-military tactics of guerrilla warfare, infiltration, sabotage and so on. General Maxwell Taylor is now trying to figure out how to do it.

Historically, such an undeclared warfare has been hostile to the concept of democracy. But more and more we are being forced to fight the Communists on their own terms. One can surely raise the question of how far it is possible to go without destroying many aspects of democracy itself.

Reluctantly, the government in the days of Franklin D. Roosevelt went into the propaganda business. The war drove it into the cloak and dagger business, formalized in Harry Truman's years under the Central Intelligence Agency. The evidence of the Cuban mess is that the CIA has gotten out of hand, despite some earlier notable triumphs.

The public attitude in the United States is rather schizophrenic: most Americans are ready to punch a Communist in the nose but they don't want to go to war to do it, and they are uneasy about the dirty kind of business involved in para-military operations.

The President has refused to say on his own how the Cuban venture was handled but he has let most of the story be told by indirection. It is being said that Mr. Kennedy does not hold it against CIA's Allen Dulles or Richard Bissell Jr., but there is going to be a hard look at the CIA set-up.

One story from Cuba explaining the lack of an internal uprising said Castro promptly imposed a police state in which people were afraid to move. However, I have read another authoritative report saying that the peasants of Cuba are for Castro. He has given them land and opened the bathing beaches to them.

One way that Mr. Kennedy may start with CIA if it is to operate more successfully is to end CIA speechmaking. Nobody ever heard of the head of British intelligence making a speech.

Mr. Kennedy feels that the American public does not realize the kind of an undeclared war we are in today, but maybe the public understands more than he thinks. The Cuban fiasco is not the end of the world, as bad as it was, and it might even be worthwhile if it produced some awareness in Latin America of what Fidelismo means beyond social reforms. The evidence now is that if we take action against Cuba we will have not more than two or three Latin American nations with us.

Mr. Kennedy has tried hard to give the Cuban affair a bipartisan cover. It has been made known, although the fact was fairly widely known, that an invasion of Cuba had been cooked up by the CIA during the Eisenhower Administration. The former President felt as frustrated about the fiasco of the Cuban venture as this one.

One thing that is deterring the President in any overt Cuban action were the stories during the campaign that there had been a war in every Democratic Administration of the last three. He has conferred with former President Eisenhower, Vice President Nixon and Governor Rockefeller and the Republican leaders. They have all given him their 100% support.

Toolan V.-P. of Wainwright And Ramsey

Robert E. Toolan has been elected a Vice-President of Wainwright & Ramsey Inc., 70 Pine Street, New York City, it was announced by

Robert E. Toolan — Henry H. Fogelquist

J. B. Ramsey, President of the municipal financial consultant organization.

Formerly director of research, Mr. Toolan has been associated with the company since 1952. He had previously been with the Guaranty Trust Co. and with Eldredge & Co. Incorporated.

Henry H. Fogelquist has been elected Treasurer of Wainwright & Ramsey. He is a member of the American Institute of Certified Public Accountants, and the New York State Society of Certified Public Accountants. Mr Fogelquist was formerly with the accounting firm of Bayer, Clauson, Swanson & Co.

Walter R. Bailey With Reynolds in Boston

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Walter R. Bailey has become associated with Reynolds & Co., 125 High Street. Mr. Bailey, who has been in the investment business in Boston for many years, was formerly with Josephthal & Co.

Forms Blumenthal Co.

LOS ANGELES, Calif.—Morris M. Blumenthal is engaging in a securities business from offices at 215 West Seventh Street under the firm name of Blumenthal Company.

New British Policies Will Long Be Remembered

By Paul Einzig

Dr. Einzig directs attention to two unique departures in Britain's April 17th budget for 1961-62. He is most pleased at the blow struck against income equalitarianism, and open-minded as to whether the innovation in surtaxes to regulate spending power and encourage labor-saving investment will work better than monetary and credit controls.

LONDON, England—The British budget of 1961 will long be remembered for two reasons. The one is that, for the first time since the Conservative Party returned to office 10 years ago, a Conservative Chancellor of the Exchequer had the courage of his conviction to strike a blow against the emotional egalitarianism that has gradually strangled Britain's economy ever since the war. The other is that an entirely new device by which the volume of consumer spending power is to be regulated has been announced.

Mr. Selwyn Lloyd gained immense popularity in the Conservative Party by raisinig substantially the limit above which earned incomes become subject to surtax. At present that limit is £2,000, the purchasing power of which is about equal to a prewar income of £600. To impose penal rates of taxation from such a low level of incomes constituted a grave disincentive to British scientists, technologists, business executives and professional people of every kind. Many young university graduates emigrated because they saw no point in building up their careers in a country which gives such a harsh treatment to anyone who is slightly above the average. Businessmen were increasingly disinclined to pursue additional risks, or assume additional responsibilities, for the sake of additional salaries, seeing that the bulk of the surplus was confiscated.

Courageous Move on Income Taxes

None of Mr. Lloyd's predecessors among the Conservative Chancellors of the Exchequer in office between 1951 and 1961 had the courage to defy the creed of envy and spite that imposed this short-sighted system on the country. So Mr. Lloyd is to be forgiven, and has been undoubtedly forgiven, for many shortcomings of his first budget on account of having taken his courage in both hands in dealing with this matter. It is true he made this concession with deferred effect and will finance it out of an increase of the profits tax paid by corporations. Since that increase means a reduction of dividends the net result of the change will be a transfer of taxation burden from earned to unearned incomes. Even so, the decision is deservedly popular not only among the higher income groups directly affected but among everybody who realizes the deadening effect of dogmatic equalitarianism on economic progress.

Needless to say, the Socialist Opposition is putting up a vigorous fight against this reversal of the trend towards egalitarianism. In practice, in doing so it is unwittingly fighting the battle of those with unearned incomes against those with earned incomes. This may appear to be a strange role for a Socialist Party to play. Actually it is in keeping with that attitude by which the Socialists have always been in favor of tax-free gains through football pools and other gambling devices. They have the utmost goodwill towards those who have won anything up to £250,000, without doing anything of the least social utility, by filling in silly football pool coupons, but they would no doubt denounce anyone who dares to earn a similar amount as a result of inventing or producing a medicine that would cure cancer as a profiteering blackguard.

New Consumer Spending Control

The new monetary policy device announced by Mr. Lloyd consists of receiving authority from Parliament to apply a special surcharge or a special rebate to Customs and Excise duties including purchase tax up to a limit of 10% either way, and to impose a special surcharge on the employers' contributions to National Insurance. Between them, these two surcharges could neutralize some £400 million of spending power per annum. Since the first mentioned surcharge operates both ways the new measure also enables the Government in case of recessions to release by administrative action some £200 million spending power in a fiscal year. One of the advantages of this device is that it can be applied at any time during the year, so that there is no need to await the next budget before the Government can take fiscal action to stimulate or damp down business activity.

This device certainly constitutes an innovation in the sphere of monetary policy. Unfortunately there is reason to suspect that it is not the Government's intention to apply it in addition to Bank Rate and credit squeeze, but largely in substitution of that device. The Government appears to have lost faith in the beneficial effects of conventional monetary action. It seems probable that on the occasion of the next sterling crisis the maximum permissible surcharge will be applied instead of raising the Bank Rate to crisis level as in 1957. Admittedly, this change is not without advantages in that its fiscal effects are bound to inspire confidence. A higher Bank Rate means an increase of the budgetary deficit as a result of the higher cost of Treasury borrowing. It also means an increase in invisible imports represented by the interest paid on Treasury bills held abroad. On the other hand, the yield of the surcharge will strengthen the revenue side of the budget and will reduce the deficit.

Notes Moderate Limits

Even so, the innovation is open to grave doubts. It introduces a new element of uncertainty which increases the difficulties for industry and commerce to plan their operations. It was bad enough for business firms having to be in a state of jitters for a month or two before the annual budget, for fear of changes that might cause a fall in the value of their stocks or that might discourage demand for their goods. It will be a great deal worse to be in perpetual jitters, aggravated from time to time by rumors of an impending application of the new device. However, since the extreme limit of its application is moderate the harm that is likely to be done in this respect appears to be moderate.

One of the Government's objects in imposing a surcharge on the employer's share of the National Insurance contributions is to counteract the tendency on the part of industrial firms to "hoard" labor by abstaining from releasing redundant hands. This end is not likely to be attained, however. During the recent recession in the automobile industry various firms were prepared to pay £15 per week and more to many thousands of workers who were not needed, in preference to dismissing them and risking being unable to secure adequate labor after the end of the recession. It does not seem to be common sense to suppose that an extra cost of four shillings per week per employee would prove to be the last straw that would induce employers to change their attitude. In any case, they would encounter the utmost resistance to redundancy dismissals on the part of the trade unions. The only effect of the tax on payrolls will be a reduction of surpluses available for dividends. To that extent it would, of course, tend to be disinflationary, though it must be borne in mind that a curtailment of dividends is not nearly as disinflationary as a curtailment of the wage bill.

First Cleveland Names Officers

CLEVELAND, Ohio—E. A. Legros, President of The First Cleveland Corporation, National City East Sixth Building, members of the Midwest Stock Exchange, announced a number of changes in the company's official family. Richard N. Kapp, Cleveland, Edmund A. Orrell, Canton, and Robert E. Bulkley, Youngstown, were elected Vice-Presidents. Clarence F. Davis was advanced from Vice-President to Executive Vice-President. Richard W. Cook continued as Secretary and assumed the duties of Treasurer, a position formerly held by Mr. Kapp. Martin J. Long and Edgar E. Legros were re-elected Vice-Presidents.

Frank C. Gee, a founder of the company and Chairman of the Board since 1944, has retired and this position has not been filled.

Other new appointments included those of E. Z. Perna as Manager of the Investment Department and William C. Porz, Jr. as Assistant Manager of the Trading Department.

The First Cleveland Corporation founded in Cleveland in 1935, now has representatives in Toledo, Findlay, Sandusky, Columbus, Canton and Youngstown.

California Investors Add

LOS ANGELES, Calif. — Arthur L. Logan has been added to the staff of California Investors, 3932 Wilshire Boulevard, members of the Pacific Coast Stock Exchange.

In Securities Business

Inv-For-Women Inc. has been formed with offices at 370 Seventh Avenue, New York City, to engage in a securities business. Samuel Beitler is a principal of the firm.

Economic Policies and Goals Of Kennedy Administration

By Hon. Douglas Dillon,* *Secretary of the Treasury*

Doubt is expressed that substantial increases in interest rates as characterized the 1958-59 period are likely to recur this time in Mr. Dillon's review of fiscal, monetary, and budgetary thinking. The Secretary foresees a $2 billion deficit in the current fiscal year and $3 billion for 1962, and expects Pres. Kennedy's tax incentive plan will lead to plant-equipment spending increases of $2 to $3 billion a year and should speed recovery. As for the proposed dropping of the 4% dividend tax credit and related $50 exemption, Mr. Dillon asserts it favors the higher income tax brackets more

I think one can fairly say that there is a substantial concensus in our country today on national economic goals:

Douglas Dillon

(1) We want a steadily expanding economy, based upon a strengthened system of free enterprise.

(2) We want a rate of growth sufficient to give us an ever-rising standard of living and to provide jobs for all.

(3) We want to assure the education of our youth and the health and security of those who are growing old.

(4) We want an economy that can adequately provide for our national defense and furnish our fair share of the development needs of less fortunate peoples in Africa, Asia and Latin America.

(5) We want to accomplish all of this in an atmosphere of relative price stability.

Inevitably there will be differences among us over the means we should employ to achieve our objectives. But we must not permit such differences to obscure our basic agreement. We must recognize that unless all elements in our society work together, we cannot mobilize the massive effort required of our nation in meeting the challenge of the Sixties.

Before considering the fiscal and monetary policies we should follow to achieve our objectives, let us look briefly at ourselves as we are today:

Secret Not Mastered Yet

We are a people who have built what is clearly the strongest and most advanced economy on earth. But, as recent experience demonstrates, we have not mastered the art of keeping our economy operating at the highest sustainable levels.

The recession from which we are now beginning to emerge has been relatively mild. For example, in terms of constant dollars which allow for inflation, Gross National Product is now only two point two percent below last year's peak, compared with a decline of four point seven percent in the 1958 recession. Personal income and industrial production have also fallen less than in previous postwar recessions.

However, before we take too much satisfaction from these figures, let us remember that they are relative. The absolute figures tell a far different story: Current unemployment, with six point nine percent of our labor force out of work, approaches the worst days of the '58 setback. A record number of our cities are classified as areas of substantial unemployment.

Why, in view of the relative mildness of the recession, do we have five and a half million people unemployed?

The answer is clear: We have not been producing at our full capacity for some years. Even last year, at the point of highest production in our history, our economy was operating well below its potential and we still have 5% of our labor force unemployed. We can and must do better in the future. Meanwhile, until we find ways to improve the overall performance of our economy, the extent of current unemployment demands prompt and forthright action by the Federal Government. President Kennedy has, therefore, taken a number of steps to speed recovery.

Steps Taken to Speed Recovery

(1) The annual veterans' dividend of $250,000,000, ordinarily paid out over the course of a year, was paid in full during March.

(2) Tax refunds were speeded up and we are now $500,000,000 ahead of last year's pace.

(3) Government programs have been expedited by the prompt obligation of available funds.

(4) Most important, a temporary unemployment compensation bill has been enacted.

These actions, together with increased defense spending that got underway last Fall and reduced revenues stemming from the recession, have created a budgetary deficit of about $2 billion in the current fiscal year. Such a deficit is not a cause for alarm in times like these. On the contrary, it is a stimulus to recovery that can, and should, be readily offset by surpluses as prosperity returns.

Another deficit is in prospect for fiscal '62: one of about $3 billion. This, too, will be entirely appropriate. The economy will require the stimulating effect of a modest deficit in the coming fiscal year if it is to move forward at an adequate pace.

The innate strength of our economy, the increase in government outlays which I have mentioned, and the automatic action of the so-called built-in budgetary stabilizers, are apparently putting an end to the current recession. Looking backward we may well find that the turning point was reached early in March. But, unless we act energetically, recovery is likely to be sluggish, just as the decline was gradual and slow.

No matter what the pace of our recovery from the recession, there are major problems confronting us which must be solved if we are to realize our full economic potential. We must find ways first to achieve and then to maintain production at full capacity. We must ensure employment for our steadily growing labor force. At the same time, we must preserve reasonable price stability.

If we balance these goals against our accomplishments, I think it obvious that new and forward looking governmental action is called for.

Excessive Federal spending is clearly undesirable. But our minimum national needs must be met. Let me cite those which merit highest priority:

Priorities

First, after careful reexamination, the President has concluded that we must increase our defense expenditures in the coming fiscal year by 1½%, or about $650 million. Surely, no one can logically question our need or our capacity to spend whatever is required for our Nation's security.

Second, we are confronted by a shameful lag in education. More education will, of course, assure the flowering of our national culture. But, beyond this, we must recognize that education today lies at the very root of a nation's power and well-being. Without adequate education, we cannot hope to achieve the economic growth we desire. Our shortcomings in providing our citizens with education according to their needs and capacities is a blight upon our future. The problem has grown so large that an additional Federal contribution is clearly and urgently required.

Third, we must supply the ever-growing needs of our municipalities: slum clearance, improved transportation, modern sewage facilities, and increased water supply. These needs are placing an unbearable burden upon our larger cities.

We can and we must fulfill these needs. Fortunately, if our economy operates at full capacity, our present tax system can yield a surplus of several billion dollars. Our problem is not, therefore, how to raise additional revenues but to get our economy operating at higher levels. Moreover, in setting tax policy, our most difficult task is not obtaining more revenue but strengthening and modernizing our whole tax system so as to stimulate growth and improve equity. One of our major objectives is thorough-going tax reform. An extensive review is now under way and we expect to present concrete recommendations to the Congress next January.

Tax Reform

In the meantime, there is one important tax reform that cannot wait: This is legislation to spur the modernization of our plant and equipment. It is an unpleasant fact that our plant equipment is growing older year by year. By contrast, thanks to more liberal investment incentives than are available under our laws, Western Europe and Japan are modernizing at a much faster rate. We must step up our rate of modernization if we are to maintain our nation's competitive position. The installation of new and more efficient equipment is of prime importance in enabling us to meet foreign competition in the drive for export markets which are so essential to improving our balance of payments.

Since the installation of modern equipment means that labor can produce more, we must recognize that it may complicate the problem of unemployment. However, modernization will also increase jobs in the capital goods industries. Indeed, we estimate that the tax incentive President Kennedy has recommended should lead to an increase of from $2 to $3 billion a year in expenditures for plant and equipment. Some 250,000 new jobs would be required to provide this equipment. In addition, at least as many more people would find employment as an indirect result of these expenditures. Although major benefits to economic growth will accrue over the longer run, it is also clear that this tax incentive will have a substantial effect in speeding our recovery from recession. And, as our economy speeds up, increased consumer and business demand will expand the variety and volume of goods produced, thus creating new jobs to replace those eliminated by increased productivity. This is the way of future progress.

The legislation the President has requested is carefully designed to promote increased spending for modernization and expansion. Its enactment is necessary to speed full recovery and promote rapid growth thereafter. Initially, it will result in some loss of revenue. To compensate for this loss, he is asking that a number of serious tax defects be corrected:

Correcting Tax Defects

First, expense accounts — an area where abuse has virtually become a national scandal. Tighter enforcement of the present law is not an adequate solution, for it would put an unacceptably heavy discretionary burden upon Government tax auditors. What is needed is a new and stricter legislative definition of allowable deductions. This is what we are asking.

Second, we are asking for withholding at the source of interest and dividends. Our best estimate is that about $3 billion of income from interest and dividends goes unreported every year. This situation is clearly unfair to all wage earners and, indeed, to the majority of taxpayers. We are asking that it be corrected by a workable withholding provision that, as in the case of wages, will collect at the source a substantial portion of the tax on interest and dividend income.

Third, we are asking for repeal of the 4% dividend credit. This credit was adopted in 1954 in an attempt to lighten the double taxation of dividend income. But, at only 4%, it has not served its purpose. Furthermore, it gives considerably greater benefit to those in the higher income brackets than to the vast majority of stockholders. This favoritism in the law is unhealthy and should be ended. The related $50 exemption should also be dropped.

Finally, we seek an end to tax provisions that encourage American business operations abroad through the use of tax havens. We also want to withdraw preferential tax treatment for American capital going into industrially advanced countries, for such treatment discriminates against the investment of capital at home. These changes will have a needed and favorable impact upon our basic balance of payments deficit. We are not, however, recommending changes in tax inducements for investment in underdeveloped countries which are an essential part of our overall program to help these countries grow.

I have briefly outlined our overall fiscal and budgetary thinking. I have also referred to some of our plans for the immediate future as regards taxation.

Monetary Policy

Now, let me take up monetary policy. This is a field where we face an entirely new situation brought about by the recently achieved convertibilty of foreign currencies. Convertibility permits owners of liquid funds to shift them freely from one world financial center to another in search of higher interest rates. Therefore, the extremely low short-term interest rates of previous recessions could have dangerous repercussions today. Short-term interest rates much below present levels might well touch off a renewed outflow of dollars that could imperil our balance of payments and the soundness of our dollar.

Nevertheless, we need low long-term rates to stimulate borrowing for modernization, plant expansion, housing construction and the like just as much today as in previous periods of recession. Accordingly, the Administration is attempting to promote lower long-term interest rates without putting downward pressure on present short-term rates. For one thing, the Federal Reserve is now purchasing securities of all maturities, instead of restricting itself to short-term Treasury bills. For another, President Kennedy has taken direct action in the housing credit field which has helped to lower average mortgage rates by more than a quarter of one percent since the turn of the year.

Far more meaningful than interest rates, however, is the quantity of funds flowing into investments. Here, we see evidence of improvement in the mortgage credit area, where, although rates are still on the high side, availability of credit is no longer an inhibiting factor. We also see increasing evidence of growing municipal and corporate borrowing.

Finally, since the budgetary deficits that are presently envisioned are modest and bear no comparison to the deficit of 1959, monetary policy will remain free to act in support of business recovery. Therefore, the substantial increases in interest rates that characterized the 1958-59 period are not likely to recur this time.

Summary

To sum up: our policies — be they budgetary, tax or monetary —should have one overriding goal: the promotion of a healthy rate of economic growth within a reasonable atmosphere of economic stability. We must meet the needs of the day in the fields of defense, education, housing, highway construction, urban development, and other essentials. Fortunately, we are in a position to meet them—this year, and the next, and in the long run — without undue strain on our economy.

We must overhaul our tax system to provide greater fairness and incentives for efficiency and growth, beginning with an investment incentive this year, and following with a basic overhaul next year.

We must maintain an interest rate structure conducive to the steady flow of funds into investment.

To achieve all these things will not be easy. But with determination and perserverance we should be able to attain our goals. In the process, we can look forward to a period of growth and prosperity during the Sixties such as this Nation has never known.

*An address by Secretary Dillon at the annual meeting of the American Society of Newspaper Editors, Washington, D. C., April 21, 1961.

Forms Kenneth Lloyd Co.

Kenneth Lloyd Co. is engaging in a securities business from offices at 15 Park Row, New York City. Kenneth Zeleznik is a principal of the firm.

H. R. Penzell Opens

MIAMI BEACH, Fla. — H. Roy Penzell is conducting a securities business from offices at 407 Lincoln Road under the firm name of Penzell & Co.

Two With Calif. Investors

LOS ANGELES, Calif. — Howard L. Abelovitz and Harold B. Wright have become associated with California Investors, 3932 Wilshire Boulevard, members of the Pacific Coast Stock Exchange. Mr. Wright was formerly with Keon & Co.

Nichibei Securities

(Special to The Financial Chronicle)

LOS ANGELES, Calif. — Nichibei Securities Corporation of Los Angeles is engaging in an investment business from offices at 313½ East First Street. Officers are Shigeru Ozawa, President; Kazuo Ozawa, Vice-President; & Takazi Ozawa, Secretary and Treasurer.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Arkansas Louisiana Gas Company

Arkansas Louisiana Gas, formerly in the Cities Service System, has been controlled by W. R. Stevens and affiliated interests for some years. Mr. Stevens, as Chairman and President, has pursued an aggressive policy of diversifying the company's activities into non-regulated fields. These non-utility operations, conducted through wholly-owned subsidiaries, include the recovery of natural gasoline and other derivatives; production of industrial chemicals; retail marketing of petroleum products; manufacture of gas air conditioners, gas heaters, gas regulators and control devices, gas lights, etc.; fibre glass boats; horse drawn buggies, harness, and period furniture; cement; construction of pipeline and distribution systems; and the financing and sales promotion of gas-fired equipment and appliances. In 1960 revenues were obtained as follows:

	Revenue	Percent
Natural Gas:		
Industrial	$35,000,000	31%
Residential	23,000,000	20
Other	15,000,000	13
Total	$73,000,000	64%
Gas Air Conditioning	15,000,000	13
Chemicals, etc.	14,000,000	12
Cement	5,000,000	5
Other Activities	7,000,000	6
	$114,000,000	100%

The company last August acquired Consolidated Gas Utilities, serving cities in Oklahoma and Texas. Natural gas utility service is now provided for a population of about 1,700,000 in Arkansas, northern Louisiana and east Texas, Oklahoma and Kansas. Among the principal cities served are Shreveport, Little Rock, El Dorado, Texarkana and Wichita. At the end of 1960 there were no hearings or litigation pending on matters pertaining to the company's retail rates.

Industrial sales are important, including a large boiler fuel load for electric power plants. During 1960 the revision of contracts by the company with its heavy industrial customers was completed. Each of these was replaced by a 15-year contract with periodic escalations, providing long-term stability for this significant gas load.

A new 18-inch gas transmission line spanning half the State of Arkansas from near Malvern to Helena was constructed in 1960 by Arkansas Industrial Pipeline Corporation, a wholly-owned subsidiary. The line traverses a rich farm area not served by any other major pipeline. At its terminus on the Mississippi River is the largest single gas-consuming installation on the system—a generating plant utilizing up to 75 million cubic feet daily.

In 1960 the company negotiated purchase contracts covering over 300 billion cubic feet of gas. Purchase contracts are now in effect with more than 900 suppliers in five states. The Exploration and Production Division program reached a new high, adding materially to the reserves of gas, oil and natural gas liquids. The system produced about one-fifth of its gas requirements in 1960.

Over $21 million was invested in various construction and expansion programs during 1960, of which more than three-fourths went into activities related to improving and maintaining gas resources and gas service. Funds to finance the 1960 program were obtained from a net increase of $6,802,000 in bank loans, and the balance by investment of retained earnings.

Important advances were made in the non-regulated divisions last year. In its second full year of operation, Arkansas Cement Corp. continued to receive excellent customer acceptance for Foreman Cement, and the number of customers who bought regular types of cement increased 35% over 1959. Plans to double the annual capacity of the Foreman plant, at an estimated cost of $7.5 million, were announced early in 1961.

Sales by Reynolds Gas Regulator Company increased 3% in its second full year of operation as a subsidiary of Arkla, and it is anticipated that 1961 will prove one of the best years in its 68-year history. With occupation of its new plant late in 1959, Razorback Fiberglass Corp. enjoyed a 200% increase in sales revenue during 1960. Three new models of fiberglass sports boats were added to the four previously produced, and a new and expanded wholesale finance plan was introduced.

The company attributes the continuing increase in residential gas usage to aggressive promotion and sale of gas-burning appliances, especially year-round air conditioning and "Gaslites" (of which there are now some 54,000). A total of 6,281 tons of gas air conditioning was added to the system during 1960, bringing installed capacity to 27,910 tons, and further gains are anticipated.

Regarding the Arkla air-conditioning manufacturing division, quantity production began last year on the new 25-ton direct fired Heater-Chiller (considered a "major breakthrough" in year-round air-conditioning) and the 3½-ton Sun Valley Remote. In 1961 production will begin on the new 4.3-ton and 6-ton Sun Valleys, a new 4.3 ton Sun Valley Remote, and a 4.3-ton Sun Valley cooling only add-on unit. Continued research is expected to result late in 1961 of a 5-ton Sun Valley Remote.

During the past decade System revenues have increased from $40 million to $114 million, reflecting not only growth of the natural gas business, but also the entrance into non-regulated fields. During the years 1954-1959 share earnings increased steadily, after adjustment for split-ups and stock dividends, from 22 cents to $1.71 (adjusted to reflect the merger of Consolidated Natural Gas), reflecting an average annual compounded rate of gain of over 50%. However, 1960 was a year of consolidation (as had been indicated earlier in the year) and share earnings slipped back to $1.61. A substantial gain in earnings appears likely in 1961, however—possibly to around the $2 level, according to Street forecasts.

The stock has been selling recently on the American Stock Exchange around 44. The current dividend rate is $1.

R. C. Gordon Opens

(Special to The Financial Chronicle)

SAN DIEGO, Calif. — Robert C. Gordon is engaging in a securities business from offices at 5325 Grant Street.

Form Peter Herbert Co.

Peter Herbert & Co., Inc. has been formed with offices at 150 Broadway, New York City, to engage in a securities business. Officers are David Hein, President and Treasurer, and Joseph H. Hein, Secretary.

New du Pont Branch

MIAMI BEACH, Fla.—Francis I. du Pont & Co. has opened a branch office at 414 Seventy-first Street under the management of Charles T. Cubellis.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

It is expected that the Treasury will make public today the way in which the May 15 maturities will be provided for. It is taken for granted that the refunding issue or issues will be of short maturity. This would be in line with the current policy of the monetary authorities of having short-term rates high enough to keep the readily transferable funds from going abroad, while at the same time long-term rates will be maintained at levels that will make it attractive for corporations to offer their securities to the public.

There is no question but what the money and capital markets are in good shape and there would be a larger demand for all fixed income bearing issues, including Governments, were it not for the very large purchases that are being made of common stocks. Fear of inflation and the boom psychology still detract from the bond market.

Refunding on a Cash Basis

The Treasury is going to use the "cash" refunding method in taking care of the May 15 maturities. According to the announcement, which was made last week, the $7.8 billion of certificates coming due will be handled by a public offering of an issue or issues in which the owners of the maturing obligations will not receive preferential treatment.

In other words, the Treasury will pay off the $3.7 billion of the 4⅜% certificates and $4.1 billion of the 3⅝% certificates in cash. There will not be any rights accruing to the holders of the issues.

The $7.8 billion of certificates in question are held by the public in the amount of about $4.8 billion, with the rest of these obligations being owned by the Federal Reserve Banks and Government agency accounts.

As previously indicated, it is the opinion of most money market specialists that the May refunding issue or issues will be in the near-term sector of the Government market. This would be in keeping with the existing monetary policy of the Administration, that is to have the short-term area of the market well enough supplied with securities so that these rates will tend to remain relatively stable, or to advance or decline within very narrow limits. The purpose of such an operation in the near-term end of the money market is to make these rates attractive to those who have quick moving funds, while at the same time they will not be out of line with the whole general pattern of rates. The longer end of the Government market will not be having any competition from the Treasury, whether it be for refunding or new money raising purposes.

Treasury Market Stable

The tone in the intermediate and long-term areas of the Government market has been on the constructive side and this is attributed to, not only some aid from the monetary authorities in form of selected purchases of issues in these classifications, but also to what is termed a developing interest from the public as a whole. It is evident that institutions are making commitments in certain of the middle-term obligations since the yield that is available in these securities is attractive to them.

On the other hand, modest purchases continue to be made in Government bonds by public funds, with reports again showing that the long-term 3½s are the leading issues with these buyers.

Trading in Intermediates

Even though the trading fraternity is not doing too much yet in the intermediate term Governments, there are reports that some of these bonds are being positioned by dealers. In addition, there are traders who have been and still are moving in and out of these issues on what is being termed a profitable basis.

The longer-term bonds have not been taken into positions to any extent yet, because there are more attractive non-Federal obligations.

Dillon on Interest Rates

Recent remarks by Treasury Secretary Dillon that low interest rates on long-term bonds will be needed for some period of time probably will mean that the capital market will continue to be favorable enough to be getting more offerings of bonds from companies who are interested in making improvement in their operations. The cutting of costs will make them more competitive and thus help the unemployment picture.

Goodbody Co. to Admit Edw. Larkin

Edward J. Larkin on May 1 will become a Partner in Goodbody & Co., 2 Broadway, New York City, members of the New York Stock Exchange and other leading Exchanges. Mr. Larkin is the son of Thomas A. Larkin, Partner in the firm and Manager of the syndicate department.

On May 1 also Werner Lehnberg and Frederick J. Millett will become partners.

F. P. Weber With Troster, Singer

Frederick Palmer Weber has become associated with Troster, Singer & Co., 74 Trinity Place, New York City, as Director of research.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

"For Whom Will the Bell Toll?"

Mr. Keith Funston, President of the New York Stock Exchange, recently urged investors to be cautious, and he expressed apprehension that the surge in trading was attracting uninformed investors to purchase stocks they knew little or nothing about. It well behooves the President of the nation's largest stock exchange to sound such warnings. Other practical suggestions from leaders in the investment banking and brokerage business might also be timely. As it looks to some of us who have been around since 1925 or longer, there have been other "ups" and "downs" in markets and in each instance some of these past speculative orgies looked a great deal like the one we have right now. Today we don't have 10% margins — we don't have the boys in the elevators handing out "tips" — but we've got a new crop of folks who seem to have a little more money and the same amount of "greed" and gullibility as any of the sheep who got sheared back in the twenties.

Less Emphasis on Gambling

Today, "Capital Gains" is the polite word that is used to describe profit. In this day and age it must be acquired only after six months and a day has passed to be worth much to most speculators—otherwise Uncle catches the "Rabbit." Every night going home in my car I hear radio programs from some firm blaring away in a stentorian voice, or sometimes excitably, with the market averages, new highs, new lows, volume figures, market leaders, up an eighth, down two, up four, sidewise, and what have you. Is this kind of scuttlebutt designed to bring in the business of investors?

It is the trader that makes the commissions add up for the brokers. The fellow who buys and sells, he pays both times. The account executive (I call him salesman) obtains his salary which is based upon the amount of gross commissions he can push through the till every month. Probably no better way can be found to handle this business. I personally believe that a salesman should work on a commission, or a salary based upon what he produces.

But let us call a spade a spade. When the little fellow hears all this speculative jargon on the radio, when he reads ads recommending stocks for "capital gains," and he hears about all the big money he thinks is being made in Wall Street, he has naturally begins to "itch" for some of that green stuff himself. The security salesman isn't going to tell him to put his dough in a tin can and hide it either, because if he did that fellow would go across the street to some other firm and make his bet. "What's the matter with my business, boy; isn't my money as good as Mr. Goldenrocks'; don't you want me to make a buck; aren't you a pal, keeping all those good deals for your big clients?" Some of us that have been selling stocks for a while have heard this kind of talk, too.

Low Quality New Issues

There are also investment firms that are offering "new issues" today at prices that look a trifle inflated, even if you compare the "gizmos" some of these new companies say they are making with their future, let alone their book, net, and past records.

There are companies that have used good old American names for years, nothing fancy, just plain descriptive names. Then they added the word micro, or schmicro, or electro, or something like that, went public, and "bingo" up went the stock. When people start to gamble and the money is flying around as loose and fancy as it is today, a lot of underwriting firms get into the act. People want the stuff, it sells, the snowball gets bigger.

Says one partner of a conservative firm to the head of an underwriting department, "What's the matter with you, Joe; why didn't you get us into those last three deals. Our salesmen are flooded with orders. We need the merchandise. How do you expect us to compete?" And Joe replies, "Well, we have been kind of snort on our underwritings ourselves these days. You know this business. If we want to get into the other fellow's underwritings, we have to head up a few of our own. You partners had better get busy and dig up some of your old contacts. Maybe that fellow who is making bicycles around the corner might want to try the missile business. Why not have a talk with him?"

Inflationary Thinking

Today we think we are in a period of inflation. Whether we are or not is not the question. What we think, we are! People believe they are going to see more and more government spending, a higher cost of living and a cheaper dollar. They are gambling in stocks because, after all, gambling is contagious. It will be this way until the Federal Government controls the entire economy. Meanwhile, a lot of people will get hurt. It is laudable for Mr. Funston to send out such warnings. I hope sincerely he will continue to do so, but I doubt if he will change the course of history.

As a salesman, why not think of your own self-interest? Try to keep the widows and orphans out of outright speculations. If they won't listen, let them go somewhere else and buy them. Sleep good at night. Do all of the speculative trading you can with the "pros." Don't sell over-priced marginal stocks and think you are offering investments. If they are fast-moving, quick rides, save them for your regular customers, spread them around and give everybody who deserves it a "Thank You" present. Don't stay too long in anything that looks like it is a 90% build-up and 10% water. Sell some tax exempts, value stocks, Mutual Funds, and try and keep a well balanced clientele.

I've seen all this kind of thing before. It doesn't worry me at all. People are people, and given a $290,000,000,000 national debt, and God knows how much state, local and private debt, with more to come, with taxes high and going higher, with labor ready to strike again in a few months for more money and less work, with three pots on every stove except in a few depressed areas (and we'll see that's fixed up with more doles), with $250,000,000 already dumped into Laos—just what do you think we are going to have, Chaos or Schmaos?

P. S.—I read an ad in my local paper the morning I wrote this. It offered 90% loans on homes, 25 years to pay, and it stated, "We are proud to announce our cooperation . . . with the President of the United States and the Federal Home Loan Board." Who said we don't have 10% margins today?

New Stagnation Theory And Our Current Problems

By Dr. Arthur F. Burns*, *John Bates Clark Professor of Economics, Columbia University, and President, National Bureau of Economic Research, New York City*

A vital premise guiding the Council of Economic Advisers' advice to President Kennedy is sharply challenged by former head of the Council. Questioning the Council's arithmetic of comparability of post-World War II cyclical periods, and the bases for constructing unemployment trend and the gap between actual and potential output leads the economists' mentor to conclude that the popular neo-stagnation theory of today is postulated on a fragile inference drawn from the admittedly incomplete expansion of 1958-60. Offering what he believes is a better explanation of the last expansion, Dr. Burns blames the excessive governmental policies of restraint not checked in time and the last protracted steel strike. The economist sees full employment in 15 to 18 months and cautions against courting inflation and a gold crisis by poor timing in government spending; criticizes human welfare programs disguised as recovery measures; presses for a permanent unemployment insurance law; and praises many of the President's anti-recession proposals.

In discussing so large a topic as our current economic policies, one must make a choice. I have decided to concentrate less on the policies themselves than on their theoretical foundations. Policies are always based on some theory. What I shall chiefly try to do, therefore, is to examine the economic theory that underlies the major economic policies of the new Administration.

Dr. Arthur F. Burns

This task has been made relatively easy by the policy statement submitted by the Council of Economic Advisers to the Joint Economic Committee on March 6.

The Council's theory can perhaps be conveyed best by reading a few excerpts. According to the Council, "the American economy today is beset not only with a recession . . . but with persistent slack in production and employment, a slowdown in our rate of growth." Further, according to the Council, "economic recovery in 1961 is far more than a cyclical problem. It is also a problem of chronic slack in the economy—the growing gap between what we can produce and what we do produce . . . Especially since 1955, the gap has shown a distressing upward trend."

States Council's Essential Point

The essential point of this theory is that, quite apart from the recession, there is increasing slack in our economy; there is a growing disparity between actual and potential output in short, America faces a problem of secular stagnation.

The Council informs us that "the problem of unused potential becomes continually more urgent." The gap between actual and potential output has not only been growing but has become very large. The gap is said to have been 32 billion dollars for 1960 as a whole. Using annual rates, the gap is estimated at 40 billion dollars for the fourth quarter of 1960 and at 50 billion dollars for the first quarter of 1961.

But what, it may be asked, is the large and growing gap due to? The basic reason, we are told, is that there has been a retardation of investment. The rate of increase in the stock of capital per worker has been declining. The average age of our stock of equipment has been rising. And there has not only been a retardation of investment in business plant and equipment but public investment has also been inadequate—that is, investment in education, health, research and development of natural resources.

It follows from the Council's analysis that if our actual output is to approximate our potential output, investment in business plant and equipment will need to be substantially increased, and so also will public investment, especially investment in human beings.

Furthermore, if we proceed to increase both private and public investment sufficiently, our economic potential itself will rise more rapidly. According to the Council, the rate of advance that our economy now achieves when it operates at full employment is 3.5% per year. This rate will be higher if investment is carried out on a larger scale.

The theory that I have just sketched bears some resemblance to the Keynes-Hansen theory of secular stagnation, which dominated economic thought during the 1930s and 1940s.

Just as Hansen saw secular stagnation as he looked back in time, so the Council now sees the recent past. And just as Hansen saw secular stagnation as our fate in the future, unless appropriate remedial measures were taken in time, so the Council now sees the future.

Hansen, however, believed that private investment was bound to remain inadequate in view of the disappearance of the frontier, a declining rate of population growth, and a shift from capital-using to capital-saving innovations. Hence, he argued that it will be necessary to rely heavily on rising governmental expenditures if we are to escape a chronic condition of mass unemployment.

The Council is far less pessimistic about the prospects for private enterprise and investment. Not only does the Council argue that larger governmental spending can and will stimulate private investment but the Council also proposes that some of our tax laws be revised in the interest of creating greater incentives for private investment. In other words, the Council seems to view the private economy as a dozing giant who, while not capable of realizing his potential through his own efforts, will come fully to life again and stay alive if the government does its part by spending more and by revising some of the tax laws.

A Gayer Stagnation Theory

Clearly, the Council's stagnation theory is gentler and less pessimistic than Hansen's. Indeed, it must be regarded as a gay and optimistic theory in the light of still older stagnation theories such as Friedrich Engels' or Thorstein Veblen's.

When Engels speculated about the future he saw only the continuance of depression and the eventual breakdown of capitalism. And when Veblen turned to the future, he likewise saw chronic depression from which, to be sure, our people would be occasionally relieved, but only through accidental developments.

The Council's diagnosis of the state of our economy, despite its stagnationist accent, has none of the morbid pessimism of earlier stagnation theories. A theory of secular stagnation such as the Council's therefore need not cause anxiety. Viewed coldly, it merely provides a warning. And the warning may be salutary if there is an empirical basis for the new theory. How substantial, then, is the evidence in its support? Let us turn to this question.

Finds Comparisons Are Not Comparable

One piece of evidence cited by the Council is the progressive decline of business-cycle expansions in the postwar period. The expansion of 1949-53 lasted 45 months. The expansion of 1954-57 lasted 35 months. The expansion of 1958-60 lasted 25 months. In other words, successive upswings have been progressively shorter, and this is a symptom of noncyclical or secular slack.

In judging this evidence, it is necessary to recall that the expansion from 1949 to 1953 was dominated by the Korean War. This expansion might well have been shorter if the war had not lasted so long.

Historically, wartime expansions have always been exceptionally long. Indeed, the expansions of 1861-65, 1914-18, 1938-45, and 1949-53 are the longest business-cycle expansions that we have had.

Since the expansion of 1949-53 is clearly an abnormal case, it is best to put it aside. We are then left with the fact that the most recent business-cycle expansion was shorter than its immediate predecessor. There is nothing remarkable about this fact. Of itself it surely provides little reason to expect or to fear secular stagnation.

Unemployment Trend

The Council cites, however, another piece of evidence—namely, unemployment was approximately 3% at the peak of business in 1953, but about 4% at the business-cycle peak in 1957, and about 5% at the business-cycle peak in 1960. This evidence seems to suggest that successive upswings are becoming weaker.

However, as I've just noted, the peak in 1953 was a wartime peak of activity. We then had an overtime economy. It seems more sensible to regard the 3% unemployment rate of 1953 as an exceptional case than to take it as a yardstick of economic performance.

This is as clear when we look back of 1953 as when we look forward, for the unemployment rate was about 4% at the business-cycle peak of 1948 just as it was 4% at the peak of 1957. Not only that, but the Council itself regards a 4% unemployment rate as signifying a condition of practically full employment.

It is true that the unemployment rate was appreciably higher in 1960 than in 1957. This comparison is entirely valid. But one instance of higher unemployment of itself gives fragile support to the generalization that successive upswings are becoming weaker or to the theory that the gap between actual and potential output has a distressing upward trend.

The Council presents still a third piece of evidence. This takes the form of a direct measurement of the gap between actual and potential output.

Challenges Base Picked for Full Output Trend

Quarterly figures of the gross national product, adjusted for changes in the price level, are taken as a measure of actual output. Potential output is then measured by a curve which starts at the level of the actual output in mid-1955. This curve moves forward in time at an annual rate of increase of 3½%, and it moves similarly back of 1955.

Why, it may be asked, does the curve depicting potential output start in the middle of 1955? The reason is that unemployment was then approximately 4% of the labor force, and the Council regards a 4% unemployment rate as a "reasonable target for full utilization of resources."

And why is this curve of potential output allowed to rise at an annual rate of 3½%? Because, we are told, this rate "represents the rate of advance of gross national product (corrected for price changes) that our economy now achieves when it operates at reasonably full employment."

Once the curves of actual and potential output are drawn, the gap between them is obtained by subtraction. It is this gap which is said to show a distressing upward trend, especially since 1955.

The first and perhaps the most important question raised by this arithmetical exercise is why the curve of potential output is passed through the middle of 1955.

True, the unemployment rate was about 4% in mid-1955 and actual output may therefore be taken as equal to potential output at that time. But the unemployment rate was about 4% also in the second quarter of 1947, in the second quarter of 1957, and in other scattered quarters of the postwar period. Any one of these quarters or dates could have served just as well as mid-1955 for the starting point of the 3½% curve of potential output.

The results, however, would have been very different. As the Council draws the 3½% curve, the gap between actual and potential output in 1960 comes out

Continued on page 36

THE MARKET . . . AND YOU

BY WALLACE STREETE

The amazing thing about the market action this week has been the very snappy recovery from the 12 point selloff that we had on Monday. If there was any question as to the strength behind the market prior to Monday, there would appear to be very little question about it now.

Looking back through the years we can remember that when an important Government official sneezed it was an excuse for a several point reaction. Today, however, in the Loatian situation which threatens the entire Far East, followed by the fiasco of Cuba, and then the threat of Civil War in France, the market has taken an awful lot of bad news in its stride.

Although first quarter earnings that are being reported are generally poor, which indeed was expected, there does seem to be very little question that the recession has reached the bottom. Opinions vary as to how quickly the economy will pick up and how long a boom may result. However, if the market is any indicator we should expect a very rapid recovery.

With the Dow-Jones averages selling just short of 700, just where can they go from here? From the long-term chart of the D-J over the last 10 years one can see the market has covered a spectacular amount of ground. Today there are more stockholders than ever before, and also more shares outstanding. The American public has become aware of the equity share as a speculative medium, but also as an investment medium. It can be also argued that in the early 50's the market was grossly undervalued based on the outlook for the country. Assuming that it was as much as 50% undervalued the rise is not as spectacular as it looks. But whether we will see the Average through the 1000 market in the next year or so, is distinctly another question. The only sure thing is the old bromide that regardless of what the market does, there will be many stocks that will "outperform" the market, both on the upside and the downside.

A Rose Midst the Thorns

During the railroad industry's seemingly permanent despond, Norfolk & Western rolls along as a premier performer of the entire investment scene.

Already having marked up a uniquely successful record during the past two decades, the carrier will gain much additional through its presently proposed expansion projects. These will embrace a merger with the New York Chicago & St. Louis, the acquisition of the Sandusky Line, and the leasing of the Wabash from the Pennsylvania.

If approved by the ICC these plans entailing a more broadly diversified traffic mix and elimination of duplicate facilities, with eventual reduction of the work force and labor costs, should materially broaden the earnings base.

While the stock, in the 98-117 range since Jan. 1, is selling at the highest level in many years, its continuing attractiveness seems to be validated by anticipated post-merger earnings estimated at $12-$14.

Over-the-Counter

Another company that has interesting possibilities is an over-the-counter situation, New Hampshire Ball Bearing. This company at 38 is selling at slightly over 22 times the $1.70 earnings estimate for the current year which ends June 30, and below 20 times the projected earnings for 1962. This company is one of the largest producers of miniature Ball Bearings; a "miniature" bearing being anything under three-eighths-inch in diameter. With the money that will be spent in the next 10 years in science and with the trend towards miniaturization, it would seem to make little difference who has the missile, who has the computer, or who has the instrument; they all will need miniature bearings. The company has only 490,000 shares outstanding, of which more than half are closely held.

The shell home business is booming. Certain-teed Products' Earnings for the first quarter of this year will show a considerable improvement over last year's, but the impact of its shell homes business on earnings will not be felt until the second quarter. This company is also closely held, and, although the shares have already had a most impressive rise, the feeling is that the stock could still be a good long-term investment. Earnings projected for this year run as high as $3.00 a share with a possible $5.00 in 1962. The stock market price is 44.

Stokley-Van Camp would seem to offer some attraction. This is one of the largest producers of canned foods in the country and also supplies a great deal of the country's frozen food. Earnings for the year to end May 31 should be about $2.50, as compared to $1.30 last year. The stock, at 23 is thus selling well below 10 times current earnings, which is extremely cheap when compared to other food stocks. Although the canning business might be called more cyclical than the strictly food business, the difference does not seem sufficient to warrant such a discrepancy in the price-times-earnings ratios.

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

Krams Named By Kay & Co.

HOUSTON, Tex.—Warren Krams was recently appointed Manager of the Mutual Fund & Bank Stock Department of Kay & Company, 2316 South Main, according to Maurice Karkowski, Senior Partner.

Alexisson to Be Walston V.-P.

On May 1 Gustave A. Alexisson will become a Vice-President of Walston & Co., Inc., 74 Wall Street, New York City, members of the New York and Pacific Coast Stock Exchanges. Mr. Alexisson is a partner in Granbery, Marache & Co.

NSTA NOTES

STANY GLEE CLUB

The Glee Club of Security Traders Association of New York has announced that their Seventh Annual Dinner-Dance will be held May 19 at the Waldorf-Astoria Hotel. Cocktails will be served at 7 p.m. in the Basildon Room to be followed by dinner at 8 p.m. in the Jade Room.

Tariff is $30 per couple and reservations may be made with William Sabah, Winslow, Cohu & Stetson, Inc.

BALTIMORE SECURITY TRADERS ASSOCIATION

The Baltimore Security Traders Association will hold their 26th Annual Spring Outing on Friday, May 19, 1961, at the Country Club of Maryland.

David L. Pindell, Lockwood, Peck & Co., is Chairman of the Entertainment Committee.

NASD District Chairmen Named

Chairmen have been elected for some of the district committees of the National Association of Securities Dealers. Those elected so far out of the NASD's 13 districts are:


John D. Berl


Eugene H. Cassell


G. Shelby Friedrichs


Jesse R. Phillips, Jr.


Gerald P. Peters, Jr.


Craig Severance

District No. 1 (Alaska, Idaho, Montana, North Dakota, Oregon, South Dakota and Washington)—William T. Patten, Vice-President, Blyth & Co., Inc., Seattle.

District No. 2 (California, Nevada and Hawaii)—John D. Berl, partner, Sutro & Co., San Francisco.

District No. 3 (Arizona, Colorado, New Mexico, Utah and Wyoming)—Gerald P. Peters, Jr., Peters, Writer & Christensen, Inc., Denver.

District No. 5 (Alabama, Arkansas, Louisiana, Mississippi and a part of Tennessee)—G. Shelby Friedrichs, partner, Howard, Weil, Labouisse, Friedrichs & Co., New Orleans.

District No. 6 (Texas)—Jesse R. Phillips, Jr., partner, A. G. Edwards & Sons, Houston.

District No. 10 (Maryland, North Carolina, Virginia and the District of Columbia)—Eugene H. Cassell of C. F. Cassell & Co., Charlottesville, Va.

District No. 12 (Connecticut, New York and a part of New Jersey)—Craig Severance, partner, F. Eberstadt & Co., New York.

World's Bowling Potential Exceeds That of U.S. Alone

By B. E. Bensinger,* *President, Brunswick Corporation, Chicago, Ill.*

The domestic bowling market is said to beckon as much as a 100% growth in the next five to ten years, and the international market to offer even greater prospects. Mr. Bensinger details reasons for the sport's popularity, permanency and auspicious potentials in order to put an end to rumors that bowling is but a passing fad like miniature golf.

Expansion of the bowling industry in the United States in the past eight to ten years has been one of the most extraordinary phenomena ever witnessed in the leisure time field. This is amply attested by the yearly increase in registered bowlers for the past decade.

B. E. Bensinger

Registered bowlers are those who are members of registered league teams or bowling associations. These are the avid bowling fans—the hard core of men and women and young people who bowl with considerable regularity. The size of the increment grows each year. There are now over five million registered bowlers, really very few in comparison to the total population. This means that everyone else between the ages of 9 and 90 constitute the **potential** market for bowling customers.

An accompanying table portrays graphically the increase in bowling activity.

Women Spark Bowling

The increase in women bowlers **started** long before 1954 when the number of bowling lanes started to swing upward. This development is very important and it reflects the promotional effort to induce women to enter bowling centers, which were then being improved and modernized. The entry of women was a vital force because it gave bowling new stature as a family sport.

Then came the introduction of the automatic pinsetter. This did two things: First, it freed bowling from a rather difficult labor problem involved in the necessity for each establishment to keep a staff of pinboys. Secondly, it introduced the requirement of large capital, which in turn involved managerial capacity, financing, and bank support. It also spurred the modernization of bowling centers.

Add to this the advent of bowling programs on television—where the inviting atmosphere of bowling centers was brought into America's living rooms, creating more interest and dispelling some of the old notions regarding their respectability.

All this took place in a climate of increasing suburbanization, rising per capita and family income, and increased leisure time. These forces combined to produce more modern bowling centers, involving very substantial capital; attracting families and other social groups.

Let's examine for a moment the social aspect. This is the age of "togetherness" and bowling is the only **participant** sport which serves as a force for togetherness for many elements in our society. The church that wants to cement its membership and attract new members organizes a bowling league as the medium of fellowship. A labor union creates strong personal bonds among its members by attaching them to bowling leagues in intra-union and inter-union competition. The factory does likewise to tie employees to the corporate name rather than an outside affiliation. In bowling centers, father and mother can participate in a well-defined sport with their children on weekends. Bowling is the red carpet that leads teen-agers off the streets and into protected and supervised recreation.

I could go on with many more examples of the cohesive function of the modern bowling center.

The social forces at work to build up bowling are at least as important as the promotional activities of the bowling interests. The bowling industry sells its services on the basis of health and recreation, but it offers much more than that to community and church leaders. It is this **plus** in bowling which gives it much of the push that has carried it so far so soon, and will carry it much further over the years ahead.

Denies It Is a Fad

I have gone into this in some detail because whispers have reached my ears that compare bowling to miniature golf and other fads of short duration. None of them had the social significance of bowling. None of them contributed to social life as bowling does. None have stood the acid test of time — over 50 years of growth in popularity. This fact alone is ample evidence that bowling will continue to grow and become an even greater factor in the use of leisure time.

By the end of 1960, there were roughly 5,000,000 registered bowlers. This is a very small portion of the total population. In spite of the enormous percentage of increase in women bowlers, the actual number of women who bowl is also very small. In addition, there are great sections of the country which are not yet educated to the pleasures and the healthful values of bowling.

Let me point out that if we add only 2,000,000 more regular bowlers from the **present** population, we will need a vast increase in the nations bowling plant—many more centers, each one equipped with automatic pinsetters; with modern, comfortable furniture and the collateral facilities such as restaurants, bars, nurseries, meeting rooms, and billiard rooms.

Bear in mind, also, that the population is increasing at a very rapid rate—one every eight seconds, I believe. Perhaps even more significant is the fact that the post-World War II baby boom is just hitting the high schools. These are the teen-agers who begin to take up bowling really seriously. Consequently, I fully anticipate a continued growth trend in the number of bowlers and the demand on bowling facilities.

Minimal Recession Effect

I've also been asked to comment about the effect of the recession on bowling. It is remarkable to us how resilient our industry is to unfavorable business conditions. By and large, we have been affected very mildly, although in some industrial areas fewer people at work has meant fewer bowlers. However, we expect that even these few rough spots will be evened out very soon.

Looking to the immediate future domestically, I'd like to say that we expect at least as much business in the next year or two as we have enjoyed recently. Our backlog of orders currently is very substantially higher than it was a year ago.

In the more distant future, I foresee a very substantial growth in the bowling indutry over the next five to ten years—perhaps to as much as 100% over existing facilities. There will be more bowlers who will bowl more frequently. They will need additional bowling centers, automatic pinsetters, lanes, furniture, etc., and they will demand continuously increasing quantities of the expendable items, such as balls, pins, shoes, and other accessories. And, because even the best machinery wears out in time, somewhere along the line we are going to have to start replacing from 100,000 to 200,000 automatic pinsetters. That alone is a market potential in the order of nearly $2 billion.

International

When we turn our consideration from the domestic scene to the prospect for bowling outside the United States, we face an enormous potential market. The simplest situation exists in Canada. There, bowling is well established, but it is played in many forms. Besides duck and candle pin bowling, Canada has developed its own game of five pin bowling. The ten pin game, which is the one sweeping the United States, is being introduced in Canada and is finding ready acceptance.

Latin America has also demonstrated a large potential, which is not nearly so fully developed as Canada. In Puerto Rico a number of bowling centers have been established and they are doing very well. Mexico is similarly bowling-minded, as proved by the success of a number of centers that have been constructed there.

On the South American continent bowling has been introduced and is going well in Venezuela and other countries. As industrialization proceeds in South America, and their economies improve, which they are bound to do, the market for bowling equipment will increase.

The biggest potential lies in Europe. The Scandinavian countries have had bowling for some time and the automated game is a natural for them. Pilot installations in England have been eminently successful and the Rank Organization, for example, has undertaken a large program for the conversion of movie theatres to bowling centers, as well as the construction of new centers. In addition, other American financial interests are moving into that market with confidence, and with managerial experience from their own domestic operations. An American financial group will open a 14-lane house in Wuppertal, Germany, in May. They plan to install 200 more lanes throughout Western Europe.

Other groups are setting up shop in France and Italy.

Australia also appears to have great potential. There are several big cities there and the Australians are as sports minded as are Americans. Our affiliated Australian company is preparing to develop that market intensively.

We think Japan offers an enormous opportunity for the development of bowling. There are now several bowling centers in Japan. They are doing well. The Japanese are very like Americans when it comes to sports. Our company has joined with Mitsui, one of the largest trading companies in the world, for the manufacture and sale of bowling equipment in Japan. We are most optimistic about our future in that country.

I have presented a brief rundown of market potentials in very broad terms, and I am sure you realize that all of these markets cannot produce profits immediately. But we are sowing seeds around the world. We believe the harvest is not far off.

If the game really "catches on" as preliminary operations indicate—there is one big, significant fact to remember — the potential for bowling in the rest of the free world is far greater than in the U. S. alone.

*From a talk by Mr. Bensinger before the Chicago Investment Analysts, Chicago, Ill.

GROWTH IN SPORTS
Total U. S. Participation

Category	1946	1956	1965 Estimates
Boating	20,000,000	28,000,000	40,000,000
Fishing	13,100,000	20,813,000	30,000,000
Bowling	12,500,000	20,050,000	35,000,000
Hunting	9,990,000	11,784,000	20,000,000
Basketball	9,000,000	11,000,000	18,000,000
Baseball	5,000,000	7,106,000	11,250,000
Softball	4,700,000	6,675,000	10,000,000
Tennis	4,100,000	6,583,000	8,000,000
Golf	4,300,000	5,100,000	10,000,000
Archery	1,700,000	4,600,000	7,000,000
Skiing	1,400,000	2,180,000	4,000,000
Football	1,500,000	1,725,000	3,000,000
Track and Field	675,000	580,000	1,250,000
Wrestling	150,000	170,000	1,000,000

With Hill, Darlington

Joel M. Chetlain, Jay S. Isacoff and Stanley Yagerman, have joined Hill, Darlington & Grimm, members of the New York Stock Exchange and other leading exchanges, as registered representatives. They will be associated with the firm's head office at 2 Broadway, New York.

"Discounting the Hereafter"

By M. Richard Sussman, *Assistant Professor of Finance, The Pennsylvania State University, University Park, Pa.*

Writer attempts to explain the striking advance made in security valuation and the important implications of a particular security price. In directing attention to the phrase "discounting the hereafter," Mr. Sussman wonders whether the investor knows why, at a given level of prices, the stock of a mature company might be a better investment than that of a growing company. The investor, he concludes, should be made aware of the new techniques that make for sounder decisions.

In recent years the techniques of security analysis have been considerably improved and refined. Complex methods for adjusting and analyzing financial statements, as well as new and more efficient economic forecasting techniques have been advanced.

M. Richard Sussman

Perhaps the one area in which the most striking advancements have been made has been that of security valuation and of the implications of a particular security price. Financial literature has been more and more directed toward the final questions of analysis: how much is this stock worth, and what must occur to justify its present price?

Present Value Technique

Many approaches have been adopted in answering these questions, but the most prevalent presently appears to be that of the present value technique. Stated simply, the value of a share of stock is that price for which all future dividends would provide a satisfactory return. It follows, therefore, that the present price of a stock implies a certain sequence and level of future cash dividends. If the necessary sequence and levels of future dividends extend beyond the bounds of reasonableness and normal expectation, the price is not considered justifiable.

For example, consider the following situation: (1) Co. X has recently paid a $1.00 cash dividend; (2) it is expected that this dividend will increase by 10% each year for 10 years, and then remain constant; (3) investors consider 7% to be a generally acceptable rate of return.[1] Given these conditions, $30.49 should be the present market price of one share of X Company stock.

If an investor paid $30.49 for X Company stock and held it indefinitely, his dividends would provide him with an average compounded rate of return of 7%. If the investor held the stock for a few years and then sold it at the appropriate market price which is based on present value, the sum of the dividends which he received, plus the capital gain which he realized would also have provided him with an average compounded rate of return of 7%.

Thus the price of $30.49 was justified by the expectation of a $1 dividend growing at 10% per annum, for a period of ten years, and by the acceptance of a 7% rate of return. Had a different amount been paid, this other price would have implied a different rate of growth, a different period of growth, a different rate of return, or some combination of these determinants.

1 N. Molodovsky, "Valuation of Common Stocks," *The Analysts Journal* (February, 1959) p. 25.

Year	Dividends Growing at 10%	Present Value Factor at 7%	Present Value of Future Dividends	Mkt. Price Based on Present Value
0	$1.00	1.00000	---	$30.49
1	1.10	.93458	$1.03	31.51
2	1.21	.87344	1.06	32.51
3	1.33	.81630	1.09	33.45
4	1.46	.76290	1.11	34.33
5	1.61	.71300	1.15	35.13
6	1.77	.66634	1.18	35.83
7	1.95	.62275	1.21	36.37
8	2.14	.58201	1.25	36.79
9	2.36	.54393	1.28	37.00
10	2.59	.50835	1.32	37.00
			$11.68	
Present value of $2.59 continuing indefinitely from the 10th year ($2.59 ÷ .07 x .50835) =			18.81	
			$30.49	

Warnings on Discounting the Hereafter

The present value approach is certainly not as uncomplicated as the foregoing explanation and example might lead one to believe. Rather, it contains a substantial amount of highly technical procedures and assumptions. It has been with these procedures and assumptions that security analysts have been concerned. Writing in professional journals, and thus primarily to each other, they have advanced the theory, improved its techniques, elaborated and clarified its assumptions, and discussed its implications. Then, with this intensive background of exclusive information they have issued warnings to the general investing public that it is ignoring the bench marks of dividends and earnings; that it is "discounting the hereafter."

Which is the Better Investment?

What does "discounting the hereafter" mean to the general public? Do they understand the full impact of this idea, or do they think of it as a half understandable, half facetious phrase? Do they really understand why, at a given level of prices, the stock of a mature company might be a better investment than that of a growing company?

Protection of the pocketbook may be considered as second in importance only to protection of the person. Yet, why is it that people who will run to a medical doctor for every little ache and pain will not seek professional advice even for the most serious investment problems?

Perhaps one answer is that the public is not aware of the fact that new ideas and developments have been occurring in the investment field as well as in the medical field. Perhaps because "they do not know what they do not know," they feel that they can prescribe the figurative aspirin as well as the professional.

Certainly research and advanced theories should not have to be directed toward the level of the lay public, for to do so would involve a simplification and elaboration that would destroy the effectiveness of the new ideas. However, the public should be made aware of the fact that new ideas and techniques are constantly being developed. New approaches, which in the hands of the competent advisor, will help them make sounder decisions.

Attempts should be made to inform the public about the nature of the new techniques, to help them to understand to whatever degree possible, and to make them aware of what they do not know. Perhaps then, "discounting the hereafter" may no longer be considered as a laughing matter.

Shields & Co. to Admit Purcell

Edward A. Purcell, Jr., a member of the New York Stock Exchange, on May 15 will become a partner in Shields & Company, 44 Wall Street, members of the New York Stock Exchange and other leading exchanges. Mr. Purcell was formerly partner in Purcell & Co.

Ltd. Secs. of Fla.

ORANGE PARK, Fla. — Limited Securities of Florida Inc. has been formed with offices at 1225 U. S. Highway No. 17, to engage in a securities business. Officers are P. C. Armstrong, President; Betty E. Guy, Vice-President; and M. E. Willits, Secretary-Treasurer.

Future for Minerals and Our Dependence Upon Them

By S. G. Lasky,* *Office of Coal Research, Acting Director, U. S. Department of the Interior, Washington, D. C.*

Mr. Lasky clarifies the question whether we are a "have" or "have not" nation. At this time, he points out, we are importing a growing dollar proportion of mineral goods, but, he adds, this does not imply we are undergoing an alarming and an unavoidable basic deterioration of our mineral strength. Implicit in industrialization, the writer submits, is increasing dependence on imports, but whether we do or do not import is said to revolve around such factors as economic motivations, human failure, changes in mineral use patterns, and political decisions here and abroad. The writer supplies indicators helpful in predetermining our future mineral status; offers a case by case analysis of typically known and rare minerals; and foresees a high dependence on non-ferrous metals.

The extent to which the industrial nations of the world supply their own mineral needs from within their own borders is of acute importance to everyone, industrial nation and undeveloped nation alike. The subject is under almost constant debate and discussion.

So far as industrial nations themselves are concerned, their performance or ability in domestically supplying their mineral wants affects their international trade relations, their domestic and international policies in many directions, and their defense in time of war. The nonindustrialized nations are acutely interested because they are the ones who provide the difference between what the industrial nations consume and what they produce.

I am not going to discuss the merits or demerits of mineral self-sufficiency, nor what American policy should be regarding it. My only purpose is to clarify the subject. Because the Bureau of Mines has such complete statistics on the United States, and because these are so convenient, I will use the United States extensively as an example.

The Meaning of Self-Sufficiency

Many writers and speakers discuss self-sufficiency as though it means a nation's physical ability to produce what it uses—its physical ability to get along without imports should it decide to do so. Other writers and speakers discuss the subject in the sense that a nation is self-sufficient only if it has a net exportable surplus.

Both interpretations are at variance with the economic meaning of the term, which is just as technical and just as specific, say, as the term "ore shoot." By definition, "a self-sufficient nation is one that produces all that it consumes." The degree of self-sufficiency in mineral products exhibited by a country is not the country's ability to supply its needs from domestic resources, but its performance in doing so, without regard to the reasons behind the performance.

These reasons are simple enough to list but are complex in their operation. There are three kinds: (1) the nation's inherent resource position, (2) economic forces, and (3) combinations of these two. In no two nations would these reasons operate to the same degree with respect to one another, because no two nations are equally endowed with mineral resources and no two have precisely the same economic atmosphere. By "economic forces" I mean not only the immediate elements of supply and demand, cost and price, but also such technologic and political factors as have an economic impact.

If a country is completely lacking in an item, its ability and its performance are synonymous at zero. With respect to such items, and to those that are present only in small amounts relative to the nation's demand, the resources position is obviously paramount.

At the other extreme are those items that the nation possesses in abundance. When a nation imports part of its supply of any such item it does so for economic reasons; its performance, clearly at variance with its physical ability, reflects the collective response of management, throughout the country, to the relative price of foreign and domestic materials delivered to the factory or other point of consumption. The United States imports potash from time to time, for example, not because the mines in New Mexico and the brine wells in California cannot furnish what is wanted but because potash from Germany and other European countries can be delivered to eastern American chemical markets cheaper than it can be supplied from either of those two states.

Human Failure

Between these extremes of absolute scarcity and absolute abundance, production is controlled by economic forces the free play of which, however, is constrained by the resource position. Toward the scarcity end this constraint is dominant, toward the other end it becomes negligible, but generally the collective decisions, policies, and skills of management tend to constitute the more decisive force.

Good illustrations of this principle are numerous. When the United States became a net importer of copper it was not because of lack of ore in the ground. The reason often quoted is that the higher grades of ore were exhausted, "the cream had been skimmed off," as though this were the unqualified determinant. Such reasoning assumes that the deposits then known were all that existed, yet my fellow geologists would agree unanimously with me that as many mineral deposits, and as rich, remain to be discovered as have been found in the past. Moreover, there remain a great tonnage and a wide range of low-grade material upon which management is challenged to apply its skill. What is lacking is not the natural resource, but in part a human failure to find more ore of good grade to replace that mined out, and in part the economic impulse to develop the technology needed to mine and treat the lower grades of ore that remain.

Measuring Self-Sufficiency

The common way of expressing self-sufficiency is by the ratio of domestic production to consumption for some chosen period, the one dividend by the other, usually expressed as a percentage figure. For example, if 60% of the new copper used by a country is from its own mines, the country is said to be 60% self-sufficient in that metal.

A self-sufficiency ratio of zero normally means that a nation does not contain the metal or mineral. The United States, as a case in point, does not contain known deposits of corundum or cryolite or certain varieties of asbestos. But its self-sufficiency is also zero for quartz crystal, say, which has been found in the United States but in such small quantities as to preclude its production.

A self-sufficency ratio over 100% normally implies a surplus for export.

Where the mineral items themselves constitute the point of issue, the gross self-sufficiency of a nation may be measured on the basis of the number of items used. For instance, if, in a practical sense, a nation is considered to be self-sufficient in an item when it produces 90% or more of its needs, then the United States is currently self-sufficient in two-fifths of the number of metals and minerals it uses. It is totally dependent on imports for an eighth.

Degree of self-sufficiency expressed as a percentage of the number of items has been criticized as "a rubber yardstick," because the number can be increased or decreased by subclassifying or combining, i.e., asbestos, manganese, chromite, fluorspar can each be counted as one item or four. In point of fact, however, these broad ratios stay roughly constant regardless of the length of the list, so long as it includes a balanced assemblage of essential items.

When mineral trade is the point at issue, economists often assess national self-sufficiency by comparing the aggregate dollar value of newly-produced material provided domestically with aggregate dollar value of newly-produced material consumed. According to this comparison the aggregate mineral self-sufficiency of the United States in 1957 was 88%.

A modification of this method uses dollar value but with the price remaining constant at that prevailing during some reference year. The values obtained are thus indices of physical volume. For 1957, self-sufficiency on this basis calculates at 84%.

By this last measure the aggregate mineral self-sufficiency of the United States has stayed constant for all practical purposes at least from 1900 to 1947, the country being a net exporter for that period. In 1947 on balance, it became a net importer, the change coming about through the shift to a net import position in the late 1940's first for iron ore then for petroleum. Oil and iron ore are produced in such large quantities that a shift in their trade position exerts a superior influence in the total trade balance.

For most materials degree of self-sufficiency is an ephemeral state of affairs. Since it is so largely a measure of economic and related circumstances and the result of human decision, it shifts as these circumstances and decisions shift.

The shifting state of affairs is dramatically illustrated by tungsten production in the United States. The United States has traditionally considered itself deficient in this metal. In 1948, to go back only far enough to illustrate the point, the United States produced only 47% of what it used. But in 1950 it produced 60% and by 1955, under the Government premium price, it managed to produce more than three times as much as it used. Production remained above 100% of consumption through 1956, after which it gradually declined until in 1959 the United States was again deficient in production to the extent of nearly 70% of its needs.

Absolute Self-Sufficiency?

Absolute self-sufficiency is economic fiction. No nation produces within its own borders all the mineral raw materials a modern industrial economy requires. Not only does it not do so, it cannot do so, for every nation is completely lacking in something or other.

This is so true that were a nation to determine to become self-sufficient in all items, it would have to create a new technology for itself, one adapted to the set of materials it possesses or can contrive synthetically. Consider for example, what would happen to the energy, transportation, and communication technology of a nation that had to give up copper, or what would happen to the chemical technology of a nation that could not get sulphur.

Nevertheless, a nation can approach absolute self-sufficency to a considerable degree—if it cares to pay the economic cost.

To appreciate this point, run through in your minds the items in which the United States is less than 100% self-sufficient.

The United States has low-grade resources of many of these. For others it could develop substitutes, natural or synthetic. Instead of bauxite it could use clay. It could use fiber-glass and plastics—as it already is doing in part—for asbestos; it could make synthetic mica, and—again as it already is doing in part — industrial diamonds, quartz crystals, and cryolite.

But the cost of utilizing low-grade and poor-quality materials, of creating substitutes where necessary, and of making the necessary adjustments in use technology would be appreciable, to say nothing of the dislocations created by the non-economic utilization of labor and equipment. A self-sufficient manganese supply alone would add a quarter of a billion dollars to the annual raw material bill of the United States; a 50-cent increase per barrel of petroleum would add $1.5 billion.

The net cost of all changes is uncalculable.

More Fact vs. Fiction

Since World War II there has been more and more discussion about the United States having "become a have-not nation." Those who take that position have had the better of the debate, but only because alarm is always more dramatic than confidence. Phrases such as "the United States has to import," or "with few exceptions we are on an import basis," are common.

Actually, there is no measure by which the United States, in an overall fashion, can be designated either "have" or "have-not."

Considering that the United States industrial structure has always used a variety of items that are not indigenous, it cannot be said to "have **become** a have-not nation;" with respect to such items it always has been a "have-not nation" and always must be. And considering that it is self-sufficient or virtually so in about two-fifths of the items it uses—and produces an exportable surplus of two-thirds of these—to say that "with few exceptions we are on an import basis" is preposterous.

The United States for some time has imported significant quantities of copper, lead, and zinc, and in recent years an increasing amount of iron ore, but even so the world's largest producer of copper and iron ore (to say nothing of aluminum and fluorspar), its second largest producer of zinc, its third largest producer of lead, can scarcely be categorized "have-not."

As recently as November 1959, an international mining journal editorially commented that despite the mineral strength just described, the United States "has been obliged to import a growing proportion of her requirements of ores and minerals." If this statement, which represents a common point of view, is meant to imply that in recent years the United States has been importing, as a matter of economic fact, a growing dollar proportion of mineral goods, it is correct. If it is meant to imply an alarming and unavoidable basic deterioration in United States mineral strength that has been going on for a long time, the statement is not correct.

In the past 20 years the United States has crossed the threshold from practical self-sufficiency to net importer in two items: iron ore and petroleum—iron ore about 1945 and crude petroleum in 1949. In the past 40 years it has additionally changed unequivocally from net exporter to net importer in four more: lead (1918), zinc (1934), copper (1939), and silver (1932).

But while these deteriorations were taking place, improvements also were occurring. The copper position has been improving on average since 1945. The country has advanced from severe dependence to self-sufficiency or near self-sufficiency in the rare earths and selenium, and has materially improved its position in flake graphite. Its position in kyanite has been improved by the availability of synthetic mullite, and its position is improving in quartz crystal and industrial diamonds also because of synthetic substitution. Copper, lead, zinc, iron ore and petroleum are key commodities, but because not so much money is spent on others they are not thereby unimportant. In any event, the transition from self-sufficiency to net importer in a half dozen items over a period of 40 years, even though they are important items and even ignoring the offsetting effect of improvement in other items, is hardly enough to breed alarm.

Most importantly, the United States is not "obliged" to be in this position. It is in it as the result of the economic logic of competitive trade, of changes in mineral use patterns, and of the degree to which management has or has not utilized technology to find new ore or to reduce costs, to say nothing of political decisions from time to time both in the United States and abroad.

How to Determine Our Future Status

As the economy of the United States continues to grow this dependence on imports of a number of important minerals is likely to persist. Whether the country becomes increasingly dependent over-all and how fast will be determined by a variety of related factors. Three are paramount. One is the rate at which the demands of the rest of the world will grow for the items that the United States seeks to import. The momentum created by the postwar recovery, by the nationalism flaming across the world, and by the parallel spawning of new nations is incalculable. A second factor is the ability of the mines of the rest of the world to meet those demands yet produce a surplus that can compete with American production. The third prime factor is American policy regarding limitation of imports.

Rate of growth of the American economy patently influences the nation's dependence on mineral imports, but this factor is difficult to set apart for it is reciprocally influenced by the availability of the imports themselves. A fifth factor is the need of the rest of the world for raw materials that the United States can produce in excess.

Endless examples of how these factors may operate could be cited. Recently the United States lost some of its export market for coal as surplus stocks mounted in European coal-producing countries; in due course the situation may reverse itself again. On the other hand the movement toward increasing imports of iron-ore and petroleum seems irreversible. A small to moderate advance in technology could increase relative competitive United States production of these two items, but this almost surely will not happen. The major producers have foreign as well as domestic operations, and their primary concern is to obtain the maximum profit from their total operations, not to make the United States self-sufficient.

Inevitable Dependence on Imports

An ultimate increasing dependence on imports is inevitable in the history of any nation that industrializes. In its agricultural stage a nation has little need for minerals and so is likely to be self-sufficient in them. As the nation industrializes it begins by developing industries — steel, for example—that can use domestic resources, and by processing its raw materials into higher use forms—manganese ore into ferromanganese, bauxite into alumina, or petroleum into refined products, to name a few. If industrialization continues, the country must in due course begin to import for its factories items that it does not itself supply. And as labor is diverted from agriculture to manufacture and the productivity of the soil must be improved in order to offset the loss of labor, the nation in due course is likely to import fertilizer materials. One of the major characteristics of a modern economy is its dependence on telecommunication, power, and transportation, and this means a high dependence on nonferrous metals.

Continued industrialization means the development of an export market for fabricated products, which, in an economic world, in turn requires increasing imports of raw materials. Decreasing self-sufficiency is an inevitable companion to increasing industrialization; it is as natural a part of industrial maturity as fresh rhubard pie is a part of Spring.

*An address by Mr. Lasky before the Annual Meeting of the Society of Mining Engineers, St. Louis, Mo.

Burnham Co. to Admit R. L. Weil

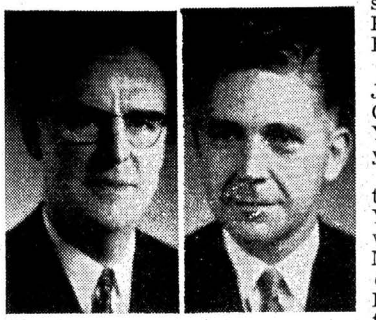
Burnham and Company, 15 Broad Street, New York City, members of the New York Stock Exchange, on May 1 will admit Richard L. Weil, a member of the Exchange to partnership.

Jack Adler has retired from the firm as of April 27.

NEWS ABOUT BANKS AND BANKERS

Consolidations • New Branches • New Offices, etc. • Revised Capitalizations

Sherrill P. Newton and John G. Riddell Investment Trust Officers, have been elected Vice-Presidents of **Chemical Bank New York Trust Company, New York, N. Y.** Messrs. Newton and Riddell are with the bank's Trust Investment Department at 100 Broadway.



Sherrill P. Newton, John G. Riddell

Mr. Newton began his career in 1942 with the **New York Trust Company** and Mr. Riddell in 1950 with **Chemical Bank & Trust Company**, both of those institutions having merged into what is now **Chemical Bank New York Trust Company.**

* * *

Chemical Bank New York Trust Company, New York, opened its new office.

The bank occupies the ground and basement floors of the new 18-story, 770 Lexington Avenue, office building.

The staff of 32 men and women at 60th Street & Lexington is headed by Clifford G. Phillips, Manager. Walter S. Babcock, Medora Davis, Russell L. Frink, Jr. and Robert T. Wattie are Assistant Managers.

* * *

The First National City Bank of New York will move its Woodside, Queens, branch from a former meat market to a new building at Northern Boulevard and 51st Street on April 27.

Manager of the Woodside branch is John L. Williams. Full banking services will be offered.

* * *

Appointment of Charles B. Peloquin as an Assistant Vice-President of **Manufacturers Trust Company, New York, N. Y.,** was announced by Horace C. Flanigan, Chairman of the Board.

Mr. Peloquin joined the bank in 1942, and was appointed an Assistant Secretary in 1949. Mr. Peloquin is assigned to the bank's Brooklyn Trust office.

* * *

John Irving Downey, retired Vice-Chairman of The Bank of New York, died April 21. He was 84 years old.

Mr. Downey was President of the **Fifth Avenue Bank of New York** from 1941 to 1948 when it was acquired by The Bank of New York. Mr. Downey was elected Vice-Chairman of the Bank of New York Board at that time and was named an Honorary Trustee of the bank earlier this year.

Mr. Downey was a Director of **Bankers Trust Co., New York,** from 1905 to 1941 and served as Vice-President from 1927 to 1941.

He was also a Trustee of **Franklin Savings Bank.**

* * *

THE STERLING NATIONAL BANK AND TRUST COMPANY, NEW YORK

	Mar. 31,'61 $	Dec. 31,'60 $
Total resources	158,035,384	167,392,526
Deposits	141,556,653	151,081,696
Cash and due from banks	33,737,659	42,236,291
U. S. Government security holdings	29,951,475	23,636,360
Loans & discounts	91,351,667	99,188,135
Undivided profits	2,070,590	2,035,709

* * *

William J. Clark, Secretary of **The Bank for Savings in the City of New York, New York,** is retiring the end of April.

Mr. Clark joined the bank in February, 1941, as an Executive Assistant. He was appointed an Officer in January, 1949, and became Secretary in March, 1952.

* * *

Martin H. Bluethner has been named Administrative Vice-President and Secretary; Wilford W. Cuddeback, Vice-President and Comptroller, and Edward R. Ziegler, Vice-President and Treasurer of the **Bronx Savings Bank, New York.**

* * *

George C. Johnson, President and Chairman of the Board of **The Dime Savings Bank of Brooklyn, N. Y.,** announced promotions of two staff members of the mortgage department by the Bank's Board of Trustees. They are Freeman L. Meinertz, who was elected a Vice-President, and Sigfred Solem, named an Assistant Vice-President.

Mr. Meinertz joined The Dime of Brooklyn 37 years ago as a clerk, became an inspector in the mortgage department, was appointed chief appraiser in 1942 and became mortgage officer five years later. He was elected an Assistant Vice-President in December 1949.

* * *

On April 17, Louis Gosdorfer, Chairman of the Board and founder of the **United National Bank of Long Island, New York,** died at the age of 76. He was President of the **Douglaston National Bank, Douglaston, N. Y.,** in 1927 and founded the **Forest Hills National Bank, Forest Hills, N. Y.,** in 1928. The latter was predecessor of the **United National Bank.**

* * *

Thomas J. Langan, Jr., Vice-President in charge of **The County Trust Company's** 4 South Division Street office in Peekskill, will be advanced to a position in the bank's mortgage department in Tarrytown on May 1.

His present position will be assumed by Kieran J. Duffy, Jr., Assistant Treasurer and former Officer in charge of the Ossining office, who has been working with Mr. Langan since February.

* * *

The Board of Governors of the Federal Reserve System has approved the merger of the **First Trust Company of Albany, Albany, N. Y.,** with the **Johnstown Bank, Johnstown, N. Y.,** under the title of the **First Trust Company of Albany.**

* * *

By a stock dividend, the **First National Bank and Trust Company of Corning, Corning, N. Y.,** has increased its common capital stock from $150,000 to $300,000, effective April 14. (Number of shares outstanding 6,000 shares, par value $50.)

* * *

G. Edward Hamer has been appointed Vice-President in the Metropolitan Department of **Mellon National Bank and Trust Company, Pittsburgh, Pa.,** according to an announcement by Frank R. Denton, Vice-Chairman of the bank.

* * *

Albert A. Bittcher has been appointed Manager of Mellon National Bank and Trust Company's new Monroeville office.

The Monroeville Office is the second of three new Mellon Bank offices to open in 1961. A tentative opening has been set for late spring.

* * *

A charter has been issued to the **American National Bank of Silver Spring, Silver Spring, Montgomery County, Maryland.** Its President is Warren H. Lasher, its Cashier, Edward J. FitzGibbon, and has a total of $2,207,622.70 in surplus and capital. It is a conversion of the **Bank of Silver Spring, Silver Spring, Md.**

* * *

James J. Holland, Vice-President and General Manager of the Banking Offices Department, **Central National Bank of Cleveland, Ohio,** announced April 25 that Frederick J. Blake, Vice-President, has been named Manager of the Department's Business Development Division.

The bank also announced newly aligned communications functions in the marketing department with William P. Kornichuk as Advertising Manager, James C. Passant as Promotion Manager, and Craig S. Thompson as Public Relations Manager.

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Norman M. Alperin was elected a Director of **Drexel National Bank, Chicago, Ill.** The Board appointed him Chairman of the Executive Committee, a new post.

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By the sale of new stock, the **Consumers National Bank of Chicago, Chicago, Ill.,** has increased its common capital stock from $500,000 to $750,000, effective April 11. (Number of shares outstanding 75,000 shares, par value $10.)

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The **First American National Bank of St. Cloud, St. Cloud, Minn.,** has increased its common capital stock from $300,000 to $400,000 by a stock dividend, effective April 3. (Number of shares outstanding 16,000 shares, par value $25.)

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Allen H. Douglas will join the **Trust Company of Georgia, Atlanta, Ga.,** on May 15, to establish and manage an Industrial Development Department.

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The Board of Directors of the **Republic National Bank of Dallas, Dallas, Texas,** appointed five new directors and a chairman of the Bank's Executive Committee.

Named Directors of the Bank were: Jerome K. Crossman, investments; David L. Florence, Charles Meyer, Lester T. Potter and Charles A. Sammons.

Appointed Chairman of the Executive Committee was James M. Cumby, a Senior Vice-President of Republic, who joined the Bank's staff on Oct. 8, 1920, the year Republic was organized as the **Guaranty Bank and Trust Co.**

The Bank's Board of Directors also created a classification of Associate Director, and four men were designated from the Board and appointed Associate Directors of the Bank.

They are: Hamlett Harrison, J. C. Karcher, B. F. McLain and Julius H. Pearlstone.

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The Republic National Bank of Dallas, Dallas, Texas, which moved into a new $25,000,000 building only seven years ago, announced plans for another multiple-story building adjacent to its present structure.

Site for the structure is an area bounded by 235 feet fronting on St. Paul Street at Bryan, by 90 feet on Bryan Street adjacent to Republic's present building, and by the Republic Bank Building and the Medical Arts Building.

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The **Garfield Commercial & Savings Bank, Montebello, Calif.,** has changed its title to **Garfield Bank.**

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John R. Keener has been appointed Vice-President of the **Union Bank, Los Angeles, Calif.**

Bank Women Laud Mrs. Hoffman

Claire Giannini Hoffman, has been named "Bank Woman of the Month" for May by the National Association of Bank Women. Mrs. Hoffman well known and respected in banking circles throughout the world since the death of her father in 1949, mainly because she has continued to keep alive his belief that banking is primarily a service for all people.

Claire G. Hoffman

She, like her father, the late A. P. Giannini, believes that any bank can continue to grow and prosper as long as it continues to serve both the great and the small and to render aid in the development of communities, the nation and the world. This is the ideal upon which Mr. Giannini founded his bank, the Bank of America N.T. & S.A., San Francisco, and it is the ideal to which Mrs. Hoffman has dedicated her business activities.

Auchincloss Firm Names in Phila.

PHILADELPHIA, Pa. — Auchincloss, Parker & Redpath, Land Titile Building, members of the New York Stock Exchange and other leading exchanges, announce that Thomas M. Lewry, III has been appointed manager and Alfred K. Althouse, Jr., Assistant Manager of their Philadelphia office. The firm also announced that George T. Boyd has been named Manager of their Municipal Bond Department and John B. Banning has become a registered representative.

Thomas M. Lewry

Mr. Lewry has been active in the investment securitiies industry for the past 25 years, has been associated with Auchincloss, Parker & Redpath for the past seven years. Prior to this he was associated with the Eldridge R. Johnson Estate and the Camden Trust Co.

Mr. Althouse has been active in the investment business for the past five years and prior to joining Auchincloss, Parker & Redpath was associated with the Philadelphia office of White, Weld & Co.

Before joining Auchincloss, Parker & Redpath in August, 1960, Mr. Boyd was associated with the Philadelphia office of Goldman, Sachs & Co.

Mr. Banning has been associated with several prominent investment securities firms during more than two decades in the business.

U. S. Freight Offers Rights

United States Freight Co. is offering to holders of its capital stock the right to subscribe for $15,393,900 of 5% convertible subordinated debentures, due April 1, 1981, at the subscription price of par, in the ratio of $100 principal amount of debentures for each seven shares of capital stock held of record at 3:30 p.m., (EST) April 20, 1961. Subscription rights, evidenced by fully transferable warrants, will expire at 3:30 p.m., (EDST) on May 3, 1961. The company has applied for listing the debentures on the New York Stock Exchange.

Merrill Lynch, Pierce, Fenner & Smith Incorporated is manager of a group which will underwrite the offering.

Net proceeds from the sale of the debentures will be used by the company for expansion and improvement of its business, including enlargement, replacement and rehabilitation of its cartage and piggyback fleet; acquisition of refrigerated trailers and accessory equipment; purchase of about 500 vehicles to expand its truck rental operations; and for expansion of fishyback operations (transporting of freight in trailers carried aboard ship). The balance of the proceeds will be available for working capital requirements.

The 1981 debentures will be convertible into capital stock at $59 per share, subject to adjustment in certain cases. The debentures will be redeemable at optional redemption prices ranging from 105% to par, and for the sinking fund at 100%, plus accrued interest in each case.

United States Freight Co., a New York based company, through its operating subsidiaries is engaged principally in furnishing freight transportation services, including domestic freight forwarding, foreign freight forwarding and local cartage. In addition, the subsidiaries are engaged in truck rental and warehouse operations, and the company's Smith Pipe & Steel Co. division is engaged in the fabrication and erection of structural steel, the sale of steel products and the plumbing supply business.

For the year 1960, the company and its subsidiaries had consolidated freight revenues of $196,721,000 and net income of $2,728,000, equal to $2.54 per share of capital stock. Upon completion of the current financing, outstanding capitalization of the company will consist of $18,557,315 of sundry debt and 1,077,573 shares of capital stock.

Progress Webster Common Offered

Marron, Sloss & Co., Inc. made an initial public offering on April 26 of 150,000 shares of Progress Webster Electronics Corp. common stock at $4.50 a share. Proceeds of the sale will be added to working capital for use in carrying an increased investment in inventories, for research and development and for other corporate purposes.

Progress Webster, incorporated in August, 1959, continues the business of Chester Morton Electronics Corp., an eight-year-old firm, and is located in Chester, Pa. The company and subsidiaries design, develop, manufacture, and distribute electronic and electrical equipment and components and related products for residential, commercial and military uses.

Its products include inter-office communication equipment, electrostatic air cleaning units, light dimmer controls, and stereo tuners and power suppliers produced by a company subsidiary, Webster, under the trade name "Guardian" at manufacturing facilities located in Rochester, N. Y.; wire assemblies, cable harnesses, and electric wiring devices used in the missile and space research programs by the company and audio and power connectors by a company subsidiary, Frank Industries, at its plant in Worcester, Mass. Sales of the company and subsidiaries on an average monthly basis are approximately 55 - 60% military, approximately 30% residential and the balance commercial.

Combined sales of the company and its predecessors for the fiscal year ended Dec. 31, 1960, totaled $2,625,293 and net totaled $271,776, compared with sales of $1,415,972 and net of $111,227 for the 1959 calendar year.

Capitalization of the company, as of Jan. 10, 1961, and after giving effect to the sale of the new stock, is 927,777 shares of common stock, $1 par value.

C. B. Warren Opens

(Special to THE FINANCIAL CHRONICLE)

RICHMOND, Calif. — Charles B. Warren is engaging in a securities business from offices at 2429 MacDonald Avenue. He was formerly with Grant, Fontaine & Co.

MUTUAL FUNDS

BY ROBERT E. RICH

The Truly Forgotten Man

As any experienced seller of mutual funds can attest, self-employed folks are prime prospects. And the reason is not hard to find: unlike people who are attached to a payroll of private business or government, as executives or jobholders, they enjoy no fringe benefits to enable them to cope with the vicissitudes of life. For them, there is no such thing as private pensions, retirement programs, insurance against unemployment or stock options.

And since the self-employed have no affiliation with trade unions or commercial guilds, their power to influence legislators must be reckoned as close to nil. But their problems have not gone completely unnoticed, as we were reminded earlier this month when Rep. Eugene J. Keogh addressed the Mutual Fund Estate Planning and Profit-Sharing Conference in New York.

Mr. Keogh, a New York Democrat, recalled that for the past 10 years he has been seeking enactment of a bill (H. R. 10) to encourage establishment of voluntary pension plans by self-employed individuals. Said Keogh: "The self-employed have a very important stake in this legislation because it provides a basis for their future planning and I am dedicated to making it possible for them to look ahead to their personal future and eventual retirement."

Under existing tax regulations there are believed to be large numbers of self-employed people who, by law, can not do that which may be done by every other working individual. Appearing before the Senate Finance Committee nearly two years ago, a top Treasury authority said: "The Treasury recognizes that present law does not give self-employed persons tax treatment for their retirement savings comparable to that now accorded to employees covered by employer-financed pension plans."

It is not the function of this department to plump for the Keogh measure, but the philosophic approach of the gentleman to a long-time inequity is to be commended. Few people will quarrel with his statement, made before the conference sponsored by *The Mutual Fund Review:* "The history of earnings of the self-employed indicates conclusively that they are particularly vulnerable to the ups and downs of business and to the oppressive effects of rising interest rates and shrinking capital markets."

The self-employed folks, as Mr. Keogh has said, must continuously regenerate their income. Unlike those on private and public payrolls, they are unable to fall back on some compensation every payday. The Congressman has well said: "In the typical self-operated business, as compared with salaried employees, the hazard is multiplied many times by the fixity of costs and expenses."

According to a survey made in 1958 by the Bank of New York among 20,000 physicians, dentists and lawyers, 70% of the respondents had no planned retirement program of any kind. Now, it is not easy to rouse sympathy for these professional people, especially the members of the medical profession, but as Mr. Keogh has said: "I am confident that a similar survey of many of the other self-employed groups in this country—for instance, the farmers—would disclose that an even higher percentage of them do not have a planned retirement program."

What. Mr. Keogh and many of the self-employed desire is a redress of the imbalance between this group and the rest of us, who are on corporate and public payrolls. He puts it this way:

"Where was the equity in the Treasury Department continuing to approve tax-deferred employee pension plans involving millions of dollars in revenue loss on the one hand and on the other hand having the Treasury Department say that the self-employed can not provide for their economic security with the tax-deferred dollars because the revenue loss is too great?"

The interest of the mutual fund field in what Mr. Keogh is trying to do is more than academic, for among the methods of funding pension plans for the self-employed he envisages the purchase of shares in regulated investment companies.

The Funds Report

De Vegh Mutual Fund Inc. reports that during the initial quarter net asset value per share rose to $67.36 from $58.19.

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At the annual meeting, Hunter S. Marston, Jr., President of **Eurofund Inc.**, announced that the company's net assets reached new record levels for the first quarter, ended March 31, and that net assets per share have reached $25.35.

On March 31, assets of Eurofund, the investment company which seeks capital appreciation through a diversified portfolio of European securities, totaled $27,393,374, equivalent to $24.85 per common share. This represents a gain of 12.4% during the three-month period over the net asset value of $24,370,878, or $22.11 per share, at the close of 1960. It also represents an appreciation of 37.3% from the $18.10 per share reported on this date one year ago, after adjustment for a 5% stock distribution made in December 1960.

At the end of the quarter, 101 of the 118 companies in Eurofund's portfolio showed an appreciation over acquisition cost. Forty-six of these had appreciated 25% or more, 29 showed gains in excess of 50%, and nine gains of over 100% from original purchase price.

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General Investors Trust disclosed record net assets of $14,498,105 on March 31 for gains of 10.8% during the 1961 first quarter and 34.6% in 12 months. Its net asset total at last month's close compared to $13,084,811 on Dec. 31 and $10,773,255 at the end of March a year ago. Net asset value per share amounted to $7.36 at the end of the opening quarter, as against $6.90 three months earlier and $6.80 12 months earlier.

Common stock purchases during the quarter totaled $1,132,448 and included the establishment of new positions in Joy Manufacturing and Western Union. Sales of common stocks amounted to $343,423, including the elimination of portfolio holdings in Kansas City Power and Light and New York State Electric & Gas.

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The current sales concession on all sales of **Knickerbocker Growth Fund** under $10,000 will remain at 7½% until further notice.

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Massachusetts Investors Trust net assets at March 31 totaled $1,688,113,472, or $14.60 a share. This compares with $12.68 a share a year earlier.

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Substantial gains in total net assets and in the per-share value of each of its three series of shares were reported by the **B. C. Morton Fund Inc.** for the March 31 quarter. March 31 marked the end of the first quarter since the Boston-based mutual fund's investment management and distribution came under the control of the B. C. Morton Organization.

On that date, the fund's net assets totaled $553,215 for gains of 57% since Dec. 31, and 85% since the end of March a year ago. At $14.34 on March 31, the net asset value per share of the B. C. Morton Fund's Growth Series was up 20.6% in three months and 36.9% in 12 months.

* * *

National Investors Corp., the growth stock fund of the Broad Street Group, ended the first quarter with record figures and with a firm word of caution for shareholders. Taking note of the recent rise in stock prices and record stock market trading volume, Francis F. Randolph, Chairman, and Fred E. Brown, President, warned of the danger of expecting "too much, too soon" from the business recovery and reminded shareholders of the importance of "patience" in growth-stock investing.

Asset value per share of National Investors was a record $16.38, up 13.8% from $14.39 at the start of the year. Net assets stood at $227,099,787 at March 31, an all-time high. They were $41,724,710, or 22.5% greater than at the start of the year and 61% higher than 12 months earlier.

* * *

Fiscal year-end capital gain distributions of $13,636,382 were paid in cash or additional shares to shareowners of the **National Securities Series.** Approximately 75% of the shareowners elected automatically to reinvest their distributions to purchase additional shares at net asset value, according to Henry J. Simonson, Jr., President of National Securities & Research Corp., sponsor and manager of the $545 million group of funds. Mr. Simonson noted that this reinvestment aided both shareowners investing for current income and those building for the future.

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Provident Fund for Income Inc. stated that during the first quarter net asset value a share increased to $4.60 from $4.22.

* * *

Research Investing Corp. recorded a 22% increase in the value of its shares in its first fiscal quarter, ended March 31. The increase boosted net asset value to $11.49 per share. Through the first three months total assets rose to $1,585,000, up 19% from total assets at Dec. 31, 1960. The fund closed its first quarter with 53% of its assets in common stocks.

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Total net assets of **Stein Roe & Farnham Stock Fund Inc.** on March 31 were $21,599,122, or $33.27 a share. This compares with net assets of $15,860,306 and a per share net asset value of $30.10 on Dec. 31, 1960.

* * *

Whitehall Fund Inc. reports that at March 31 net assets were $12,617,212, or $13.38 a share. This compares with $11,534,152 and $12.24 a share a year earlier.

George Junior Republic Meeting

The George Junior Republic, world famous self-governed, coeducational youth community, located at Freeville, New York, held its 65th Annual Meeting. It was presided over by Donald S. Stralem, Chairman of the Board of Directors of the Junior Republic, and partner in the investment firm of Hallgarten and Company.

Donald S. Stralem

In his address, Mr. Stralem urged America's community leaders, educators and parents groups, to accelerate the development of improved methods to educate youth for democracy. He emphasized that the George Junior Republic now can provide an instrument capable of demonstrating how self-governing capsule communities can be used as adjuncts to the treatment of disturbed teenagers.

The occasion also marked the inauguration of a vastly broadened program which will see all the facilities of the George Junior Republic increased.

A campaign to raise $2,000,000 for the realization of this project and the creation of an expanded physical plant at the Republic will be launched in the Fall.

Custom Comp. Stock Offered

A public offering of 165,000 shares of Custom Components, Inc. common stock at $3.00 per share was made on April 20 by the syndicate of Manufacturers Securities Corp., Bioren & Co., Draper Sears & Co., Chace, Whiteside and Winslow, Inc., and Wm. Stix Wasserman & Co., Inc.

The company intends to use the proceeds from the sale of the common stock to purchase necessary equipment; for expansion purposes; the retirement of certain indebtedness; for general working capital.

The company was organized in August, 1953, and owns its own building in Caldwell, N. J. It is engaged in the development, design, manufacture and sale of magnetic powdered iron or polycores for radio and television as well as a diversified line of dielectric materials with and without magnetic properties for microwave systems. Since 1958 the company has been conducting a program of research in the field of ferrites, and in January, 1961 commenced commercial production of microwave ferrites.

The company's components are used in the fields of communications, entertainment, microwave, navigation, radar, telemetering and missile guidance.

$49,955,000 New Housing Bonds Marketed

Public offering of $49,955,000 New Housing Authority 3½% and 3⅝% bonds due 1962-2001 of 16 local housing agencies is being made by an underwriting group managed by Phelps, Fenn & Co., Lehman Brothers and Blyth & Co. Inc. in association with The First National City Bank of New York and by Bankers Trust Co. and The Chase Manhattan Bank. The group won all of the issues offered at competitive sale April 20 by 16 housing agencies located in 12 states.

Other managers of the offering group are Goldman, Sachs & Co., Smith, Barney & Co., Shields & Co., The First Boston Corp., Harriman Ripley & Co., Inc. and R. W. Pressprich & Co.

The bonds are being offered in three price scales — Scales, B, C and D—at prices to yield 1.50% to 3.60%.

Scale B includes the issues of housing agencies in Bridgeport, Conn. and Meadville, Pa., and is scaled from a yield of 1.50% to a dollar price of 100.

Scale C includes the issues of housing agencies in Birmingham, Ala., Contra Costa County, Cal., San Buenaventura, Cal., Bridgeton, N. J., Plainfield, N. J., New York, N. Y., Cleveland, Ohio and Lane County, Ore. and is scaled from a yield of 1.50% to a dollar price of 99.

Scale D includes the issues of agencies in Anniston, Ala., Fort Valley, Ga., Valdosta, Ga., Williamson County, Ill., Inkster, Mich., and Great Falls, Mont. and is scaled from a yield of 1.50% to 3.60%.

The bonds will be callable 15 years from their date at prices ranging from 104% to 100%.

Present offering is the 31st offering of New Housing Authority bonds under the 1949 amendment to the U. S. Housing Act of 1937 and brings the total principal amount of bonds sold to $3,165,319,000.

Proceeds from issuance of the bonds will be used to retire notes issued to the Public Housing Administration (PHA) as evidence of advances made by the PHA, and the remainder will be used to meet the cost of the housing projects.

The bonds are secured by a first pledge of annual contributions unconditionally payable under a contract between the PHA and the local issuing agency. The faith of the United States is solemnly pledged to the payment of the annual contributions by the PHA.

The group submitted the following winning bids:

Local Agency	Principal Amount (000 omitted)	Coupon %	Bid %
Anniston, Ala.	$1,175	3⅝	101.376
Birmingham, Ala.	2,960	3½	100.596
Contra Costa County, Cal.	2,315	3½	100.682
San Buenaventura, Cal.	1,015	3½	100.724
Bridgeport, Conn.	1,695	3½	101.380
Fort Valley, Ga.	1,030	3⅝	101.375
Valdosta, Ga.	1,875	3½	101.106
Williamson County, Ill.	1,565	3⅝	101.291
Inkster, Mich.	1,515	3½	100.020
Great Falls, Mont.	1,990	3⅝	101.531
Bridgeton, N. J.	1,445	3½	101.305
Plainfield, N. J.	1,930	3½	101.551
New York, N. Y.	24,635	3½	100.081
Cleveland, Ohio	1,205	3½	100.635
Lane County, Ore.	2,035	3½	100.385
Meadville, Pa.	1,570	3½	101.519

Westamerica Branch

DENVER, Colo. — Westamerica Securities Inc. has opened a branch office at 2120 South Ash under the direction of Robert Mauck, Jr.

J. M. Flynn Branch

HOLLYWOOD, Calif. — John M. Flynn and Company has opened a branch office at 1717 North Highland under the management of Loren Lake.

Dr. Walker Named by A.B.A.

WHITE SULPHUR SPRINGS, W. Va. — Dr. Charles E. Walker has been appointed Executive Vice-President and Executive Manager of The American Bankers Association, A.B.A. President Carl A. Bimson announced. The appointment is effective May 1.

Charls E. Walker

Dr. Walker, is Vice-President and economic advisor of the Federal Reserve Bank of Dallas. From April 1959 to January 1961, on leave from the bank, he was assistant to then Secretary of the Treasury, Robert B. Anderson, serving as his principal economic advisor. He succeeds Merle E. Selecman, who will continue to serve the Association in an advisory post.

This action is in accordance with Mr. Selecman's request that succession in the post of Executive Vice-President and Executive Manager be planned; and that he be relieved of executive and administrative responsibilities. Mr. Selecman joined the Association in 1928 and has been its chief staff officer since 1952.

A broad study of the Association, its purposes and objectives, and means of implementing them was approved by the A.B.A.'s Executive Council. The study, recommended by Mr. Bimson, who is President of the Valley National Bank of Arizona, Phoenix, will be under the direction of The American Bankers Association's Administrative Committee and the new Executive Vice-President and Executive Manager.

Crowell-Collier Offers Rights

The Crowell-Collier Publishing Co. is offering its common stockholders the right to subscribe for $11,787,700 of 4½% convertible subordinated debentures due 1981 at the rate of $100 principal amount of debentures for each 25 shares of common stock held of record on April 24, 1961. The subscription price is 100%. The right to subscribe will expire on May 9, 1961.

The offering is being underwritten by a group headed by Carl M. Loeb, Rhoades & Co.

The debentures are convertible into common stock at $48.50 per share. The issue has the benefit of a sinking fund under which the company is required to retire $600,000 debentures annually during the period 1968-1980 and may at its option retire $600,000 debentures annually in the years 1966-1980. For the sinking fund the debentures will be redeemable at 100%; for other purposes they are redeemable at any time at prices ranging from 104½% to 100%.

Of the net proceeds from the offering of debentures, approximately $3,000,000 will be used by Crowell-Collier to prepay notes to be issued in connection with its proposed acquisition of Radio Station WMGM in New York City for $11,100,000, and approximately $1,000,000 will be used to reduce a subsidiary's bank loan, proceeds of which were deposited against the purchase price of Station WMGM. The remaining proceeds from issuance of the debentures may be applied toward payment of the balance of the WMGM purchase price, or the company may contract bank loans for that purpose and in such case apply the proceeds from time to time in reduction of bank loans and in furthering continued expansion in the educational publishing field.

Crowell-Collier is engaged directly and through subsidiaries in the publication of encyclopedias and reference books, elementary, high school and college text books and related educational material, trade and technical books and in the operation of radio broadcasting stations. Principal subsidiaries are The Macmillan Co., which was merged with the company effective Dec. 30, 1960; P. F. Collier, Inc.; Collier Services, Inc.; and Crowell-Collier Broadcasting Corporation, all of which are wholly owned.

Named Director

Bernard J. Cunningham, partner in Blunt Ellis & Simmons, Chicago, has been elected a director of Resiflex Laboratory, Inc. to fill an existing vacancy.

Mutual & Diversified Inv.

LEBANON, Ill. — Mutual & Diversified Investments has been formed with offices at 51 Harmon Drive to engage in a securities business.

White Shield Stock Offered

Offering of 75,000 shares of common stock of White Shield Corp. (New York, N. Y.) common stock was made on April 21 by Adams & Peck at $12 a share.

White Shield sells health aids, beauty aids, vitamins and drug sundries to department stores, variety chains, supermarkets, drug stores, post exchanges and wholesale jobbers which distribute them to various types of outlets.

Net proceeds from the offering of the shares will be used to retire $310,000 short-term bank borrowings and for additional general working capital.

Outstanding capitalization as of March 31, adjusted to reflect issuance of the shares and payment of bank loans, consisted of 737,620 shares of common stock.

Schmidt, Sharp Branch

HONOLULU, Hawaii — Schmidt, Sharp, McCabe & Co., Inc. has opened a branch office at 1022 Bethel Street under the management of Henry Segawa.

President Urges Changes in Federal Power Commission

Concerned about the "incredible backlog of cases," Pres. Kennedy asks Congress to reduce F. P. C.'s work-load in natural gas by exempting small producers from rate regulation and by exempting certain construction permits. He also would enlarge the Bureau by two members, and strengthen methods of returning excess rates to consumers.

In a special message on regulatory agencies sent to Congress on April 13, 1961, President Kennedy was particularly critical of the operations of the Federal Power Commission. In discussing the agency the President noted as follows: "In that Commission some 4,000 rate increases by independent natural gas producers and pipe lines are pending and are still unresolved. Under the existing law, these rate increases are suspended but nevertheless go into effect within six months after their filing, subject to the provision that such sums as are collected in excess of the rate ultimately found to be reasonable are to be refunded to the consumer. This incredible backlog of cases, consisting frequently of rate increases piled upon rate increases, involves hundreds of millions of dollars deemed ultimately refundable to the consumer. Indeed the annual amount of rate increases so suspended is over $500,000,000. The total amount of rates collected pursuant to such increases is well over one billion dollars.

President Kennedy

"This situation is paralleled by another just as serious. Under existing procedures and methods for processing applications for pipeline construction, some 193 applications, proposing construction of 5,761 miles of pipeline at a total estimated cost of some $850,000,000 were pending before the Federal Power Commission as of the end of February 1961. It is not to be assumed that all these applications would be granted; but it can safely be assumed that more prompt handling of these matters would release hundreds of million of dollars for construction, giving substantial employment throughout the country and making firm commitments out of orders for materials that are now merely contingent—orders that in turn would provide jobs for men and women in mills, factories and foundries.

I
Exemptions

"The cause and cure of this administrative log jam — directly responsible for the exclusion of millions of dollars of construction funds from our economy and potentially responsible for an inordinate rise in the price of natural gas—go far beyond the organization and procedures of the FPC. I urge the Congress to enact new legislation reducing the agency's work-load in the natural gas area in two ways:

"The Commission should be authorized to exempt from rate regulation up to 100% of the small individual producers of natural gas (under two billion cubic feet per year) whose sales in interstate commerce to pipelines account for but 10% of the total. The price which the small producers can charge must of necessity be generally in line with those of the larger producers, and thus they cannot individually affect the general level of prices to the consumer. Such a step must be followed up in the Commission by a vigorous handling of all rate cases in the remaining area of jurisdiction, involving hardly more than 270 producers but affecting some 90% of our natural gas production.

"With respect to the processing of pipeline construction permits, the Commission should be authorized to exempt from all or part of its procedures up to 100% of those applications by interstate pipeline companies which seek merely to enlarge, extend or replace existing facilities for the benefit of existing customers only, whenever it is assured that its action will not impair the preservation of reserves necessary to supply those consumers, or permit the indiscriminate invasion of one supplier's territory by another.

"The formulation of these standards will require creative imagination; but the alternative is to defend bureaucracy for bureaucracy's sake.

II
Additional Members

"I also urge, because of the crucial situation in the Federal Power Commission, the increase of that Commission by the addition of two members. Normally, increasing the members of an agency adds little to its efficiency and may instead only handicap its function. But the situation in the Federal Power Commission is unique. That Commission possesses on the one hand jurisdiction over electric power projects and, on the other, under a wholly separate statute—the Natural Gas Act—jurisdiction over the production and transmission for sale in interstate commerce of natural gas. The techniques necessary for the handling of problems in the fields of electric power and natural gas are different. An understanding of one industry does not guarantee a background for dealing with the other. And the chaos and delay now characterizing the gas regulation field may soon increase in the electric power area, where in the coming years the problems surrounding the future of hydro-electric generation will call for re-appraisal and hence for added attention.

"With the addition of two more members and the clear discretion to allocate or delegate decision-making to smaller panels as previously mentioned, the Commission's flexibility would be greatly increased. For example, the Chairman could establish three panels of two other members and himself, two working with gas and one with electricity or, one panel of three members could work in one area, while another panel of three covered the other, freeing the Chairman for administrative matters. Provision should also be made for the handling of the lesser matters coming before that Commission by single commissioners, hearing examiners and employe boards, subject always to the right of the Commission as a whole in its discretion to review any decision.

III
Protection of Consumers

"In its hearing the Senate Subcommittee on Administrative Practice and Procedures has called attention to the inadequacy of consumer protection in those cases where a requested rate increase goes into effect subject to its subsequent approval by the regulatory agency, with a return to the consumer of any amounts later determined to be in excess. Where these requests are overstated the consumer is required to furnish to the utility the very capital on which he is also required to provide the return, the utility's credit standing is damaged by such a large contingent liability, and the actual return to each individual ultimate consumer is often impractical, if not impossible, of achievement.

"I, therefore, strongly endorse the Subcommittee's informal recommendation to give increased authority to the Federal Power Commission and to any other regulatory agency where this is a major problem, to make sure that any excess rate which is ultimately disallowed will be returned to the consumer—particularly the power to require the deposit of any such collections in escrow until the rate is finally approved."

Form East Coast Inv.

WASHINGTON, D. C.—East Coast Investment Co. has been formed with offices at 1835 K Street, N.W. to engage in a securities business. Partners are Thomas M. McCarthy and Arthur J. Delaney.

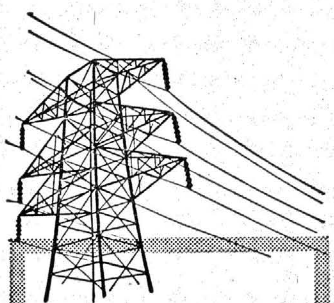
DIVIDEND NOTICES

UNION CARBIDE

A quarterly dividend of ninety cents (90¢) per share on the outstanding capital stock of this Corporation has been declared, payable June 1, 1961 to stockholders of record at the close of business May 5, 1961.

JOHN F. SHANKLIN
Secretary and Treasurer

UNION CARBIDE CORPORATION



Southern California Edison Company

DIVIDENDS

The Board of Directors has authorized the payment of the following quarterly dividends:

CUMULATIVE PREFERRED STOCK:

4.08% SERIES
Dividend No. 45
25½ cents per share;

4.24% SERIES
Dividend No. 22
26½ cents per share;

4.78% SERIES
Dividend No. 14
29⅞ cents per share;

4.88% SERIES
Dividend No. 54
30½ cents per share.

The above dividends are payable May 31, 1961, to stockholders of record May 5. *Checks will be mailed from the Company's office in Los Angeles, May 31.*

P. C. HALE, *Treasurer*

April 20, 1961

Edison

DIVIDEND NOTICES

O'okiep Copper Company Limited

Dividend No. 58

The Board of Directors today declared a dividend of one Rand per share on the Ordinary Shares of the Company payable June 2, 1961.

The Directors authorized the distribution of the said dividend on June 13, 1961 to the holders of record at the close of business on June 6, 1961 of American shares issued under the terms of the Deposit Agreement dated June 24, 1946. The dividend will amount to approximately $1.40 per share, subject, however, to any change which may occur in the rate of exchange for South Africa funds prior to June 2, 1961. Union of South Africa non-resident shareholders tax at the rate of 6.6% will be deducted.

By Order of the Board of Directors,
F. A. SCHECK, *Secretary.*

New York, New York, April 24, 1961.

THE SOUTHERN SR SERVES THE SOUTH

Southern Railway Company

DIVIDEND NOTICE

New York, April 25, 1961.

A dividend of Seventy cents (70¢) per share on the Common Stock without par value of Southern Railway Company has today been declared out of the surplus of net profits of the Company for the fiscal year ended December 31, 1960, payable on June 15, 1951, to stockholders of record at the close of business on May 15, 1961.

J. J. MAHER, *Secretary*

Sinclair

COMMON STOCK
DIVIDEND No. 122

On April 19, 1961 a quarterly dividend of 50 cents per share was declared on the Corporation's Common Stock, payable June 9, 1961 to stockholders of record at the close of business on May 10, 1961.

SINCLAIR OIL CORPORATION
600 Fifth Avenue New York 20, N.Y.

DIVIDEND NOTICES

AMERICAN ELECTRIC
AEP
POWER COMPANY, Inc.

205th Consecutive Cash Dividend on Common Stock

• A regular quarterly dividend of Forty-seven cents (47c) per share on the Common Capital Stock of the Company, issued and outstanding in the hands of the public, has been declared payable June 10, 1961, to the holders of record at the close of business May 10, 1961.

W. J. ROSE, Secretary

April 26, 1961.

INTERNATIONAL HARVESTER COMPANY

The Directors of International Harvester Company have declared quarterly dividend No. 171 of one dollar and seventy-five cents ($1.75) per share on the preferred stock, payable June 1, 1961, to stockholders of record at the close of business on May 5, 1961.

GERARD J. EGER, Secretary

EQUITABLE Gas COMPANY
Pittsburgh, Pa.

At a meeting held April 21, 1961, the Board of Directors declared quarterly dividends of $1.09 per share on the 4.36% Convertible Preferred Stock, $1.40 per share on the 5.60% Preferred Stock and 46¼ cents per share on the Common Stock, payable June 1, 1961, to all holders of record at the close of business May 5, 1961.

H. S. Netting, Jr., *Secretary*

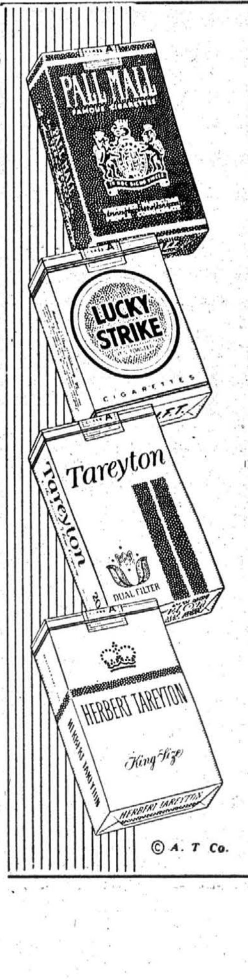
DIVIDEND NOTICES

THE TITLE GUARANTEE COMPANY

DIVIDEND NOTICE

Trustees of The Title Guarantee Company have declared a dividend of forty (40) cents per share designated as the second regular quarter-annual dividend for 1961, payable May 19, 1961 to stockholders of record on May 5, 1961.

WILLIAM H. DEATLY • *President*



QUALITY

The American Tobacco Company

223RD COMMON DIVIDEND

A regular dividend of Seventy Cents (70¢) per share has been declared upon the Common Stock of THE AMERICAN TOBACCO COMPANY, payable in cash on June 1, 1961, to stockholders of record at the close of business May 10, 1961. Checks will be mailed.

HARRY L. HILYARD
Vice President and Treasurer

April 25, 1961

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The Electronics Industry's Vast Economic Base

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electric cells, semiconductors, etc. Lazurus's *American Business Dictionary* defines an "industry" as "(1) a group of establishments producing a single product or more or less closely related groups of products; (2) a homogeneous group of companies using common raw materials, or having a common technology, or a common market." From these two definitions one may deduce the conclusion that the electronics manufacturing industry consists of those establishments which are predominantly engaged in producing products involving the scientific technology and components peculiarly associated with the control of electronic action.

The definition of the electronics manufacturing industry is complicated by the recency of electronic science, its explosive growth, and the incredible variety of its applications. From the "early" days of the vacuum tube and radio—through television, sonar and radar, to microwave, semiconductors, computers, infra-red and plasma techniques, masers, lasers, fuel cells and energy conversion systems — electronic technology has given rise to a vast array of products that baffle a mere economist and which seem to be increasing almost daily.

Difficulty of Definition

The industry cannot well be defined in terms of products, nor can it be defined in terms of any common set of raw materials, or homogeneity of markets. The only fundamental criterion is its use of the common science and technology of electronic action. This technology has potentially so broad an application that it encompases many products which are essentially non-electronic in nature but which incorporate vitally important electronic components or accessories. Examples are ships and airplanes. This makes definition of the electronics industry in terms of business *firms* exceedingly difficult, although the difficulty is lessened when the industry is defined in terms of *plants* or *establishments.* Most large multi-product and multi-plant companies, now identified with the electrical equipment and transportation equipment industrial groups, have many individual "establishments" which specialize in the application of electronic science and technology. (For example, General Electric Co., Lockheed Aircraft Co., General Motors Corp.)

The *Standard Industrial Classification* Manual of the Federal Government sets forth the rule that, in order to be recognized as an "industry," a group of establishments must meet three tests. First they must collectively be of significantly large size in value of output. Secondly, their output of the primary products of the industry must be a relatively high proportion of their total output. Thirdly, they must account for a relatively high proportion of the total output *by all industries* of the distinctive products of the industry in question. In short, an "industry" exists only when the establishments which compose it collectively meet the tests of adequate size, specialization, and coverage. The Standard Industrial Classification Manual suggests that the minimum specialization ratio should be 80%, and the minimum coverage ratio 50% to 70%, although it concedes that lower ratios may apply to industries involved in defense mobilization or to very large industries.

How does electronics fare on these criteria? Certainly, the firms which are predominantly engaged in producing electronic products are significantly large when taken together. Also, one may point to many large manufacturing firms (e.g., Texas Instruments, Raytheon, International Business Machines, Transitron, or Radio Corporation of America), more than three-fourths of whose total sales are clearly of electronic products on the most rigorous definition. Whether specialized electronic establishments collectively produce more than 50% of all of the electronic products manufactured in the United States—and thus meet the coverage test—is not clear. If not, only a moderate relaxation of the 50% coverage rule, in recognition of the very large size of the electronics industry and its heavy involvement in national defense, would surely enable it to meet even present official standards of a major industry.

Electronics Manufacturing

It is time that the Federal industrial classification is brought abreast of contemporary developments in the U. S. economy. How can one defend the present practice of lumping everything from electric locomotives to tunnel diodes in the "Electrical Equipment, Machinery and Supplies" group? While there are serious problems to be resolved in applying any type of industrial classification, the acid test is a pragmatic one. Are the resulting statistics more useful than those produced by alternative industrial classifications? There can be little doubt that official recognition of electronics manufacturing as one of the major industrial groupings of the U. S. economy would provide the executives of the industry with accurate and currently useful guidelines to their operations, and assist bankers, investors and government officials in making wise decisions concerning investment in, and contracting with, this vitally important "growing edge" of the U. S. economy. Until this is done, the analyst of the industry must rely upon fragmentary information regarding its economic characteristics and performance.

Major Economic Characteristics

We shall assume that a definable major *electronics manufacturing industry* exists in the United States, engaged in producing goods for government, for business firms, and for households. The factory sales of this manufacturing industry apparently were in excess of $10 billions during 1960, of which about half consisted of sales to government, mainly of military products, and the balance was nearly evenly divided between industrial products and consumer products. Electronics manufacturing is part of an even broader *electronics industry,* comprising research and development services, distribution and servicing of electronic equipment, broadcasting, telephone, telegraph and industrial telecommunications services, with a total output of goods and services in 1960 close to $24 billions. (See article by Dr. Harry Greenfield of Electronics Investment Manage-

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Electronics Industry: Today and Tomorrow

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because its potentialities, properly exploited, can surpass several-fold in earnings and economic stability the military and industrial use of the art.

Lest this statement be misunderstood, let me emphasize that our surival as a nation and the ability of all American industry to compete at home and abroad are bound inexorably to the contributions that electronics has made and will make in the future to the defense and business community.

In my opinion, the foregoing summarizes the status quo of the industry in which we move and have our being. In a larger sense, however, we must envision and believe as an article of faith that each new achievement, over and above its intrinsic value, will eventually be superseded or supplemented by another. This is the essense of progress.

Another aspect of our activities involves the manufacture of Thomas Electronic Organs. The relatively new approach to the manufacturing of organs through the application of electronic sciences, as well as the more recent developments in the electronic transistor field, are most promising and will achieve the broadest possible consumer market by enabling organ manufacturers to explore the possibilities among middle-income consumer groups.

Although soft business conditions during the first quarter of 1961 have affected the organ industry, we are nevertheless looking forward to a marked increase in organ sales which will not only have the salutary effect of offsetting the first quarter, but also increasing the overall volume during the coming year.

JOHN G. BROOKS

President, The Siegler Corporation

Ideally, electronics manufacturers should not need a crystal ball to predict the future, particularly for their own industry. We should be able to turn to an electronic computer, feed in data, and come within a few million dollars or so of what our volume in ten years hence will be. But the changing nature of the electronics industry and its markets make such predictions impractical. At best, we can look into specific fields within the electronics industry and come up with fairly reliable short-term estimates. The missile guidance and control market, for example, is expected to reach one billion dollars in 1961, and to pass $1.5 billion by 1965. But this is only a portion of what will be the volume for the entire electronics industry.

John G. Brooks

What is far more predictable, for the short and the long term, are the problems the electronics industry will have to cope with if it is to continue its growth even at the current rate. The solution to these problems goes beyond dollar and cents consideration, because the future of the electronics industry is inextricably linked with our survival as a nation and our need, now more urgent than ever, to accomplish our scientific objectives in outer space.

These are some of the problems we must face now, and in the future:

(1) The further we progress, the more the work of electronics manufacturers must be integrated with that of manufacturers of nonelectronic parts of a particular weapon or space system. There is, therefore, a trend toward consolidation of diverse operations into systems manufacturing groups. While helping us to focus on the specific problems at hand, this trend could reduce the advanced research necessary to develop new systems. It becomes a management problem to balance production for today with research and development for tomorrow.

(2) Greater reliability. The need for reliability, based on the missile and space race, as well as the number of dollars involved in each product, becomes infinitely greater now that man is a definite factor in our sorties into outer space.

(3) Scientists and engineers. Despite all that has been said about the need for more scientists, we still lack enough qualified personnel. There are today only a few U. S. institutions turning out the electronics scientist and engineer with sufficient training to step into upper echelon research and development jobs. There is a need for additional institutions to train electronics scientists and engineers for more highly sophisticated work.

The solution to these problems does not rest with the electronics industry alone. One hundred per cent reliability in electronics would be useless without the same reliability in other parts of our missile and space systems. A sufficient number of electronics engineers will not make up a deficiency of engineers in other areas. It is a fact, incidentally, that developments within the electronics industry are outstripping expansion in other areas where electronic products are used.

The outlook for the electronics industry is, therefore, closely linked to our outlook as a nation and to the overall effort we choose to devote not only to the "space race," but to our own industrial, economic and personal growth.

WILLIAM H. BURGESS

President, Electronic Specialty Co.

Broader application of electronic systems and components to industrial applications will result in a continued expansion of the electronics industry during 1961. This will be reflected in a continued increase in industry growth comparable to the average growth of the past few years.

William H. Burgess

The continued threat of world domination by International Communism necessitates a defense program which will result in a defense budget comparable to or above that of previous years. As a portion of the defense budget is also expended to compete in the struggle for uncommitted minds, an increased budget for space research and exploration may be expected, to enable the United States to present to the world obvious leadership in this area.

Within the framework of these larger expenditures the prospects for a continued expansion of the electronics industry can be expected to increase accordingly. Previous growth has enabled Electronic Specialty Co.'s revenues to grow at an average rate exceeding 50% each year during the past ten years. This same rate of growth is projected during 1961.

JAMES O. BURKE

President, Standard Kollsman Industries Inc.

Our firm is a major diversified manufacturer of precision electronic equipment and electrical products for industry, defense and the consumer. It is also the world's largest manufacturer of television tuners. Our Kollsman Instrument subsidiary is a prime manufacturer of instruments, controls and automatic celestial guidance and navigation systems for aircraft, missiles and space vehicles. Our Casco division is presently entering the established portable electrical appliance market with a concept of merchandising entirely new to the field.

James O. Burke

We adopted our new corporate title during 1960 to reflect the emergence of our company as a diversified electronics concern. Actually, our corporate antecedents date back as far as 1921. Our former name, Standard Coil Products, served well for many years and was strongly identified with our technical superiority and precision manufacturing in various fields of electronics.

Insofar as the future for the Electronics industry, and our company in particular, my feeling is that the year ahead appears to be one of major growth with maximum emphasis for continued growth devoted to research, development and engineering. We have been undergoing a major realignment of our old and our new capabilities. We are and have been building new capabilities into our company in order to discharge what we feel is our obligation to strengthen and support our military and industrial posture. Taken in breadth, these efforts are providing us with technological superiority in our chosen fields of interest and capabilities. This will assure continued growth through what we feel will be significant contributions to the expanding economy in both its defense and commercial segments.

To be more specific and point up precisely what I mean—in 1960, sensitive to the need for an accelerated contribution to our fields of interest and alert to the corporate obligation for major strides into new areas of growth, we reestablished, reorganized and greatly expanded our total corporate research activities. We recognize that position, like tradition, is sustained only through growth. Thus, a new and separate Research Division was created at our Kollsman Instrument division to pursue a greatly enlarged corporate program of basic and applied research.

In planning for the growth of our Research Division, we made every effort to insure an environment attractive to scientific personnel of high stature. As a result, this Division now comprises a substantial cadre of the highest technical caliber, including outstanding and recognized scientists who are specialists in such fields as special purpose digital computing; navigation, guidance and control; solid state physics; medical physics; light and optics; nuclear radiation and materials research.

A significant portion of the activities of this still-growing staff is devoted to providing us with new concepts and techniques designed to enhance the performance capabilities and extend the useful life of our present products. We, as pioneers in the fields of aircraft instrumentation, automatic celestial navigation and astro guidance systems and electrical products, regard it as our responsibility to continually advance the state-of-the-art in these fields of major importance to both commercial and military aviation and aerospace operations.

As the Research Division's contribution to the overall total corporate expansion into new areas of activity, other technical programs are directed toward the development of an extensive series of new products and systems of unprecedented reliability and automaticity.

Integrated space navigation, communication and display systems, combat surveillance systems of unique capability for the future field Armies, and underwater sensing and instrumentation systems, both for anti-submarine warfare and for the peaceful development of the seas, all fall within the scope of these programs. New concepts in tuner design have resulted in new products; continued research in this area will help us to maintain our leadership in the field. Advanced medical instrumentation and surgical aids are also currently under study and development. Semiconductor material research may lead us into heretofore uncharted areas. Advanced materials research programs are directed toward both bio-medical and a broad spectrum of applied physics problems.

With a full realization of the growth that lies before the Nation, the Electronics Industry and ourselves, we have embarked upon a planned program which will permit us not only to participate in the growth that lies before us but also will permit us to grow at a considerably faster rate than might be anticipated or projected for the Electronics industry as a whole. Thus, while the long-term outlook is extremely optimistic, the year before us will be one of hard work. We expect to measure up to this challenge.

NORMAN BURNELL

President, Burnell & Co., Inc.

Electronic filters, one of the indispensable components in communications and control, are becoming still more essential as imaginative engineering creates more intricate devices and progress demands greater reliability. Filters are super-elective signal "gateways." They serve, in effect, as electronic policemen, directing signal traffic through a tangle of lanes of communication, keeping one signal from being confused with another and sorting out unwanted signals by frequency to allow the desired one through. For example, every time an earth satellite flashes back information, electronic filters screen out the undesired impulses that would result in reception of gibberish.

Norman Burnell

The electronic filter is older and less glamorized than such Johnnies-come-lately as transistors and other solid state devices. A decade ago, filter design and manufacturing was usually a sideline for transformer manufacturers. Our company was one of the first to specialize, standardize, catalogue and advertise electronic filters. In 1960, with a number of companies in the field, the industry's volume rose to an estimated $40 million, and, nurtured by more precise and demanding requirements for transmission of complex electrical signals of the Space Age, volume will continue to grow. It may well surpass $50 million by the end of 1961.

Without filters, electronic circuits could not function properly. They are widely used in firing, navigational and telemetry controls of ballistic and guided missiles, data transmission in industrial and military applications, radar and sonar devices for commercial and military ships and planes, communications instruments for public utilities, electronic computers and automation equipment.

In the home, filters in the television set keep streaks off the screen when an airplane flies by. A filter network selects the low notes when the bass response knob is turned on a hi-fi set. And filters expedite the flow of information—or signals—of electronic computers, thus performing a key function in modern data handling.

The electronic filter industry is very much aware of the demands of the Space Age and is engaged in a continuing research and development program to meet these demands. For example, the industry is one of the leaders in miniaturization to meet the requirements of smaller and smaller components in computers and in space vehicles.

As man moves closer to the full mastery of the electron, the electronic filter industry will make an important contribution. Whether enabling radar to guide a huge jetlines to a safe landing or sending commands to a satellite in orbit, filters will keep pace with the progress of modern-day technology.

DAVID H. COGAN

Chairman and President, The Victoreen Instrument Co.

Nuclear radiation is making perhaps one of the greatest contributions of all time to improving the welfare of mankind.

When the secret of the atom was unlocked during World War II, it was the result of man's search for a weapon to inflict wholesale destruction upon the enemy.

David H. Cogan

Today it is itself the agent for unlocking secrets of nature so that man may enjoy better health, better food, better fibers to protect him from the elements, and among other things, better medicines, fuels and other products necessary to sustaining life.

Perhaps the greatest strides in the past year or two have been in the medical field, but these developments hardly overshadow progress in the use of atoms in agricultural research as science learns how to produce better crops and better meat animals, or how to control crop-destroying insects and fungi.

All this would have been impossible were it not for the precise measurements and tracing of radioactivity by

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The Electronics Industry's Vast Economic Base

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ment Corp. in *Western Electronics News*, January 1960.) However, we confine our attention to electronic manufacturing. While recognizing the infirmities of our data and the urgent need for a definitive study of the industry, we shall attempt to make a provisional sketch of its major economic characteristics.

Available evidence indicates that the U. S. electronics manufacturing industry is large, is growing rapidly, is relatively unconcentrated, has a high ratio of annual sales to fixed investment, spends a high fraction of its sales dollar on research and new product development, is technologically dynamic, is relatively profitable, and enjoys a high valuation of its equity by the investment community.

There are believed to be approximately 4,000 independent business enterprises in the United States predominantly engaged in manufacturing electronic products. The relatively small size of most of these firms is shown by the fact that probably no more than 300 to 400 have a public market for their securities and only half of these are listed on a national securities exchange. By far the largest number of them are composed of a few scientists, engineers or technicians, operating out of small laboratories and workshops.

There is no doubt that the industry has grown with great rapidity during the postwar era, both in number of firms and in aggregate volume of sales. Although there are no good data on which to base an estimate of the increase in number of firms, electronic factory sales are known to have risen spectacularly during the Fifties. During this past decade the gross national product expanded by 68% while electronic factory sales rose 288% from $2.6 billions in 1950 to about $10 billions in 1959—a rate more than four times as fast. All of this growth was in military and industrial products, the consumer market having been static.

Electronics manufacturing is a relatively unconcentrated industry in comparison with most major American manufacturing industries. We do not know with precision the fractions of total output accounted for by the largest four or the largest eight electronic firms, but the industry's "concentration ratios" are certainly much smaller than in the automobile, aircraft, steel, cement, chemical, meat packing, cigarette, soap, petroleum, textile or shoe industries—in each of which the four largest companies accounted for more than 25% of industry output, according to a Federal Trade Commission study of 1947. The basic cause of dispersion of the electronics industry is the amazing versatility and diversity of application of electronics technology, which inhibits product standardization and the wide application of mass production methods, excepting for a few products such as radio and television receivers.

Stresses "Human" Not "Physical" Capital

An economic characteristic of electronics manufacturing which tends to make for dispersion rather than concentration of production is the relatively small fixed investment required. The basic ingredient of success is not a huge aggregation of brick, mortar, raw material, and machinery, but a team of creative and skilled minds working inventively with modest tangible assets. While figures are not available, the tangible capital/sales ratios of electronic firms are undoubtedly very low in comparison with those of American manufacturing in general. Investors in electronics firms are buying shares in an aggregation of "human capital" rather than of physical capital. But economists now recognize that this is the highest-yielding form of capital in the U. S. economy.

The low tangible asset/sales ratio in electronics manufacturing is related to its high expenditures on research and development. Both features reflect the technological dynamism of the industry. A sample survey of 402 American business corporations by the American Management Association during 1960 revealed that the average expenditure on research and development was 3.7% of sales. A spot check of 20 leading electronic manufacturing firms showed that the figure was 7%—almost twice as much! Small wonder that the pace of innovation in electronics has been so hot. There is a closed spiral of cause and effect. High R. and D. outlays lead to numerous innovations and inventions which, in turn, are the basis of new products. New products usually produce high profits, an exceptionally large part of which is again ploughed back into higher R. and D., etc.

Profitability

We lack firm knowledge of the relative profitability of electronics manufacturing, but the sustained and extremely rapid growth of the industry justifies us in inferring that profitability has been well above average. One of the difficulties in measuring the industry's profitability is that so many of the firms are private and owner-controlled, and so much income is ploughed back into R. and D. in the hope of producing subsequent capital gains, that reported net income can be misleading. In this respect electronics companies resemble oil and gas exploration and development enterprises. There is some evidence that the profitability of some electronic products declined moderately during 1960, as a result of more rigorous foreign and domestic competition. Despite a 6% gain in total factory sales of electronics during 1960, the profits of *electrical* manufacturing firms (including some of the largest electronic companies) fell off about 10% from 1959, according to a recent *First National City Bank* survey. Sales to government agencies dominate the business of many electronic firms and this kind of business has become fiercely competitive. Yet new products, especially those for civilian markets, can earn incredibly high returns and are the object of continual search.

Clearly, the electronics industry has been a consistent favorite of American investors during recent years, as the spectacular gains in the market prices of its equity securities testify. During the 4½

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researchers who have put the atom to work in the various sciences.

Measuring radioactivity goes back three decades, when John Victoreen and his colleagues produced instruments to measure X-ray emanations. Later they developed, for the U. S. Government, the measurement and monitoring systems needed in the nuclear programs.

While The Victoreen Instrument Company pioneered this work and was sole commercial supplier to the Government until after the first nuclear bomb tests at Bikini, some 100 firms are now supplying the needs of government, of science and of industry, and sales are now estimated to be in excess of $100 million a year and still growing.

Not only are measuring and tracing devices being turned out for scientists, but also special chambers and other equipment enabling them to accurately apply radioisotopes (irradiated metals and other materials) to the matter they have under study.

Numerous examples of how radioactivity is being used could be cited. One good example is how it has been applied to eradicate the cattle-destroying screwworm fly, whose damage to herds in the southeastern United States once averaged more than $20 million a year. For the past five years, Department of Agriculture specialists have grown more than 2.8 million screwworm flies, sterilized them by means of radioactivity, and then dropped them over infected areas from airplanes. These mated with normal screwworm flies, but the life cycle was broken because reproduction was impossible.

Peanuts with larger kernels, various cereal crops with greater yields per acre than heretofore possible, faster ripening and bigger tomatoes are but a few examples of food items which have been improved through use of radioactivity to bring about worthwhile mutations.

Equally important strides are being made in other areas and the research is broadening. To properly equip the scientist with the tools he needs is a challenge to the nuclear measurement industry—a challenge which so far has been met.

Development of new tools, coupled with the need for monitoring and measurement devices already designed, is certain to nurture a continuing growth for the nuclear instrument industry.

W. E. CURRY

Vice-President, Electrohome Industries, Ltd.

After a slow start, we can see a growing confidence in steady improvement in the consumer electronics business as the year progresses with, possibly, a slower betterment in Canada than that experienced in the United States. We are interested in both countries because of our expansion into the Eastern U. S. market with the sale of our better-class high fidelity models.

W. E. Curry

We believe that the year will witness the continuing of the "weeding out" process—under way for some time now among electronics companies—by which only those companies with soundly conceived policies, competitive organizations and strong selling approaches based on honest value will be profitable. In other words, there will be plenty of room for profitable operations, even in the highly competitive market, for companies that "have what it takes."

The industry will be aided by the absence of major developments that have been so frequent in the past as to upset the consumer's confidence in deciding whether or not to buy. The sudden switch to stereo in 1959 and the equally sudden swing to 23-inch television sets caused intensified price-cutting and confusion in the market. While new developments are the life blood of an industry, if introduced before ready, or too frequently, they can also disorganize an industry. In this regard, the European approach of slower change has some advantages.

One characteristic of the consumer electronics industry which has been most beneficial arises from the fact that new products seldom obsolete the old, but merely add to the range of home entertainment devices available to the public. Television did not replace radio; tape did not replace the record player; color television will not replace black-and-white television: these new products provide more opportunities to serve the consumer, giving ever-widening scope for our industry.

The Canadian outlook is complicated by importation and tax problems which have been damaging in the past and which, if not corrected, will interfere with the resumption of growth in 1961. The unrestricted importation of mass-produced goods from low-wage countries has had a particularly serious impact on Canadian industry because of the small size of our market. The percentage base for the sales and excise tax has resulted in what amounts to a tax bonus being provided by our government for imports having a lower cost base. Strenuous efforts have been made by the Electronic Industries Association of Canada to draw attention to these problems and we are confident that favorable government action can be anticipated.

To sum up, while 1961 will be another difficult year for our industry—particularly in Canada—we can see improvement taking place as the year progresses, especially for companies which are well organized to sell value rather than gimmicks.

MORTON FASSBERG

President, ESC Electronics Corp.

The question to which we are addressing ourselves—the outlook for the electronics industry in the year ahead—can be simply answered: the outlook is very bright, but that, of course, is not a complete answer. What happens in the year ahead will depend upon many predictable and some unpredictable factors.

Morton Fassberg

The United States defense program, regardless of the different directions in which production may be ordered, will have a great impact on electronics. The sheer size of the program as already announced and under debate assures that.

The next question is how that intense activity will affect individual companies. Viewing our own company first, we have reason to be optimistic. That reason is that our components, used in the more sophisticated group, are prime elements of the equipment described in the national defense program. Delay lines are integral parts of the missile program, for example. Ours is a challenge, but a challenge we welcome.

As to the industry as a whole, there is every reason to assume it will be stimulated to considerable growth not only in the year ahead, but for many years.

There is no doubt that the defense program has been and will continue to be the origin of many electronic advances, but the potentials of electronics reach into private industry. There is no need to argue that the use of all forms of electronic devices is expanding in private industry. In our own field, we have witnessed this growth because so many of our delay lines are being used in computers, air control instrumentations and other non-military devices. Other producers, in related fields, have had the same experience.

In addition to such factors as the size and nature of the defense program, the progress of research and development, and such major elements, there is another factor that affects predictions of any kind. We think of it as the process of organization, or coordination, within the industry. In order to succeed, the smaller producers must gear their operations to the needs of the large enterprises which draw their resources from many places. It is therefore important that the larger companies make full use of the talents of the smaller ones, particularly their specialized talents. Voluntary coordination within the industry has thus far been remarkably efficient, perhaps because of the obvious self-interest of all concerned. There is every indication that this powerful influence will continue to assure the technical growth of electronics. The important thing is to be aware that it exists.

It seems to us that the big job is to keep abreast of developments, or, preferably, to try to keep ahead of them. That is where the uncertainty lies. In that connection, there is a difference between electronics and many other manufacturing enterprises. It relates to predictability. Who knows what advances lie ahead? We think there are fewer limitations in electronics than in many other fields, or to put it another way, that there are greater opportunities. Imagination, creativity and flexibility are the watchwords.

To sum up: the year ahead looks excellent from every point of view, but woe to the man who is satisfied and sleepy!

WILLIAM FILLER

President, Terminal-Hudson Electronics, Inc.

Like the housewife who finds shopping under one roof a happy convenience, the electronics industry is crowding into its own department stores and supermarkets. These are the distributors who keep a ready stock of tens of thousands of items ranging from a half-cent lock washer to a $5,000 oscilloscope.

William Filler

The size and quantity of any component or any instrument is secondary to the fact that electronics distributors, and especially industrial electronics distributors, make it instantly available to the assembly line or to the research and development laboratory as it is needed. Additionally, the customer can buy a number of different items of different manufacturers at the same time on one invoice. This is much, much faster, with a lot less paperwork, than going to the individual manufacturer.

For these and other reasons, the annual volume of all electronics distributors has reached $1.3 billion, including industrial sales of about $400 million and is growing at the rate of 20% annually, well ahead of the electronics industry as a whole.

The electronics industry itself is expected to expand by only 6% in the year ahead. The anticipated much greater growth for distributors demonstrates the increasing reliance being placed on them by an industry that will soon be No. 1 in the United States.

Without the distributor, electronics would be tied to horse-and-buggy methods of ordering nails from the blacksmith shop and wheels from the wheelwright. An engineer in the midst of a high priority research program or a factory producing rocket parts simply can't wait a week or more for a needed component from one factory and a second from another manufacturer who may be on the other coast. So he phones a distributor in his area and gets both the next day.

Defense production contractors as well as scientists and engineers do their shopping from the well-stocked shelves of distributors. TV and radio stations turn to distributors for parts that keep them on the air, and hundreds of commercial and industrial users select their electronics requirements from the hefty distributor catalogues.

Many distributors began as retail stores supplying the needs of repairmen and amateur radio enthusiasts, and today they serve such customers by mail order, too.

Some, such as our company, specialize in the higher-profit industrial sales area.

Export sales are another important and expanding facet of electronics distribution. We find a growing demand in Europe for American electronic instruments for industry and manufacturing, and in nuclear and other research. U. S. manufacturers are able to produce certain instruments and sophisticated components that are superior to those made abroad.

Helping to speed production runs is one aspect of the distributor's service. Another is that the ready availability of small quantities of many components encourages research and development work. Supplying replacement parts is a third aspect.

To equipment manufacturers as well as to laboratories, the distributor's shelves constitute a source of supply that permits them to keep their own parts inventories at a minimum, freeing capital and credit for other needs.

The transistor and other applications of solid-state physics gave a tremendous boost to the electronics field during the past decade, but what lies ahead will expand it a thousand times. The surface of new developments has only been scratched. There are now things coming that will make today's achievements look like the crystal radio days, and electronics distributors will play an ever more prominent role in making these developments available to all the people.

PHILIP S. FOGG

President and Board Chairman, Consolidated Electrodynamics Corporation

(Subsidiary of Bell & Howell Company)

Increased competition is causing major changes in the makeup of the nation's electronics industry.

The excitement and glamour which have typified this industry still exist to a marked degree, and there is every indication that electronics will enjoy a very healthy growth during the 60's. The pattern of that growth is undergoing a very decided change, however.

Philip S. Fogg

During the past 15 years, the electronics industry has been characterized by the establishment of literally hundreds of small companies. Most of them were started by individuals whose prime asset was technical competence. Because of the spectacular growth of the industry during the 50's, it was possible for many of these companies with only technical competence to survive and prosper. Today, the picture is changing rapidly. Competence in all fields of electronics is strenuous. Profit margins are lower and the risks are greater. Success depends not only on technical competence but more importantly on broad managerial skills. Technical capability—even technical brilliance — has no assurance of success unless it is accompanied by equal ability in marketing, production, and finance.

As a result, we are witnessing a great many mergers and consolidations and even some failures in the electronics industry. If this trend continues as expected through the present decade, it is entirely possible that by 1970 this industry will consist of a handful of giant corporations and a few thousand smaller specialists scattered throughout the nation. At present, there are approximately 4,000 electronics companies, and 3,200 of them have sales of less than $1 million a year.

Another factor contributing to this consolidation and discouraging the small operator is the trend to complex industrial systems and larger military systems. These systems require the varied and extensive talents of large companies.

Those of us at Consolidated Electrodynamics Corporation who were responsible for the merger of our firm with Bell & Howell Company in 1960 believe that mergers are good for American business. They enable management to build companies that are more diversified and better integrated—companies which can adapt themselves to market shifts and changes in technology, can ride out the ups and downs of business, and support broad programs of technological research and development. Because larger firms can afford more extensive research programs, the quality and quantity of their products is greater, and customers benefit as a result.

Our merger with Bell & Howell points up other benefits which accrue from a combination of two firms.

Both companies are profiting because their strengths are complementary. The highly developed skills of our 570 scientists and technicians make possible the application of electronic techniques in the photographic and office equipment fields, and the optical and photographic techniques of Bell & Howell find wide application in the data processing, instrumentation, and analytical and control fields.

The combination has also provided a healthy balance

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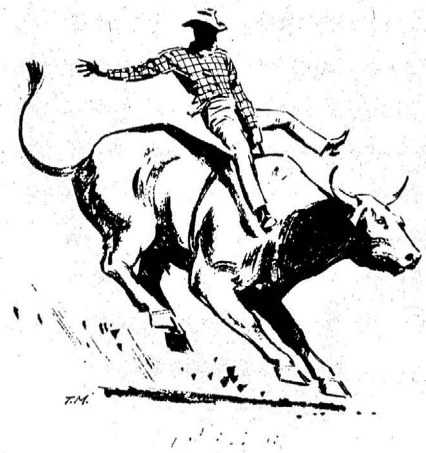

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26TH ANNUAL CONVENTION

HOUSTON, TEXAS • • • APRIL 12, 13, 14, 1961

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Life Among the Giants In the Insurance Industry

By Lloyd M. Bentsen, Jr., Lincoln Liberty Life Insurance Co., Lincoln, Nebraska*

The viability of smaller life insurance companies, their net return's growth, and ability to compete successfully against insurance giants are some of the topics treated by Mr. Bentsen. Before explaining the advantages inherent in smaller life insurance companies compared to their larger competitors, the insurance head stresses the importance in timing and of patience in buying life stocks, and offers a guide on what to look for among the hundreds of new companies spawned in the last decade which offer better investment prospects.

The American philosophy has always been that any boy has the opportunity to grow up to be President—that humble beginnings are no barrier to his success. And in our economy, the natural corollary has been that the small company can become a big company . . . an ex-mechanic can organize the third largest automobile company . . an ice-cream stand can grow into the Howard Johnson chain. In some businesses, it seems that the opportunities are greater for smaller companies than they are for large.

The word "small" as descriptive of a life company is a relative term with many interpretations; but for the purpose of this discussion, it will arbitrarily denote those of less than one-half billion.

In 1916, the five largest companies in the business were writing 44% of all the new ordinary business being written. In 1959, the five largest insurance companies were writing only 39% of the ordinary production. That is a drop of 11%, and it is 11% of a much larger total business than was being written 40 years ago.

Another recent survey shows some interesting facts about the average increase in insurance in force of large and small life insurance companies. Those companies—writing ordinary life only, and with between $100 million insurance in force by 148%; while those with a billion dollars worth of insurance in force 10 years ago showed an increase of 105%. The smaller companies' percentage of growth was 43% more than that of the billion-dollar companies!

It's proof that, in the life insurance industry, a monopoly of giants is a receding mirage. The anti-trust division of the attorney general's department should have no cause for concern, for there is plenty of growth left for the small company which is properly managed and financed.

From the stock investor's viewpoint, life insurance stocks have been often an imponderable. Many an investor has purchased stock in a new insurance company and then gone for years without a dividend while his stock stood still or dropped in market value. Often they have understandably called it quits after a few such years. Too often they have left the stadium just as the ball game was about to begin. If ever there was a stock in which the timing of purchase is important, it's life stock.

A new life insurance company invests a great deal of money, which can't be capitalized, in promoting agencies to write new business. This new business begins to produce dividends only after a number of years. So, the best time to buy is just after a company has arrived. There are many criteria for this arrival — a net gain from operations, a hundred million in force, aggressive management, and at least a 10% growth factor. Yet, it should not be so big that further high percentage growth requires enormous total dollar gains. Top management's ability, influence, and enthusiasm—however, it excels—has a tendency to be dissipated the farther it must be spread over a company.

We are all familiar with the fabulous capital gains in stocks such as National Life and Accident, where $1,000 of stock in 1905 is worth over two million today; or Southwestern Life's $250,000 capital and surplus in 1909, today amounts to well over $50 million. But little is said of the years these stocks were static. Once again, timing is probably more important in the purchase of life stocks than any other.

Smaller Company Problems

This rate of rapid growth for the smaller companies has not been without problems. They have had to overcome some formidable disadvantages resulting from lack of size. Just to name a few—lack of name recognition . . . shortage of volume for automation . . . no management depth . . . and cost ratios. Each of these disadvantages can at least be moderated . . . some overcome . . . and a few of these lemons even turned into lemonade!

First, this problem of name recognition. We can become discouraged by surveys like one showing these answers to this question:

If you wanted to buy some life insurance but weren't sure which company to buy from, which of the following would be most important to you?

	%
Size	42
What you have read or heard about the company	37
Agent who represents company	14
Location	3
No opinion	4

Accepted at face value, these figures are enough to make a small-company President cut his throat! Fortunately, this obstacle isn't as formidable as it first appears, for a prospect seldom asks to buy life insurance. It's still sold—the salesman is the small company's salvation.

Cites His Company's Experience

We can compete favorably with the name giants in our industry if we are selective in the area of competition and choose those areas most advantageous for our particular operations. For example, I told our agency director that some place in the United States we wanted to be the biggest insurance company in the world. Since a large number of our stockholders are in the lower Rio Grande Valley of Texas, there we had a sphere of influence; and we chose it as a place to concentrate and saturate.

Our advertising budget for that limited area far exceeds that of any of the large life companies. To be able to advertise our product in that area, we had to have the availability of it in quantity—and that meant a concentration of agents. We built name recognition quickly in this small area and did so at a reasonable cost. Now we have more M. D. R. T. members in that area than any of the large companies. Today we are close to being the biggest insurance company in the world—in the Rio Grande Valley of Texas!

Automation for the small company is still a problem.

The manufacturers of electronic data computers, understandably, first concentrated their efforts on machines to serve the largest accounts. Fortunately now they have come to realize an even larger market awaits them in smaller companies. The automation of lower volume companies is well on the way to solution. We are even led to hope that the mass production of the smaller computers will lead to a cost basis for these machines that will give us comparable cost ratios with the largest computers.

In a company of our size, depth of management becomes a luxury we can't afford; therefore, more rides or falls on the actions of each official. His actions are not as moderated for better or worse by a chain of command between him and the men in the field. The perils of this situation are obvious, but it's not without some definite advantages.

Earlier, I stated that there is still plenty of room for growth for the small company if it is properly managed and financed. Both ingredients are absolutely necessary with today's intense competition and rising costs in the insurance field.

The science of business management has made great strides in recent years. It is necessary that the management of the small company impose on itself continuous education to stay abreast. The empirical approach still used by some will raise their percentage of management errors to a noncompetitive level.

Although larger companies are more prone to use management consultant firms, it's the small company that should be emphasizing their use. No small company can afford to staff itself to the extent that it can be conducting as comprehensive and detailed studies as are available through such consultant firms. Nor can you observe your own problems with comparable objectivity.

Comparing New Companies

In the last decade, hundreds of new companies were spawned. There were some vast differences in their character, finance and objectives.

(1) Those whose sponsors were interested only in a fast buck through stock promotion were a travesty on the investing public and the reputation of the industry. They have been, or will be, absorbed by others.

(2) Others, sincere in their purpose but under-capitalized, have found that the break-even point of any new company showing appreciable growth continues to climb far beyond the old textbook criteria.

Without refinancing — and this on today's market is an unlikely prospect—the sooner these under-financed small companies get the urge to merge, the better will their labors be rewarded. But for the company well-financed and managed, the rewards are there for the doing.

These smaller companies have historically earned a higher net return on their investments in the past. This has been a most helpful subsidy to their growth.

Some of the advantages afforded a small life company are almost unique to our industry. When one of our giant competitors finishes its actuarial studies and market research for a new policy, then introduces it to the public, we can follow them with an identical product in a matter of days, if we are impressed with it. For us, there is no expensive retooling of a production line or a long delay while a competitor captures the public's fancy with a new product. If we are satisfied with the policy's economic potential, we call the printer and submit it to the state for formal approval. There is no policy they can offer that the smaller company can't duplicate. The empha-

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In Attendance at Texas IBA Group Meeting

ABSHIRE, FRANCIS I.*
Moroney, Beissner & Co.,
Houston, Texas

AHBE, JOHN L.
Distributors Group, Inc.,
New York, N. Y.

ALEXANDER, TED R.
Texas Bank & Trust Co.,
Dallas, Texas

ALMON, TAYLOR B.*
Almon & McKinney, Inc.

ALSBURY, ED M.*
Merrill Lynch, Pierce, Fenner & Smith,
Inc., Houston, Texas

ALTGELT, E. J., JR.
Harris Trust & Savings Bank
Chicago, Ill.

ARNESON, RICHARD O.
Dittmar & Company, Inc.,
San Antonio, Texas

ARNSPIGER, S. DAVID*
Rowles, Winston & Co.,
Houston, Texas

AUSTIN, EDWARD H.*
E. H. Austin & Company,
San Antonio, Texas

AUSTIN, FRANK E., JR.*
Walker, Austin & Waggener,
Dallas, Texas

AYRES, ROBERT M., JR.
Russ & Company,
San Antonio, Texas

BAKER, PHILIP D.
White, Weld & Co.,
New York City

BALL, TOM, JR.*
Brown, Wareing, Ball & Company,
Houston, Texas.

BAYLESS, JAMES L.*
Rauscher, Pierce & Company, Inc.,
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BEAK, ROBERT M.
Straus, Blosser & McDowell,
Chicago, Ill.

BEARD, SAM J., JR.*
Equitable Securities Corporation,
Dallas, Texas

BEATTY, FLOYD H.
A. G. Edwards & Sons,
St. Louis, Mo.

BEAUDRY, ROLFE W.
Fridley & Frederking,
Houston, Texas

BEINHOR, WILLIAM A., JR.
Russ & Company,
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BEISSNER, HENRY M.
Moroney, Beissner & Co., Inc.,
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BENNETT, DELTON, JR.*
Dewar, Robertson & Pancoast,
San Antonio, Texas

BENTSEN, LLOYD M., JR.
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BERGQUIST, P. A.*
First National Bank of Chicago,
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BERNET, A. E., JR.*
Schneider, Bernet & Hickman,
Dallas, Texas

BLAIR, ALLAN*
Blair (Allan) & Company,
Chicago, Ill.

BOATE, THOMAS N.
R. H. Moulton & Co.,
San Francisco, Calif.

BONDANK, JOHN J.
Stern Brothers and Co.,
Kansas City, Mo.

BOOTHMAN, CLAUD O.*
Dumas, Huguenin & Boothman,
Dallas, Texas

BOYCE, J. REYMOND*
Auchincloss, Parker & Redpath,
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BRADLEY, RICHARD L.*
Equitable Securities Corporation,
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BRAHINSKY, DAVID
William N. Edwards & Co.,
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BRANDENBERGER, JOHN W.
E. F. Hutton & Company,
Houston, Texas

BRANYON, ALLAN D.
Mercantile National Bank at Dallas

BRINKER, ROBERT R.*
John Nuveen & Co.,
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BRITTAIN, PETE
Shearson, Hammill & Co., New York,
New York

BROWN, E. KELLY*
Brown, (E. Kelly) Investment Company,
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BURT, NESOM, JR.*
Underwood, Neuhaus & Co.,
Houston, Texas

BYRNE, EDMOND C.
Phelps, Fenn & Co.,
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CABELL, LANDON
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CARTER, JACK*
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Houston, Texas

CARTWRIGHT, E. O.
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CHAPPELL, WILLIAM B.*
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CLARK, DICK, JR.*
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COATS, GLENN B.
The First National Bank of Fort Worth,
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COFFEY, CARL G.*
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COLBURN, CLAY E.*
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COLEMAN, FRANCIS X.
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CONDON, RAY*
B. J. Van Ingen & Co., Inc.,
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COOPER, GEORGE E.*
Dallas Rupe & Son, Inc.,
Longview, Texas

CORNELL, JOHN B., JR.*
Lehman Brothers,
Dallas, Texas

COUFFER, JAMES G., JR.*
Drexel & Co.,
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COX, CLARK*
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St. Louis, Mo.

CROWE, CLARENCE E.*
McCall, Parkhurst, Crowe, McCall &
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Houston, Texas

CUNNINGHAM, FRANK J.
Kidder, Peabody & Co.,
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CURREY, FRED G.
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CURRIE, JACK T.*
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DEWAR, HAL
Dewar, Robertson & Pancoast,
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DOHERTY, W. L.
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DUNLAP, HUGH
Goodbody & Co.,
Dallas, Texas

DUSON, C. P.*
Rotan, Mosle & Co.,
Houston, Texas

EATON, EMMETT H.
Ira Haupt & Co.,
New York, N. Y.

EDDLEMAN, R. N.*
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EPPLER, WILLIAM B.
Eppler, Guerin & Turner, Inc.,
Dallas

ESTES, BILL H.
Eppler, Guerin & Turner, Inc.,
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FOSDICK, JOHN JAY*
Eddleman, Pollok & Fosdick, Inc.,
Houston, Texas

FRANKLIN, ED. W.*
Dittmar and Company, Inc.,
Dallas, Texas

FREDERKING, WILBUR H.*
Fridley & Frederking,
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FRIDLEY, EARL G.*
Fridley & Frederking,
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FRIEDRICHS, G. SHELBY*
Howard, Weil, Labouisse, Friedrichs &
Co., New Orleans

FUNK, CRESTON H.
Funk, Hobbs & Hart,
San Antonio, Texas

FURBER, DONALD E.
Eaton & Howard, Inc.,
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Texas Fund Management Company,
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GEARNER, GEORGE W.*
First Southwest Company,
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GIBSON, ROBERT M.
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GILBERT, BOB*
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GLANVILLE, JAMES W.*
Lehman Brothers,
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GLASER, WILLIAM C.
Goldman, Sachs & Co.,
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GOODWIN, A. JACKSON*
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*Denotes Mr. & Mrs.

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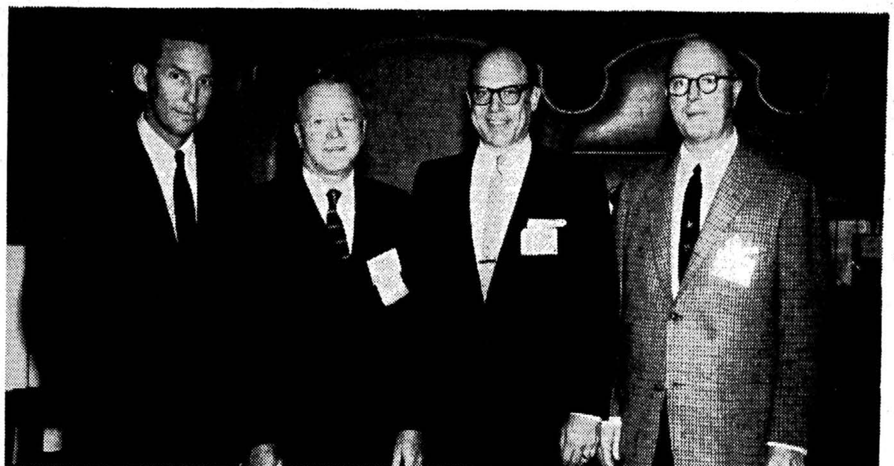

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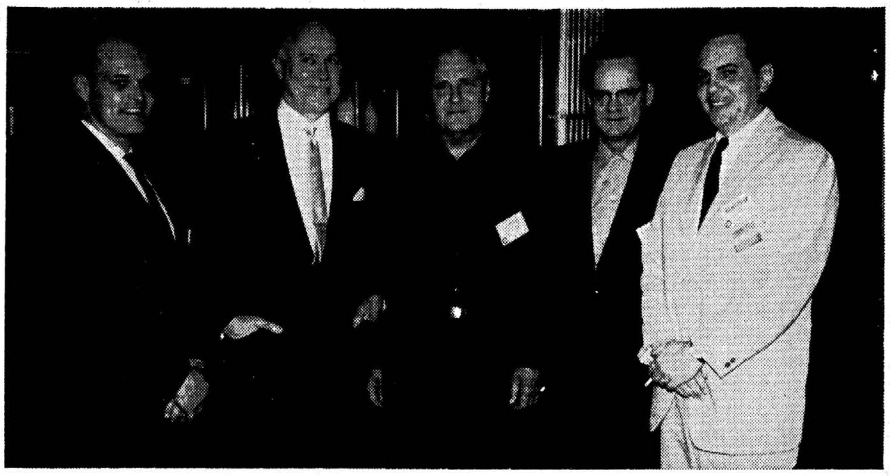

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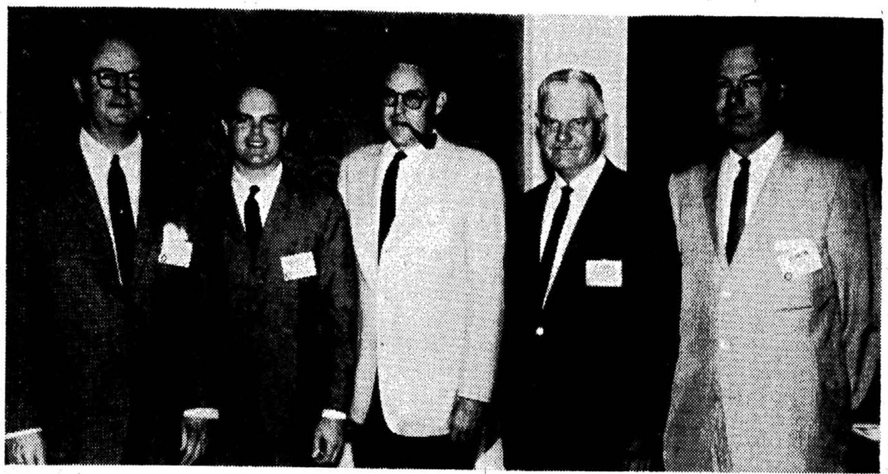

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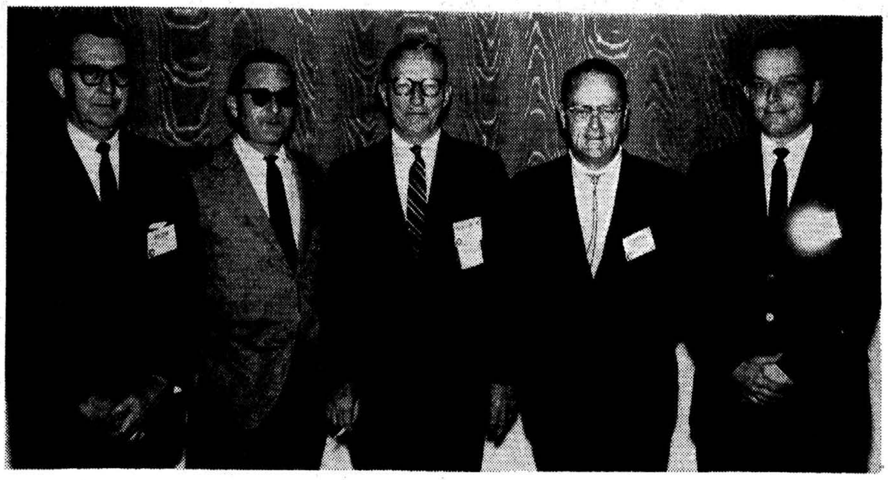

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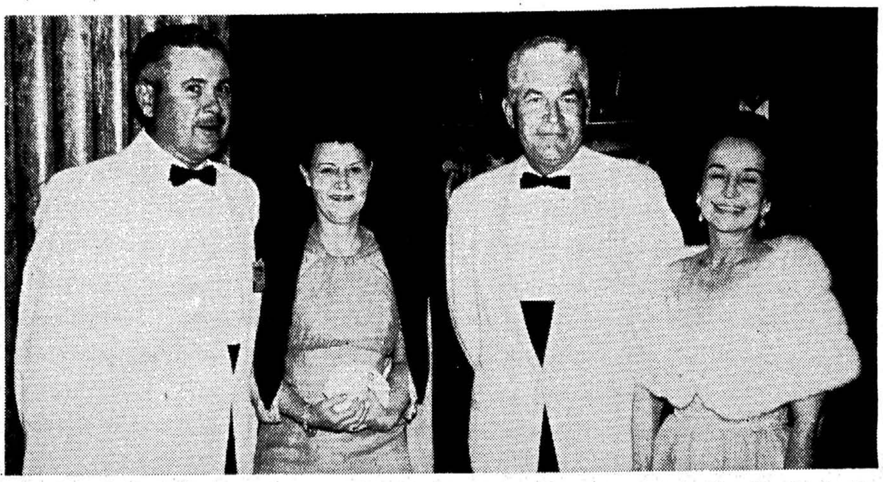

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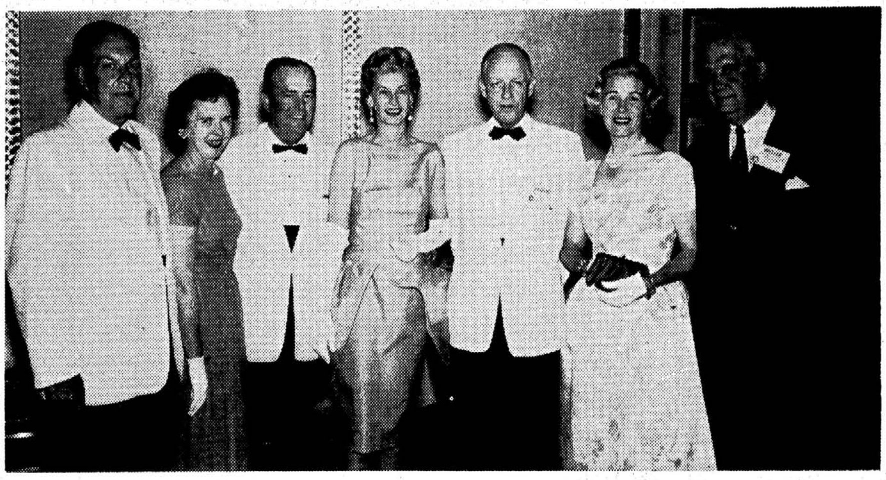

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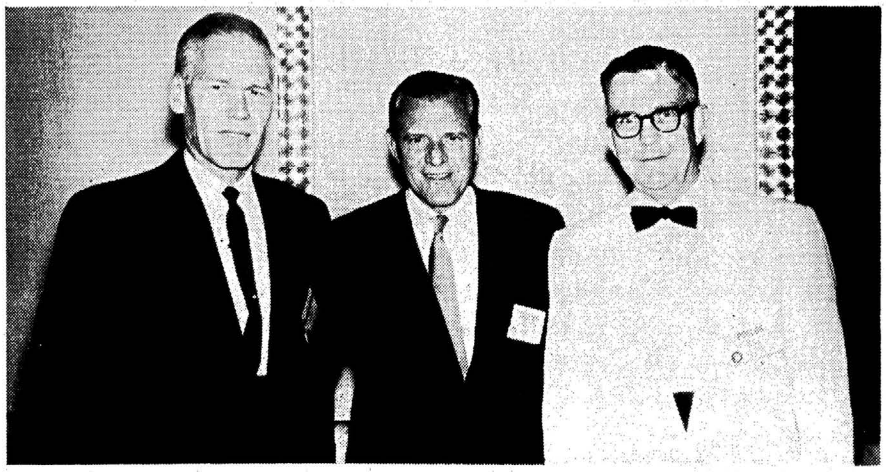

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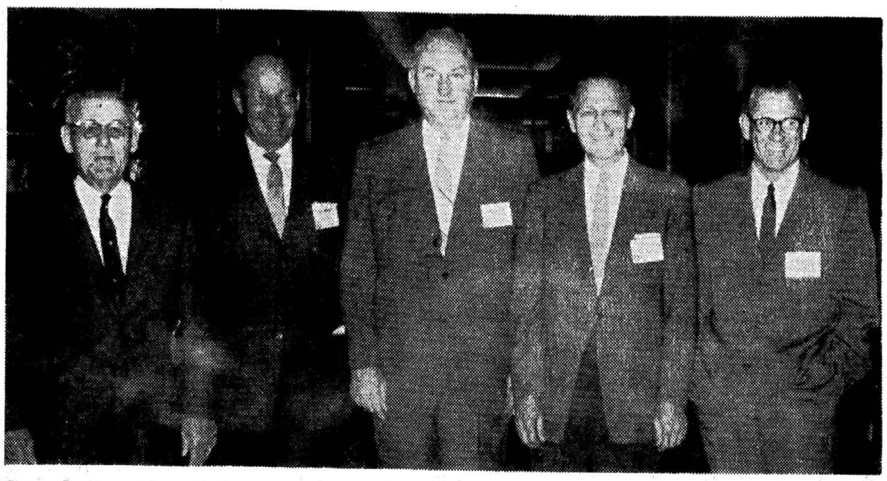

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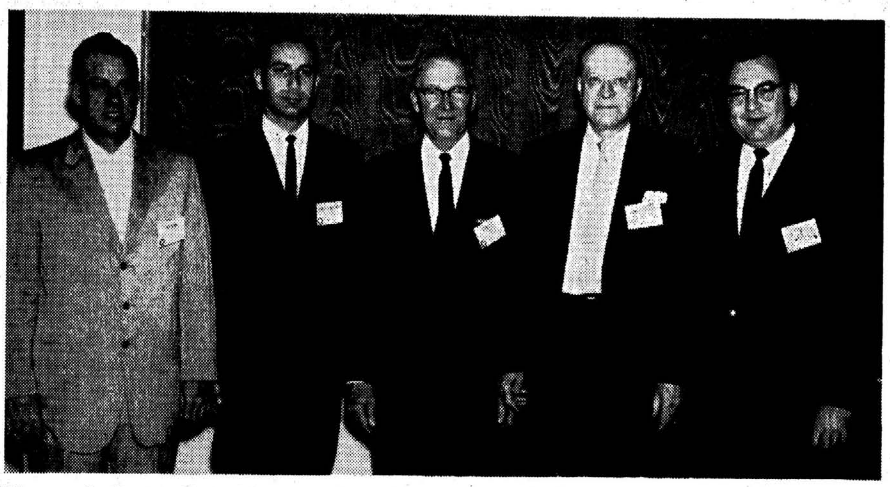

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Life Among the Giants In the Insurance Industry

Continued from page 2

sis of the competition is not in products, but in salesmanship.

New Tax Law Aids Smaller Firm

Congress went out of its way to encourage the growth of small life insurance companies in the new Federal tax law. The new law establishes a growth incentive for the small life company. For such a company, today's law is more favorable than the previous one. Nineteen Fifty-eight Federal tax law on life insurance companies was, in the main, aimed at underwriting profits. Treasury chose as an objective an arbitrary goal of $500 million to be paid by the life insurance industry. Taxes on life insurance companies have historically given consideration to the long-term liability a company contracts with a policyholder, and provided a safety margin. Yet, there were some credit life and hospitalization companies which built few reserves or had short-term liability contracts, which were making large profits and paying little in taxes. It was at these companies the Treasury and Congress particularly aimed the increased taxes. The overall tax paid by the industry was increased; but for other than these specialty companies, the percentage increase for the individual companies was small.

Insurance tax law is so complex and the studies and hearings before Congress so long and involved in this comprehensive tax revision, that I think it politically improbable that there will be any major revisions in the insurance tax law for several years.

Management has a number of advantages in the smaller company. The smaller company, for example, can far more easily tailor its overall operations to meet the peculiar needs and requirements of certain occupational or cultural groups.

For instance, a smaller company can specialize in selling life insurance to teachers, abstainers from alcohol and tobacco, a religious group, farmers, or college students; and design practically all of its advertising, sales tools, and presentations in terms that are most meaningful to that particular group. In short, the company can stamp itself as a college, educators, farmers, or union life.

The larger companies, of course, can modify their operation somewhat when working in each of these fields; but, of necessity, the large company must base its operations on its national needs, and any specialization must be simply modifications.

Some of today's largest insurance companies had their initial growth in such specialized fields, and they went on into more diversified operations as they grew beyond the limits of these fields.

Greater Flexibility

The smaller company's management can be far more flexible, and life insurance is a business that requires management flexibility to a great degree. The more intimate relationship of the smaller organization reveals the need for change more quickly, and the necessary change can be made more easily and at less expense because there are fewer people and departments involved in the change. Top management is directly concerned with operations throughout the organization.

Successful small company management is truly a team performance. **All** of its **officers** have knowledge of **all of its operations.** Departments are still people concerned with each other's problems because they still share in their solution and the rewards.

In our company, the agency director and the president are on a first-name basis with our field force. Our agency director—like all agency directors—is dealing in general with a group of extroverts . . . men of moods . . . and, if particularly successful as salesmen, they are likely to be prima donnas. Motivation for them becomes an obligation of the agency director. He must be able to transmit confidence, ambition, and drive. The larger the company, the more this becomes a merchandising motivation through managers, literature, and secondary media. But motivation is an appeal to emotions and, therefore, difficult to sustain. Obviously it is easier to maintain in a company where the agency director and president are on an intimate, first-name basis with the men in the field.

Our growth—like that of every insurance company — must come from the efficient sales efforts of the men who are in the field selling our insurance. So it is fundamental that, to assure our continued growth, we must continue to recruit top caliber men to represent us in the field. Here, again, our size is an advantage. For when a top recruiting prospect turns up, it is by no means a sure thing that he will join us. He may not yet be completely sold on entering the insurance field. He may be wooed by a half-dozen other companies. But we have found that it is easier to sell him on entering the insurance business —and on entering it as **our** representative — when our agency director and our president can talk to him personally.

In such a situation I may not have any more sales charm than the president of a competing billion-dollar firm. But I have the advantage that the girls overseas had during the war—I've got it **there!** And that makes a difference to the recruit, just as it did to the boys overseas.

To keep this personal selling practical, the geographical objectives for new agency development is to concentrate and saturate. The objective is to enlarge present agencies and to create new agencies in proximity to the Home Office and the Texas-Louisiana Gulf Coast.

With today's intense competition, cost factors have become increasingly important. Transportation costs for agency schools and administrative costs are all less per unit agent where we have concentrated and saturated.

The Question of Size

In a company of our size, we are not interested in experiments in new methods of management. Our agency director must not be the first to prove the advantages of a new method of management, but he should be as close as possible to being the second. We are neither large enough nor wealthy enough to start down our own particular cul-de-sac . . . someone has already done it for us and can help us avoid that pitfall by his experiences.

Most of the management advantages of smaller companies that I have been discussing have been related to **sales**—and this is natural, because sales are the very essence of the life insurance business. But it is obvious to almost any management man that a great many of these advantages exist to a certain degree in every facet of the life insurance company.

In the area of employee relations, for instance, it is almost axiomatic that it is easier to maintain good employee spirit in the smaller company; where day-to-day working relations are between individuals who are personally known to each other. Huge rooms full of office workers are likely to bring rooms full of problems. Office politics becomes a more complicated problem. The **reasons** for management policies are likely to get lost in the shuffle, with the result that employees feel that management policies are just somebody's whims.

As everyone concerned with management knows, it is easy for the inefficient worker to "become lost" in the large organization because his inefficiency doesn't show up at once. In the field of labor relations and unions, there could never have been "big labor" until there was first "big business."

One of the most pronounced trends in growth of American business in recent years has been that of growth through mergers. There has been a phenomenal number of mergers of companies of all kinds. Some of these were to obtain tax advantages . . . some to diversify . . . some to obtain new products . . . some to obtain new management . . . some to obtain operating efficiencies.

Here, again, the smaller company usually has some growth advantages over the larger company, since a merger is usually easier to arrange when the two companies involved are not large and unwieldy. Regulatory bodies are generally more favorably inclined toward mergers when the companies involved do not present any threat of monopoly.

Our present organization is the result of a merger between a relatively new company with an aggressive young management and an older, established company gressive young managementr o with an outstanding reputation in the geographical area in which it does business. The results have been a gratifying growth since the merger and ambitious plans for the future.

Now I feel that I've made it pretty clear that I think there are tremendous opportunities at the present time for insurance companies in general and small companies in particular. I readily admit the competition of big companies is rough and will probably become more so; but I have a sneaking suspicion they, too, are feeling the impact of the most competitive era in the industry's history.

My remarks have been limited to factors affecting small companies as opposed to larger companies and have not dwelt on the economic factors which will assure growth to insurance companies of all sizes.

We plan to expand our operations. In short, we are getting bigger and have plans to get much bigger.

And there's the paradox.

I have been holding forth on the advantages of being small, but I'm admitting that we are rushing toward bigness.

As we grow, our objective will be to accrue the many advantages of the large companies while doing our utmost not to lose the advantages which contributed to our new classification. Most of all, we will strive not to lose the personal touch with the salesman and the policyholder.

The subject of the future of small companies is certainly not a new one; and in collecting background material for this talk, it was noted that none of the speakers was ever asked to speak again on the subject. I hasten to add it wasn't because their talks weren't of interest; but, shortly thereafter, the classification of "small company" just didn't fit. This dire fate we hope to be ours.

***An address by Mr. Bentsen before the Texas Group, Investment Bankers Association of America, Houston, Texas, April 13, 1961.**

In Attendance at Texas IBA Group Meeting

Continued from page 2

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STEVENSON, STUART D.
Bankers Trust Company,
New York, N. Y.
STEWART, ROBERT, JR.*
Bank of the Southwest,
Houston, Texas
STOLLE, CARL
G. A. Saxton & Co., Inc.,
New York, N. Y.
STORIE, W. STEWART*
First Southwest Company,
Dallas, Texas
STOTLER, ROGER G.*
Rowles, Winston & Co.,
Houston, Texas
SULLIVAN, ARTHUR P.
Bankers Trust Company,
New York, N. Y.
TAAFFE, ROBERT J.*
Blyth & Co., Inc.,
Chicago, Ill.
THOMAS, HAROLD L.
Pioneer Fund Inc.,
Dallas, Texas
THORS, JAY E.
Asiel & Co.,
New York City
TINSLEY, W. E.
Municipal Advisory Council of Texas,
Austin, Texas
TITUS, ALAN W.
First National City Bank of New York,
New York City
TUCKER, W. ROY, JR.*
Rowles, Winston & Co.,
Houston, Texas
TYSON, EARL A.
Eddleman, Pollok & Fosdick, Inc.,
Houston, Texas
UHL, PAUL E.
United California Bank,
Los Angeles, Calif.
UTLEY, PAUL W.
Goodbody & Co.,
Dallas, Texas
VAN INGEN, JR., BERNARD, JR.
B. J. Van Ingen & Co., Inc.,
New York City
VINYARD, EUGENE D.
Eppler, Guerin & Turner, Inc.,
Dallas, Texas
VOEKEL, KENNEY R., JR.
Underwood, Neuhaus & Co.,
Houston, Texas
VOSTAL, JOSEPH
Kidder, Peabody & Co.,
New York City
WAGGENER, NELSON*
Walker, Austin & Waggener,
Dallas, Texas
WARREN, EDWARD L.
Morgan Guaranty Trust Company,
New York City
WEATHERSTON, JOHN S.*
A. G. Edwards & Sons,
Houston, Texas
WELLER, FRANK G.
Wisener, Mackellar and Company,
Toronto, Canada
WHITE, CHARLES B.
Charles B. White and Company,
Houston, Texas
WITTER, WILLIAM M.
Dean Witter & Co.,
Chicago, Ill.
WRIGHT, WALTER
Rand & Co.,
New York City

***Denotes Mr. & Mrs.**

Mr. & Mrs. Earl G. Fridley, *Fridley & Frederking*, Houston; Wilbur Frederking, *Fridley & Frederking*, Houston

Mr. & Mrs. Philip F. McManus, *New York Hanseatic Corporation*, New York; Mr. & Mrs. Bob Murphy, *First National Bank*, Dallas; Mr. & Mrs. Robert R. Gilbert, *Sanders & Company*, Dallas

Mr. & Mrs. Jack McBride, *Rotan, Mosle & Co.*, Houston; Mr. & Mrs. C. O. Ritch, Jr., *Beil & Hough, Inc.*, St. Petersburg; Mr. & Mrs. Harry Ratliff, *A. G. Edwards & Sons*, Houston

Arnold J. Kocurek, *Rauscher, Pierce & Co.*, San Antonio; Gilbert Hattier, Jr., *Hattier & Sanford*, New Orleans; John X. Kennedy, *White, Weld & Co.*, Chicago; M. B. Pratt, *Estabrook & Co.*, Boston

Charles C. Pierce, Jr., *Rauscher, Pierce & Co., Inc.*, Dallas; Mr. & Mrs. P. A. Bergquist, *First National Bank of Chicago*, Chicago; Robert M. Goodwin, *First National City Bank*, New York

K. I. Fosdick, Vice-President and Treasurer, *American National Insurance Co.*, Galveston, Texas; Henry M. Beissner, *Moroney, Beissner & Co.*, Houston

Mrs. Russell R. Rowles, Houston; Mrs. George A. Newton, St. Louis; Mr. & Mrs. Charles C. Pierce, *Rauscher, Pierce & Co., Inc.*, Dallas; Mrs. Ed Bernet, Jr., Dallas

Mr. & Mrs. John Clayton, *First National Bank*, Dallas; Mr. & Mrs. Jack C. Payne, *Dallas Union Securities Co.*, Dallas; Harry Mayfield, *Commerce Trust Company*, Kansas City, Mo.

The Electronics Industry's Vast Economic Base

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years since Jan. 1, 1957, the Dow-Jones Industrial Average has risen from 480 to 695, or by 31%. But the *Electronic News* index of electronic stock prices has shot up from 99 to 287, or by 190%! Yet not all electronic stocks have soared and market performance has been spotty. Moreover, the electronic stock price index fell by 14%—almost as much as the Dow-Jones industrial average—during the market setback of 1959. The task of identifying companies with technological leads in their fields, products with large market potentials, and skilled management teams capable of translating these assets into profits, demands *greater* skill and sophistication than is necessary in making any other kind of high-risk investment. There are ominous signs that investors are becoming indiscriminate in their eagerness to buy anything with the magic "electronic" on the stock certificates. In no field is professional investment management more necessary—and more valuable to the investors.

Future Changes in Economic Features of the Industry

What changes in these economic characteristics of the American electronic manufacturing industry are likely to occur in the future?

Overall growth of the industry is certain, although the annual rate of increase from the present large base will be smaller. Factory sales, which quadrupled during the Fifties, are expected to double during the Sixties, bringing their annual volume to around $20 billion by 1969. Military sales will expand further, even in the event of arms control, which paradoxically will probably expand rather than diminish the need for electronic devices. Industrial sales will experience the largest relative increase, as computers, telecommunications and controls come "into their own" in the Sixties. Even the sluggish home products market will probably come to life during the last half of the Sixties, with the prospective boom in household formations and home building. Although European and Japanese electronic firms will continue to advance, the prospect is that the U. S. will stay in a position of technological leadership as a result of our huge government commitment to missile development and space programs. The U. S. may well import large quantities of radios and standard components, such as transistors, but it will export several times as much in computers, instruments and other sophisticated electronic equipment.

Sees No Concentration Setting In

One may look for a continued high rate of entry of new firms into the industry, because there are no signs of maturity in electronic science. Mergers and consolidations of existing companies will assuredly continue, but even more new firms will enter the arena. The notion that the electronics industry faces a period of radical consolidation and will consist around 1970 of a few huge corporations, *a la* the automobile industry, is an illusion. The difference between the technological dynamism and the product spectra of electronics and automobiles is as great as that between the automobile industry and the flour milling industry! The dispersion of electronics manufacturing in 1970 is likely to be as great as it is today.

Electronics manufacturing will, in all probability, continue to be marked by a low ratio of tangible investment to sales and by a high ratio of R. & D. outlays to sales. A gradual rise in the profitability of the industry is likely to occur during the Sixties, as the relative importance of low-margin military sales diminishes and of high-margin business and consumer sales increases. The long-term profitability of electronics, as of other defense-oriented industries will be heavily influenced by Federal policies of corporate income taxation and military procurement. It is to be hoped that these policies will recognize the dependency of the rate of technological progress and innovation—and therefore the national security—upon adequate profit incentives.

We shall not venture a specific opinion regarding the future market valuation of electronic equity securities! The future will, no doubt, bring disappointments as well as pleasant surprises. In the case of many electronic companies, investors have certainly discounted growth in earning power and in yields (in capital gains as well as in current dividends) rather far into the future. Yet, the ancient investment precepts of discriminating selection, courage, and patience can be counted upon over a period of years to produce a highly satisfactory reward to those investors who practice them.

Schmidt, Sharp Branch

LOS ANGELES, Calif.—Schmidt, Sharp, McCabe & Co., Inc. has opened a branch office at 3222 West Jefferson Boulevard under the management of Sam Yoshikowa.

Resitron Labs. Stock All Sold

Public offering of 200,000 shares of Resitron Laboratories, Limited common stock at a price of $1 per share was made on April 21 by D. E. Liederman & Co., Inc. The stock sold quickly at a premium.

Net proceeds from the sale of the common shares will be used by the company to repay bank loans, for improvements in new premises to be rented by the company, for additional machinery and equipment, and tools and dies. The balance of the proceeds will be used for working capital.

Resitron, based in Santa Monica, Calif., is engaged principally in the design and manufacture of high vacuum devices, television camera tubes for military use and special purpose tubes. The company's principal product has been a line of high vacuum switches employed to open and close high voltage electrical and electronic circuits in radar systems, radio and television transmitters and other communications equipment.

For the five months ended Nov. 30, 1960, the company had sales of $86,753, while in the fiscal year ended June 30, 1960, sales aggregated $151,125. Upon completion of the current sale of common shares, outstanding capitalization of the company will consist of 499,988 shares of common stock.

Electronics Industry: Today and Tomorrow

Continued from page 28

between military and consumer output. CEC markets had been primarily government and industrial, while Bell & Howell had been predominantly in the consumer photographic field. Combined 1960 sales, which exceeded $114 million, were about 50% consumer, 35% government, and 15% business and industrial.

Employees of both companies have benefited from the merger. Because of the increased stature of the combined corporation, its growth is greatly accelerated. This means increased opportunities, more attractive environments, and greater pride in accomplishment for these 7,600 employees.

Perhaps of even greater importance is the fact that the nation and the Free World stand to benefit from this combination. The research organizations of the two companies have already been combined into one organization and the product development base of both companies has been materially strengthened. As a result, the combined technologies of electronics, optics, and mechanics are now being applied vigorously in the development of major new products of the future—products which neither company could have produced alone—products which will contribute significantly to the future security of our nation and will bring enjoyment and a better way of life to all of us.

Certainly other combinations in the electronics industry have produced similar benefits, and subsequent mergers will add to this total. From all indications, this trend toward consolidation seems to be a healthy phenomenon on the American business scene.

BENJAMIN FOX

President, Elso Corp.

The electronics industry is divided into several distinct segments, each independent of another and each different from the other. These segments are: (1) Entertainment (radio, television, tape recorders, hi-fi- and stereo); (2) Communication (paging, ship to shore, aircraft, portable); (3) Commercial (computers and data control); (4) Industrial (servocontrol and power); (5) Military (missile, ground control and communication, radio detection, etc.); (6) Medical; and (7) Miscellaneous (instruments, automatic devices, etc.).

Benjamin Fox

(1) In the entertainment field the most promising area is the one of color television. Up to now only RCA was able to market color television sets, but recently several other companies indicated that they will enter this market. This means a considerable increase in promotion and subsequently a larger market in color television. This also should be a good year for hi-fi-stereo phonographs and tape recorders. The public is getting more and more conscious of next-to-perfect reproduction of sound.

(2) In the communication field, due to microminiaturization, pocket size and "wrist watch" transistorized trans-ceivers, new vistas will be opened on personal communication. The famous "walkie-talkie" is a giant compared with present-day communication gear. This equipment has great applications in industries, hospitals, warehouses, etc.

(3) The greatest dollar volume of sales will be in commercial electronics. Computers of improved design and smaller size will be fighting for supremacy. But intense competition amongst makers of these computers and data control equipment soon will separate the "men" from the "boys." Although the dollar volume will increase, I believe that some small and inefficient manufacturers will be squeezed out.

(4) The industrial electronics will slowly generate new "robots." Transistorized power equipment will soon drive light and, eventually, heavy equipment.

(5) The government expenditure on military electronics will be higher in the year ahead. With a steady increase in our missile program, ground control equipment and communications will be built up in proportion. Radio detection gear will be improved and built to meet the demand of tracking the new missiles and communication with the astronauts.

(6) Medical electronics is in its infancy and holds the greatest promise to improve health and detect diseases in their early stages. Many new devices will appear on the medical market as an aid to physicians and hospitals, for analysis and detection of diseases. The data obtained will be fed into a computer that will diagnose quickly the form and extent of malfunction.

(7) Of course, with all the electronic gear, instruments to test and analyze the performance of gear will be required. Automatic devices to increase production will replace or become complementary to the mechanical devices. New applications in electronic automation such as is used in the machine tool industry, will be appearing on the market in ever-increasing numbers.

In general, the electronics industry in the United States of America will have its greatest year so far in the year ahead. Because of the American ingenuity and drive for better products made more efficiently, it will be able to ward off the foreign competition that is threatening it now. Abroad, the electronics industry will keep in step with our advances in this field and will offer us the benefit of their research into the many facets of the industry.

FRANK W. GODSEY, JR.

President, Electronic Communications, Inc.

All of the amazing discoveries and advances of recent years notwithstanding, one aspect of human endeavor remains unchanged. Hindsight is still safer and easier than foresight, with society supporting a far greater number of critics than prophets. In the field of electronics, nonetheless, there is far more than a crysal ball on which to base an estimate, and we can look forward with reasonable certainty for the pattern established over the past decade to continue during the next five years.

F. W. Godsey, Jr.

Electronics is a fact of life, with not the slightest sign of waning vitality. While the trend of the next five years may be regarded as gradual, there seems little doubt but that we will regard progress in the next 10-15 years as a major revolution.

For the shorter, five-year period, every broad area in this young and active industry seems destined for improvement. Careful review and analysis, however, discloses that some areas hold greater promise than others. Singularly significant advances in technology foretell the rapid ascendency of certain varieties of products, particularly components and devices, while others become marginal or disappear completely.

There are numerous examples, such as molecular electronics, and the steadily increasing impact of microminiaturization. Areas such as these have effected their own, internal revolution, which can be likened to the early, phenomenal growth in electronics, itself. Semiconductors (transistors, diodes, and rectifiers) have greatly expanded product horizons, allowing, for one thing, greater power and performance in a smaller package. Compared to the vacuum tubes they replace, semiconductor components are very small, compact, inexpensive, simple, long-lasting, and many times more reliable than all but the most expensive tubes.

Research is the key to change and to the generation of new ideas and new talents. In fact, to utilize the fruits of advances in technology requires a similar and continuous infiltration of new skills at all levels of technical and management organization. A vigorous industry will change and seize upon opportunities to expand and increase its capabilities. Intense competition, both at home and abroad, assures this result.

Engineering in electronics is itself in a state of turbulent change. Engineers and scientists are inexorably joined towards common objectives. As a result, the engineer of tomorrow must know more and more about science, while the scientist will require greater knowledge and understanding of engineering methods and problems. Each will have to work in the very frontiers of his field, to bring forth new technologies that may have been unknown during the period of his formal education, and to eliminate the lag between scientific discovery and industrial implementation.

Industrial electronics continues to grow and may someday rival defense electronics. The horizon for computers is not yet in sight, as more and more they assume an ever greater variety of roles and functions. So regardless of romance or emphasis, the vitality of the industry is undeniable, and it is destined for ever greater economic, social and political impacts on the lives of each of us.

TITUS HAFFA

Chairman of the Board, Webcor, Inc.

The future looks rosy. Gross volume for the entire electronics community should continue its current upward surge in the years ahead, at an annual growth rate of about 8%. Technological advances, greater emphasis on Reseach and Development and the positive temper of the "new frontier," as reflected in both governmental spending and consumer attitudes, makes a broadly optimistic prediction possible, as the situation is viewed today in our highly sensitive and dynamic economy.

Titus Haffa

Man in orbit dramatizes the necessity of great strides in world competition for dollars and minds. There is an unquestionably highly sophisticated emphasis by governmental leaders on the electronics wonders of fact storage, controls and communications, as exemplified by military commitments now accounting for at least 50% of the total electronics gross, with foreseeable increases. Industry is moving in close pace, and many amazing electronic developments are on the horizon. Within the past year, solid state science has seen tiny vapor growth crystals join silicon and germanium molectronic devices and tunnel diodes in the semiconductor arsenal for increasing capacity while further miniaturizing components, computers and communications gear.

The space race and military hardware requirements are not only forcing rapid development of the electronics technology but, almost more importantly, are creating a widening pool of scientists and engineers who will benefit every segment of the community in the years to come.

The great developments by government and industry requirements obviously have a direct benefit to consumers as well as more cosmic effects on geopolitics, living standards and automation. In our own field, the principles involved in our automatic 22-channel recorder-reproducer system created for the Federal Aviation Agency for use by air traffic control centers have helped us in perfecting our multi-channel stereophonic tape recorder-reproducer sold for home entertainment.

Although the consumer segment of the $10 billion electronics sales gross is not the major one, it is one of rapid advance. Foreign competition on a price-quality level has resulted in increased ingenuity to produce superior products at much greater labor costs, adequate profits and attractive prices. In this field, American stress on quality above price, and on marketing techniques, has joined the domestic challenge—and is leading international thinking.

New consumer desires are stimulating the industry: The new pocket-size 100 mw citizen's band transceivers are saving time and money, while increasing pleasure in pursuits ranging from inventory checking to duck hunting. Quality FM programming has brought a resurgence in FM radio set and component demand. Photography fans are now intrigued with adding sound to their slides and motion pictures. New flexibility in tape recordings sets are making them almost as necessary in modern language classroom instruction as typewriters are in a business school. Now that the faddism has shaken out, stereophonic sound is here to stay — and as the public becomes exposed to more and more comprehensive stereo music libraries (as the coming multiplex radio developments will achieve), the low-saturation stereo phonograph business should take a leap forward. Flat, more compact tubes and smaller components, with audio-video recording-playback instrumentation, appears to be one stimulating direction of TV development coupled with an encouraging market trend toward multiple-set ownership.

The outlook for the electronics community, every year a larger slice of the national community, is bright and positive . . . and can't help but have a strengthening effect on both our individual and total national posture.

ALBERT KAHN

President, Electro-Voice, Inc.

In this dynamic industry, forecasting is particularly hazardous. Many of us have done poorly in boom times and great in depressed periods.

Albert Kahn

Fortunately, we are in a position to make business from ideas and are not wholly dependent on "times". This is a constant challenge and consequently the maintenance of a top engineering group and imaginative people is an insurance policy.

Electronics and its related industries have been built upon the needs and problems of other industries. If new problems continue to arise and the electronics industry continues to solve them, the years ahead will be most fruitful. We in this industry are sure that they will.

WALTER P. MARSHALL

President, The Western Union Telegraph Co.

There is general agreement that vast increases in telecommunications facilities will be required within the next several years for the swift transmission of data of all kinds. Some industry spokesmen have recently predicted that the volume of data communication will exceed, in a relatively few years, the present volume of long distance voice communication.

Walter P. Marshall

To prepare for the handling of this potential, Western Union has undertaken an unprecedented construction program which will produce large increases in facilities, engineered to handle a broad range of telecommunications services.

The present total U. S. market in telecommunications—record and voice—is approximately $9 billion annually. Mathematical projection of recent growth trends indicates that a total telecommunications market of $12 billion or more could develop in five years, and one in excess of $15 billion in ten years, with the transmission of data and other record communications contributing a very large proportion of the increase.

The vast market ahead for record communications is already apparent in Western Union's experience in recent years with private wire and data systems, Telex and facsimile services, all depending heavily on electronic equipment.

Industrial, military and governmental organizations are continuing to grow in size and complexity. The need to transmit business and scientific data between remote points, to gather, process, and store it in a central computer and then make the data available at one or all points on the network, is met by leased private wire systems and the application of broad band switching techniques.

Heading Western Union's expansion program is the building of a new transcontinental microwave system which is engineered to handle all known methods of

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IDAC Annual Meeting in June

TORONTO, Canada—The Forty-fifth Annual Meeting of the Investment Dealers' Association of Canada will be held at Jasper Park Lodge, Jasper, Alberta, June 22 to June 25, inclusive.

Registration fee is $45 for each member and $35 for each lady attending. Reservations for accommodations at the Lodge must be made through W. S. Walker at the IDAC's main office, 55 Yonge Street, Toronto. The Association will make reservations on the Canadian National Railways for the going railway trip upon request, but those attending should make their own arrangements for return reservations. Delegates planning to travel by air should also make their own reservations.

The tentative program follows. The times shown are standard.

WEDNESDAY, June 21

2:30 p.m.—
Meeting of the Members of the Outgoing and Incoming National Executive Committees in the Convention Office.

THURSDAY, June 22

9:00 a.m.—
Meeting of the Members of the Outgoing and Incoming National Executive Committees in the Convention Office.

6:00 p.m.-7:30 p.m.—
President's Reception: Mr. and Mrs. Eric S. Morse—for Members, their wives and guests in the ballroom. (Black Tie.)

9:30 p.m.-12:00 p.m.—
Dancing in the ballroom.

FRIDAY, June 23

9:30 a.m.—
FORUM—"The Columbia River Development" in the Recreation Room. Speaker: Dr. Gordon M. Shrum, O.B.E., M.M.

10:40 a.m.—
ANNUAL MEETING in the ballroom.

Welcome by the Hon. E. W. Hinman, Provincial Treasurer, Province of Alberta.

President's Address — Mr. Eric S. Morse, W. C. Pitfield & Company, Limited, Montreal.

General Business.

Guest of Honor and Principal Speaker—Mr. Arthur S. Torrey, Chairman of the Board, W. C. Pitfield & Company, Limited, Montreal.

12:15 p.m.—
Cocktails on the Terrace, weather permitting, otherwise in the ballroom.

2:00 p.m.—
Golf Tournament, Scenic trips, etc.

6:00 p.m.-7:30 p.m.—
Cocktail Party in the ballroom.

9:30 p.m.-12:00 p.m.—
Dancing in the ballroom.

SATURDAY, June 24

10:00 a.m.—
ANNUAL MEETING in the ballroom (continued).

Remarks by Mr. George A. Newton, G. H. Walker, & Company, St. Louis, Mo., President of the Investment Bankers Association of America.

Guest of Honor and Principal Speaker — Mr. W. Earle McLaughlin, President, The Royal Bank of Canada.

General Business — Approval and confirmation of By-laws and Regulations.

Election of Officers.

12:15 p.m.—
Cocktails on the Terrace, weather permitting, otherwise in the ballroom.

2:00 p.m.—
Golf Tournament, Scenic trips, etc.

6:00 p.m.-7:30 p.m.—
Incoming President's Reception in the ballroom. (Black Tie.)

9:30 p.m.-12:00 p.m.—
Presentation of Golf Prizes. Dancing in the ballroom.

SUNDAY, June 25

9:30 a.m.—
Meeting of Members of National Executive Committee in Convention Room.

Now Bacon, Johnson Assoc.

The firm name of FIF Investing Associates, Inc., 500 Fifth Avenue, New York City, has been changed to Bacon, Johnson & Associates, Inc. The firm maintains branches in Washington, D. C., Pittsburgh, Swarthmore, Pa., and Harrisonburg and Richmond, Va.

Sigma Instr. Common Sold

W. C. Langley & Co. is manager of the underwriting group which offered on April 25 a total of 200,000 shares of Sigma Instruments, Inc. common stock at a price of $16.50 per share. The offering marked the initial public sale of the company's common stock, and it sold quickly at a premium.

Of the total number of shares offered, 78,540 shares were sold for the company and 121,460 shares for certain selling stockholders, including Richard T. Fisher, President and Director of the company, who now holds 57,480 shares, or 14.01% of the outstanding common stock, and Robert H. Pierce, Treasurer, Vice-President and Director, who owns 24,000 shares, or 5.85%.

Net proceeds from the sale of its 78,540 shares of common stock, together with other funds, will be used by the company to repay notes to a bank, the proceeds of which were used to finance inventory and accounts receivables, and the remainder will be added to the general funds of the company for working capital.

Sigma Instruments, Inc., of South Braintree, Mass., is engaged principally in the development and manufacture of sensitive electromagnetic relays, photoelectronic street lighting controls and other electromagnetic and electronic control devices.

In 1960, the company's net sales amounted to approximately $9,300,000, exclusive of sales of the Marine Division, which is now being sold. Net earnings for 1960 totaled $335,025, equal to $1.01 per common share.

Outstanding capitalization of the company now consists of 410,183 shares of common stock, $1 par value per share.

Electronics Industry: Today and Tomorrow

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communications at extremely high speeds and in large volume.

Other major projects in the expansion program include the construction, for the U. S. Air Force, of the world's largest, fastest and most advanced digital data system. It is called "COMLOGNET," and its purpose is to control the movement of men and material. Another contribution to the nation's defense is a bomb alarm system which Western Union is now completing for the Air Force.

Telex—the two-way, customer-to-customer teleprinter service, which permits users to dial other subscribers instantly, regardless of distance, is being expanded both domestically and internationally.

Western Union has pioneered in modern facsimile research and development. Today it has more facsimile equipment in use than all the rest of the world combined.

Future planning also includes the installation of new and enlarged private wire and data systems for industry and government, and further improvements in the speed and efficiency of the public message network.

The great growth we foresee in electronics is backed up by the emphasis we have placed upon Western Union's research and development. In addition to our own facilities, we have substantial holdings in several young, growing firms in the electronics field. These companies provide support for Western Union's research activities since their scientists and engineers are available to supplement our own research and development staff.

DONALD C. POWER

Chairman and Chief Executive Officer, General Telephone & Electronics Corporation

The electronics industry is the fastest growing major industry in America today—if not the world—and the potential for continued future growth is substantially beyond most other large industries with the exception of communications, which, of course, is closely allied with electronics.

Donald C. Power

Aside from the sheer magnitude of the industry's rapid growth and development in recent years and its large potentials for the future, electronics represent one of the most far-reaching technological trends in the past 25 years. Four or five years ago, someone described electronics as "the world's most promising technological revolution." And I would hazard the guess today that anyone who was not convinced this was true then is certainly convinced by now. A doubling of volume in ten years is considered phenomenal for any industry, and yet the electronics industry has multiplied its sales and revenues three-fold since 1950—from a total of about $5 billion to $15 billion in 1960. Now that the electronics industry has passed through its development years of extremely rapid expansion, can it maintain this rate of growth?

Defense Electronics

The answer varies with the segment of the industry you have in mind, but each of the principal areas of the industry continues to have a large potential, some being somewhat larger than the others. Defense electronics sales in 1960 approximated $5 billion and should be at least $5.5 billion this year, making it the largest segment of the electronics industry. Developments such as long-range warning systems, international communications networks, electronic navigation, counter-measures, and the steadily increasing work in the field of space communications will bring continued expansion in the years ahead, as National Defense becomes increasingly electronified. A total of $8 billion by 1965 is entirely probable, and upwards of $11 billion by 1970. As space technology develops, however, it may well be that these estimates will need to be drastically revised upward.

Home Electronics

The industry's second largest segment — sets, repairs, and services — continues to grow, but at an understandably slower pace than eight or ten years ago when the TV set market was expanding at an unprecedented rate. From a total of some $3 billion in 1950, sales and revenues were nearly $5.4 billion in 1960, and should be about $5.5 billion this year, assuming the business upturn continues and the consumer durables market strengthens. It is estimated that the total should climb to $6.8 billion or more by 1965 and be approaching $7.5 billion by 1970. This growth will come from new concepts in television set design (perhaps flat-wall TV), more second-set homes, and continued increases in hi-fi and radio. Three or four years ago, some people thought that home electronics would be levelling off by 1960, but there is every indication that the upward trend is resuming.

Commercial and Industrial Electronics

The field which has gone through the most rapid relative growth, and which has virtually unlimited potentials, is commercial and industrial electronics. This trend is symbolized by electronic data processing—the electronic computer and all of its allied equipment. Last year, sales volume in these commercial and industrial products totaled upwards of $2.8 billion, ranging all the way from tiny transistors to complete communications systems. We foresee an increase to more than $3.1 billion this year and a steady climb to $4.5 billion in 1965 and nearly $6.5 billion by 1970. These estimates are unquestionably on the conservative side, because this area of electronics will play a vital role in the rapid expansion of communications throughout the world over the next decade. More specifically, we in the communications business are particularly interested in the application of electronics to data transmission and other types of business services where the potentials are unusually promising.

Turning to the broadcasting business, revenues have increased over the past 10 years by almost 250%, and approximated $2 billion last year. Further growth is anticipated this year, to about $2.1 billion, and by 1965 the total is projected at nearly $3 billion. By 1970, broadcasting could well reach $3.5 billion or even more, depending upon the speed with which new concepts in television and radio broadcasting expand in the years ahead.

Estimates for Future

Adding up these various estimates, the electronics industry should exceed $16 billion in sales and revenues this year, representing a sizeable increase over 1960. This will arise principally from continued growth in industrial and commercial electronics and National Defense. The total for home electronics will show the effects of lower demand during the early part of the year due to the business adjustment, with a general upward trend anticipated for the balance of the year. Of the $16 billion total, approximately $11 billion will represent manufacturing sales, the remainder representing distribution, service, and broadcasting.

By 1965, the total should pass $22 billion (of which $15 billion would be manufacturing), and by 1970 sales and revenues should reach $28 billion (of which manufacturing would be $20 billion).

Unprecedented Potentials

In summary, there are unprecedented potentials in the electronics industry from the standpoint of:

(1) The vast number of new and broader applications of electronic equipment and devices in commerce, industry, and the home, with an especially large potential in the industrial field.

(2) The development of entirely new products and services, especially in the field of communications. Within a very few years, a space satellite system will provide world-wide telephone communications, global television, and business data transmission.

(3) The added strength electronics will bring to National Defense, in providing even stronger deterrents to enemy aggression.

(4) Opportunities for over-all growth and development of the individual companies within the electronics industry with resultant benefits to shareowners, employees, and customers.

ROBERT McCULLOCH

Chairman of the Board, Ling-Temco Electronics, Inc.

We at Ling-Temco Electronics, Inc., are extremely optimistic about the outlook for the electronics industry. We temper our optimism with the realization that the growth of the industry and our own growth will require an increasing amount of hard work.

Robert McCulloch

Our continuous assessment of our own position and potential assures us that the growth we confidently anticipate for ourselves will be shared by our industry and by the general economy. All of the facts and figures that we are studying seem to indicate that the electronics industry will continue to grow at a faster rate than the general economy — will grow at least 8% per year through 1965.

We believe that the predicted 1961 increase of $1.2 billion, from $10.2 to $11.4 billion, in total industry sales may be conservative.

The predictions for totals of $15 billion in 1965 and $21 billion in 1970 seems realistic to us.

Two factors contribute to the fact that the electronics industry is growing and will grow faster than the general economy. First is the development of new products which opens new markets. For instance, military communications, a relatively small portion of the military and space electronics market, but a market in which Ling-Temco is considerably interested, totaled only $66 billion of the industry's 1960 sales. This field will more than double to $135 million this year, however, and the total by 1965 will be $925 million. Most of the increases will be attributed to new products for new markets. New products also will play an important role in the growth of the industrial, consumer, and replacement component markets.

The second reason for the faster growth rate is that slightly more than half of the industry's sales total is, and will continue to be about that proportion, in the form of military needs which must be satisfied.

Contributing to the growth of the non-military markets, at least in the field of communications, are the steadily-increasing population, standard-of-living, and educational level. There are more people who are able and who feel the need oftener to communicate more with each other.

It is still too early to say, we believe, whether the recovery of the national economy, which we consider to be underway already, will be dramatic. After all, the recession itself was not very dramatic, considered from the standpoint of gross figures. We do have every confidence that even if the recovery does not become more dramatic before year's end, the general economy will make up the lag later. We believe that, when we look back five or ten years hence, we will see Gross National Product increases averaging very near to the historic growth rate. This, in our opinion, is a substantial accomplishment: to increase the standard of living noticeably at the same time the population is growing rather rapidly.

FRANK L. PYLE

President, Utah Radio Products Corp.

My predictions for the next twelve months are predicated on cold facts regarding a *cold* war. It would be difficult to find a citizen of these United States who is not aware of constant battle to thwart Communism; however, I seriously doubt that many are aware of the battle against this same Communism being waged today by U. S. industry. Yes American industry, primarily the small business institution, is waging a day-to-day fight for survival. Their ability to survive against the tremendous handicaps of constantly spiraling labor costs, high taxes, and imported products, particularly those from the far east, has materially helped to maintain the high standard of living that we in this country still enjoy.

You and I both know that Communism grows quickly among people whose living standards are lowest. Also, I am certain that if we are successful in maintaining or improving our standard of living it will materially assist in deterring Communism in our country.

How has the small business man in his battle for survival contributed so greatly to this cause? Through his ingenuity in developing improved manufacturing techniques and processes, automating where practical and within his already stretched - to - the - breaking - point budget, he today employs more people at higher wages and sells his product at a price commensurate with a decade ago!

It is true that I speak from the standpoint of the electronics business, and precisely of our own field . . . loudspeakers and associated electronic products; however, I am certain that this same achievement is true in most phases of American industry.

Do not you, too, agree that American business operating under the free enterprise system is contributing to the fight for freedom?

With the above thought in mind, coupled with the knowledge that many new and better products for the home market will be available in the coming months, I can emphatically state that business will be good, and that these new and better products will contribute much to a better way of life.

In closing, I will state that we at Utah Radio are planning now for the largest fourth quarter sales in history. Yes, I do mean Fourth Quarter, 1961.

HERBERT W. ROBINSON

President, C-E-I-R, Inc.

I feel that the practical application of developments in the last two decades in the fields of analytical technology, electronics, and—above all—the electronic computer, has started what is now materializing as the Second Industrial Revolution. This revolution is extending over the whole range of management, decision-making, and information-processing. So far it has been exploited mainly in clerical and data-processing areas, but it is now rapidly invading the production line and the whole distribution and transportation system.

Dr. H. W. Robinson

The field of producers' durable goods promises to be a major market for the computer and electronic control manufacturers, far out-pacing the present electronic data-processing market.

I predict that within the next decade, electronic computers and automated electronic controls will form an integral part of new plant and equipment, and will account for at least 20% of the new producers' durables. The producers' durables market today amounts to some $30 billion a year. I think it would be conservative to estimate that within a decade the market of the computer and electronic control manufacturers will be at least $6 billion per annum.

With the continued increase in scientific effort, it has been said, and I believe rightly, that at least 10% of scientific effort is now devoted to learning things which have already been learned and published but which are unfindable. New techniques of storage and retrieval of information are alleviating this problem to a considerable extent. Even more important, in terms of dollar investment, is the application of information storage and retrieval systems to operating problems in the fields of accounting, inventory control, distribution and transportation.

The greatest discovery in the past 25 years has been the way in which society has discovered the uses of research and development. At the same time, mankind is quite lucky that almost as a coincidence, we now have developments in electronics, notably the computer, which enable us to try out or to follow up more complicated concepts than mankind could ever before carry through in one lifetime. Unless there are some revolutionary approaches in management, the full force of these analytical methods will not be brought to bear.

It does not seem to me that we are approaching any plateau in which we are merely exploring a wider area upon the same level. It seems to me that there is a great likelihood that 20 years from now electronics will have made it possible to recentralize large organizations, and thereby achieve **total** optimization in place of **local** optimization.

We have only scratched the surface of the applications of computers, particularly their use as decision-makers on the line in actual production. It is sometimes assumed that the United States is nearly always ahead in automation and mechanization. This cannot be assumed, and we must accelerate our progress still more. The preoccupation of Europe and Russia with the recuperation from devastation of war is now well in the past. The major powers are now once again technologically competitive with the U. S. It is incumbent upon American industry, and especially the top management of American industry, to exploit fully the technological advances of the last two decades.

This requires the rapid education and development of a new type of management, both on the top level and at the middle level, with the ability and mental agility to grasp the potentialities being opened up, and to put them to practical use. Those countries which fail to acquire this type of management will inevitably fall by the wayside in the Sixties.

FORTUNE PETER RYAN

President, Royal McBee Corporation

One of the most dynamic prospects for the electronic community lies today in the market for electronic computers. This is true of the complete range of models, from the multi-million-dollar giants which require special buildings, electrical systems, and temperature - humidity control systems, to the small-scale models—under $300,000—which can be used by an almost unlimited number of business, scientific or government organizations.

Fortune Peter Ryan

The market for this equipment is expanding rapidly, in large part because the growing complexity of business operations and research activities, and the need for faster communications, have made electronic computing equipment increasingly essential to organizations of *all* sizes.

In addition, automation in the office as well as the factory will continue to come at an accelerated rate as business and industry seek to regain and maintain the profit margins that make their growth possible.

Because these factors affect all types of businesses, we foresee, in the immediate future, a particularly strong and continued demand for small-scale electronic computers.

It was only a little over seven years ago that the first commercially produced computer was installed by a business company, and it was not until more recently that the small-scale computer was developed. In the short period since then, however, over 5,000 electronic computers have been delivered, and over 40% of these are in the small category. We expect the computer population to increase by approxamtely 800% by 1965, with the smaller models in increasingly great demand, both in the near term and the coming decade.

As an example of the potential of this market, we at Royal McBee introduced our first computer less than five years ago, and in the past year have introduced two more models—the RPC-4000 and the RPC-9000—in the low price field. Within this relatively short period, over 500 installations of our equipment have been put into operation.

We are focusing our plans on the continued development of the small electronic computer.

With other companies in the business machines industry, we are confident that electronic data processing equipment will represent an increasingly vigorous growth market.

DAVID SARNOFF

Chairman, Radio Corporation of America

Television is on the threshold of its second and most decisive epoch.

The first epoch spanned its rise as a national service, beginning in 1947 with the introduction of commercial networking in the United States. Since then, 75 countries have installed television, with some systems state-controlled, some privately owned, some a fusion of both. Today there are almost 100 million television receivers in world-wide use.

David Sarnoff

Ten years hence—if vigorous foreign growth continues—there will be TV stations in virtually every nation on earth telecasting to some 200 million receivers. An audience of a billion people might then be watching the same program at the same time, with simultaneous translation techniques making it understandable to all. In a world where nearly half the population is illiterate or semiliterate, no other means of mass communication could equal television's reach and impast upon the human mind.

The instrument which will give television's second epoch this distinctive global character is satellite relay television, through which the same picture will be capable of reception on all continents simultaneously.

The Federal Communications Commission, which controls the allocation of American broadcast frequencies, has received this year a variety of technically detailed proposals for a satellite relay. Within five years, and probably sooner, international television signals will be moving at the speed of light through outer space.

But what will become of these signals when they are picked up on earth for rebroadcast through transmittors that know no ideological kinship? This will provide the decisive chapter in the determination of television's destiny. Will freedom to look be thwarted by political restrictions, as freedom to listen has been since radio conquered the continental and ocean barriers of distance?

Global television as a channel of freedom will be equally shackled unless we begin to plan now some radically new approaches for its use. If it offers—as those of us who have studied it believe it does—a bright new promise for moving the world closer to civilized harmony, then presidents, prime ministers, leaders of every political, religious and intellectual persuation should commence with urgency an evaluation of its potentialities for advancing world peace.

Such evaluation should not be based, at the start, on the conventional concepts of international programming. It would, of course, be wonderful to view a live performance of the La Scala opera in New York or Cape Town or Anchorage; or watch, in your Detroit home, a Mozart festival from Salzburg—in glorious color. But it is in the informational and political sphere that we must find programs which will anchor, at the earliest possible time, the concept of free international usage.

I have in mind, as one example, the employment of global satellite television as a new channel of communication among heads of state. This would make it possible to conduct summit conferences in which the principals would confer face to face without leaving their capitals. They would discuss the issues of great moment by employing television in the same way telephone conference calls are handled domestically today.

Beyond summit conferences and diplomatic interchanges, there should be a continuing global television project of such compelling importance that a television channel opened by summitry would not be sealed off during the months or years between conferences.

America will soon be in a position to enlist global television in the service of the world community. Specifically, we can do so by agreeing that, when America's satellite communications system is functioning, a television channel will be made available for use by the United Nations.

Such an offer should have no strings attached. The UN should provide its own studio facilities and staff and be master of its own programming contents, just as privately owned networks and stations are in America. However, I suggest that its most useful programs would be its own deliberations: the Security Council at moments of urgent discussion, the Assembly in deliberation on such fateful questions as now face it in Laos, the Congo and Berlin.

I reiterate the importance of the time element in this proposal for global television, for seldom in life are lost opportunities regained. To the leaders of the UN, I respectfully suggest that they begin now the consideration of plans for programming a satellite television channel—and publicly express their interest in doing so. If they

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Electronics Industry: Today and Tomorrow

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are not ready when the system is ready, other programs will fill the void and an opportunity of incalculable prospect will be lost.

ROSS D. SIRAGUSA

President, Admiral Corporation

The outlook for the nation's economy seems to be brightening. There have been definite signs of improvement during the past few weeks and I believe we are slowly but surely on the way up. Preliminary results of our first quarter indicate that the turnaround has been made. First quarter sales were approximately the same as those in the fourth quarter. In previous years the first quarter has historically run substantially behind the fourth quarter.


Ross D. Siragusa

Our inventories at the factory and distributor levels at the end of the first quarter were 20% lower than last year and were at the lowest point in seven years. This healthy inventory position could lead to sizable buying when the public begins to buy appliances and TV again in quantity.

Despite the business slump of the past several months, there has been a bright cloud on the horizon—color television, which has been selling at a higher level than last year. We anticipate record color set sales in 1961.

MONROE SELIGMAN

President, Tenney Engineering, Inc.

A decade ago, when the conquest of space was still in the realm of fantasy, simulation of physical environments was roughly a $10 million a year business. Since then it has blossomed into a $150 million industry and is still growing. The greatest impetus to its growth has come from jets and rockets, which must function reliably under tremendously difficult environments, but the industry has also shown excellent growth in the industrial and consumer goods fields. A conservative estimate is that it will reach $175 million annually in the near future.


Monroe Seligman

In the supersonic aircraft and space programs, environmental testing is helping to insure that equipment, vehicles and men survive the unbelievable extremes of temperature, altitude, vibration, noise, acceleration, shock, gravity pull and other conditions, such as exposure to meteorite dust, radiation and the sun. We cannot afford not to pre-test considering the relative cost of testing as compared with the cost of failure in money and human life. The testing also gives us a yardstick for repeatability, so that a lucky shot does not give us a false sense of security.

Ten years ago, environmental testing meant "hot and cold." More recently, by contrast, America's astronauts received a huge kettle-like simulator that holds the capsule in which they will rocket into space. The simulator takes both capsule and passenger into conditions of orbit without leaving its Cape Canaveral laboratory. Now the environmental industry is concentrating on multi-million dollar contracts for orbital simulators that put actual satellites through the exact temperature, altitude and exposure to the sun that are found between Earth and Mars.

Environmental manufacturers simulate climatic conditions in cabinets as small as a refrigerator or as big as a barn. One of the biggest is a 42-ton, 13-foot x 26-foot cylindrical altitude chamber Tenney developed for Republic Aviation Corporation, Farmingdale, N. Y. The huge "space ship" will accommodate several men under ionospheric conditions of about 150-miles—probably the highest ever achieved in so big a unit.

In other types of chambers environmental engineers produce low pressures equivalent to that found millions of feet above the Earth, altitudes at which a thimbleful of air makes a difference of many miles. The industry also produces shakers to see how components react under extreme vibration. Special centrifuges simulate gravity pull. Solar radiation is another important environment being reproduced in test equipment.

The only environment the industry has not yet reproduced for practical application on earth is weightlessness. But everything else, including ordinary sunshine and rain, can be simulated closely.

Manufacturers, too, are relying more and more on environmental testing before marketing their products. The lesson they are learning from the Space Age is that quality of ingredients is not enough. The big question is how will the whole product stand up under the strains of combined physical environments. Today, environmental tests are being made on hundreds of consumer products, from automobiles (weather) to textiles (fungus and moisture), and from foodstuffs (freezing) to air conditioners (heat and cold). The simulation and testing is automated, as a regular part of the production line.

As Space Age technology takes giant strides forward, continuing research and development will enable the environmental industry to provide simulation with the versatility that the modern world demands.

D. W. SMITH

President, General Precision, Inc.

Electronics has become so much a part of our everyday life that the fact that we are continuing to have a rapidly expanding population guarantees a proportionate growth for the electronics industry. On the basis of this, the increased acceptance and interest in electronic products, and the growing content of electronics in our military weapon systems and space programs, we can safely predict a continued healthy growth picture for electronics in the coming decade.


D. W. Smith

Furthermore, added to this normal growth are other factors which point to a possible acceleration of the growth rate. For example, the rate of expenditures for basic research in this country has been doubling about every five years. From this effort, which will exceed one billion dollars in 1961, must come new materials and products requiring new processes and new electronic controls. We can expect greatly increased use of computers, data processing equipment and automated controls in all segments of industry. Electronic instrumentation will find still greater outlets than presently in laboratories and on production lines for process and quality control.

Outmoded business procedures are being revolutionized by electronic data gathering, processing and storage machines and computing systems because they offer management a formidable analytical tool. Due to the elaborate system of command that accompanies expansion and growth, it is becoming increasingly more difficult for the management of social, political and business enterprises to have all pertinent facts readily available for quick and accurate decisions.

Banks, large industrial manufacturers, public utilities, insurance companies and the like have started to make extensive use of electronic aids to handle their data gathering and processing requirements to meet the still more complex problems that lie ahead.

Electronics will also supply the key to business data transmission and communication that so often poses a block to efficient and expeditious management.

We can look to electronics to continue to make an increasing contribution to the nation's defense as more elaborate global communications systems, missiles and anti-missile guidance systems, long-range detection devices, and precision navigational and control equipment are developed and implemented.

The electronics industry has played a major role in the defense picture and in the race for space—from such deterrent weapons as the B-52 bomber series, Polaris, Atlas and Minuteman, to the newer navigational space satellites. And now man stands on the threshold of space travel that will demand precision electronic equipment for guidance and navigation.

More than two-thirds of the total electronic sales today are in products that were unknown or just pushing through into development ten years ago. They are, for the most part, the results of major breakthroughs following extensive research and development programs. We are not being overly optimistic in our belief that this will be repeated in the next ten years and for some time to come. A look into the future of electronics in such areas as microminiaturization, tunnel diodes, traveling wave tubes, telemetry and satellite communication systems, molecular electronics, thermoelectronics, cryogenics, solid state circuitry—to name a few—presents us with a picture more exciting even than that shown by the past few decades for this the world's youngest and fastest growing industry. We have entered the "Electronics Revolution" and the impact of electronics is being felt in all areas from space-age technology, to business and industrial controls, to consumer products, to medical electronics, to educational tools, etc. The infant electronic industry is fast growing up.

ROBERT C. SPRAGUE

Chairman of the Board and Treasurer, Sprague Electric Company

For the electronics industry, 1960 was a generally good year, in which the industry's sales reached another new high. The total value of our industry's shipments, at factory prices, increased from $9.2 billion in 1959 to approximately $10.1 billion as a result of increases in all of the major segments of our business—home entertainment, military, industrial, and replacement. I believe a further gain is in prospect for 1961.


Robert C. Sprague

The outlook for entertainment electronics in 1961 is certainly far from clear at present, but recent surveys have shown a desire on the part of consumers to step up their buying plans for durable goods. I would expect that sales at retail in the first half of 1961 might be below 1960 by some 10-15% but that second-half levels should show a favorable comparison, with a possibility of quite strong demand late in the year if business conditions recover as some recent forecasts suggest they will. I look for TV sales and production to be approximately equal at 5.7 million sets for the year, but I look for some decline in radios from the high rate in 1961 to more nearly the 1959 level of 15-15½ million sets. I therefore believe it is realistic to assume a modest drop in the total value of home entertainment electronics to about $1.8 billion, slightly below 1960, but above 1959.

Nineteen-sixty witnessed another substantial increase in our industry's shipments of military electronics, which totaled about $5.4 billion compared to $4.9 billion in 1959. It has been correctly pointed out by well-informed people in the industry that it is probably unrealistic to expect a continuation of the yearly growth of 15% or better that characterized the decade of the 1950's, and that our military markets may be entering upon a new phase in which procurement of multiple weapons systems will give way to concentration of still undeveloped areas of our defense capability. While this may well be true in general, I believe it is also important to keep in mind that some recent developments suggest that over the next year or so military electronics may be one of the most strongly growing areas in an economy which is not expanding rapidly in other directions.

Paced by the continuing rapid growth of electronic data processing sales of industrial and commercial electronic equipment totaled $1.8 billion compared to $1.6 billion in 1959. The market for computers and other data-handling devices continues to expand at the rate of about 30% annually, reaching some $450 million in 1960. Informed estimates look for this market to approximately quadruple by the late 1960's, under the stimulus of new applications in the fields of banking and retailing, industrial process control, and information storage and retrieval. In the industrial field, prospects for higher expenditures on electronic testing and measuring equipment are also quite bright. For the near term, however, it must be realized that the industrial and commercial market is somewhat more sensitive to general business conditions than is the military market, and for this reason I would expect that any gain in 1961 may be somewhat smaller than those of recent years; sales should slightly exceed 1960, however, and reach $1.9 billion.

In addition to the three major original equipment segments of the electronics business, the steady growth in the market for replacement parts continues year by year. This is now a $1.0 billion business, up from $0.9 billion in 1959, and should reach $1.1 billion in 1961.

In sum, I look for another good year for the electronics industry in 1960, with total sales increasing about 7% to $10.8 billion, despite the uncertainties in the business outlook generally. As I have indicated above, I base this feeling on a belief that current weakness in the market for consumer durable goods may continue through the early months of the year, but will give way to a sufficiently strong recovery later on to bring the full-year figures close to those of 1960; on prospects for continued increases in defense spending; and on continued growth in the applications of electronics to the complex problems of manufacturing and trade in the expanding but competitive economy of the 1960's.

WILLIAM R. WHITTAKER

President, Telecomputing Corporation

The Electronic Community continues to be faced with dynamic changes during the year ahead, particularly among those companies devoted to Military electronics. There is continued change in the composition of Military procurement, with a continuing attrition in airframe production and reduced manufacture of hardware for limited warfare applications. This is accompanied by an expansion of activity in ballistic missile and space programs. The entire industry is faced with adapting itself to meet these changing requirements.


Wm. R. Whittaker

The aforementioned changes are characterized by a sharp increase in technological content of product lines and a sharp decrease in the quantities of items produced. The extent of these changes produces a high degree of volatility for the industry. Thus, companies which have geared themselves to understand and work with this dynamic situation will experience significant growth and success. At the same time, many companies will experience setbacks and failures. Frequent changes in programming decisions, such as the vacillating Government attitude with regard to such programs as the B-70 and Nike-Zeus will cause many smaller companies to go from feast to famine each time a decision is reversed.

The invasion of the industry by airframe companies and their current willingness to compete on the smallest programs, including frequent "buying in," injects a new element of competition in the industry.

Large investments in marketing, proposal writing, and recruiting will continue to characterize the industry, as companies strive to get their share of the expanding budget for Military electronic products. There will also be a significant and continuing increase of investment in research activities with emphasis on applied research as opposed to pure research.

Successful efforts in developing new materials, techniques and components seem to provide the most certain path toward the kind of growth in volume and profits toward which all members of the industry are striving.

All of the foregoing factors contribute to a continuing shake-down in the industry in which over the next few years those companies which have done an effective job of managing their efforts to make them a factor in this dynamic industry will emerge as survivors.

KENDRICK R. WILSON, JR.
Chairman, Avco Corporation

Of total defense spending for research and development in 1960, 27% went to the electronics industry—double that which went to the same industry in 1953—and the demands of our rapidly advancing technology will certainly continue this trend in the years immediately ahead.

K. R. Wilson, Jr.

It is the military electronics market—the industry's largest customer and sponsor of much of its research and development effort — that will lead this continued growth.

Overall, the electronics industry—including military, consumer, industrial and replacement products as well as research and development — has enjoyed the very healthy growth rate of some 15% a year during the past decade. Last year, total industry sales reached the $10 billion level, and it has been estimated that this figure will double by 1970.

The future of the military market, which accounted for $5 billion or one-half of total electronics sales in 1960, should include still further expansion as a result of one continuing major factor: the ever-increasing complexity and sophistication of projected aircraft, missile, satellite and communications systems.

These more complex systems will place imposing requirements before the electronics industry, as indeed they will for all defense-oriented industries. To effectively meet such requirements today, electronics companies have had to depend more and more heavily upon research and development capabilities. This trend will be accelerated in the future.

At Avco Corporation our operations are perhaps not typical of the electronics industry, but they are particularly well suited to this current emerging pattern.

Avco's Electronics and Ordnance Division is engaged in research, development and production of a wide range of communications systems, arming and fuzing of missiles, infrared systems, air defense radar and air traffic control systems. While the division maintains large technical and engineering staffs to perform the majority of its research and development work, it also has direct access to the facilities and capabilities of Avco's Research and Advanced Development Division, which is primarily engaged in its own areas of missile and space research.

This close working relationship with separate laboratories and research personnel allows an interchange and cross-feed of ideas and data that now is rare in the electronics industry, but which may become more common as the tasks become more and more complex.

WEBSTER H. WILSON
President, Hazeltine Corp.

As a leading defense contractor and an important licensor of patents to the electronics industry, Hazeltine Corporation has an excellent vantage point from which to view the outlook for the electronics industry. In the years ahead, Government defense procurement should continue to stimulate important technological breakthroughs and thereby open new markets for the industry. The apparent intention of the Government to strengthen the country's conventional weapons for military defense and the increased emphasis on missile and space projects should provide greater volume for those companies with creative research staffs and quality end products. However, the pipe lines from the initial designs to final production are quite long for complex electronic programs. Therefore, much of their effect may not be felt until at least 1962.

Webster H. Wilson

Because of our strong patent position in the color television field, we are aware of a number of leading manufacturers who will be producing and marketing color TV sets by the Fall. We believe color television's major technical problems have been solved and that the only difficulties remaining are in the marketing area. If these can be resolved this year, the result will be a substantial market in 1962.

It would appear that in 1961 activities in the electronics industry will continue to increase in breadth and scope. This should have a favorable long-range effect on employment and sales volume. However, profit margins will be determined in large measure by the management efficiency of individual firms.

While most people are in awe of today's so-called electronics wonders, we believe that we are merely scratching the surface and that only the generations to come will be able to view our present achievements and goals in proper perspective.

LETTER TO THE EDITOR:

World Parity Currencies Conducive to Gold Standard

New Haven contributor discerns in several foreign currencies' trend favorable basis for return to international gold standard. This step should, he adds, encourage others to follow suit with inevitable mutually accompanying benefits.

Editor, Commercial and Financial Chronicle:

A press report dealing with activity on the London foreign exchange market, and setting forth prices which prevailed on April 18 of this year, included the following specific figures:

British pound sterling	$2.80
Dutch guilder	.2770
West German mark	.2505
Swiss franc	.2300

A report issued by a famous British committee in June, 1931—said committee composed of 14 eminent economists and financiers and known as the "Macmillan Committee" included in that report the following sound monetary recommendation:

"There is, perhaps, no more important object in the field of human technique than that the world as a whole should achieve a sound and scientific monetary system. But there can be little or no hope of progress at an early date for the monetary system of the world as a whole, except as the result of a process of evolution starting from the historic gold standard."

Unfortunately, that wise pronouncement has been completely ignored for the past 30 years; but recent events clearly indicate that there has been some public awakening to the important role gold plays in giving real value to a nation's currency; and, in view of the current near parity of the guilder, mark and Swiss franc—each of the three being traded in at not far from 25c in American currency—now would seem to be an excellent time for the leading nations to carry out the Macmillan Committee's recommendation and get united on an international gold standard.

Again, since the American Dollar and the Canadian Dollar are presently not far from parity with each other, it would also be a good time for these two nations to agree, and mutually guarantee, to maintain their respective currencies at 13-5/7 grains of fine gold per dollar ($35 per troy ounce for each currency). Such a standard-of-value ought to be a great incentive to trade and travel across the border, and mutually beneficial to both.

Increasing Monetary Reliability

As is well known, President Kennedy has declared that the U. S. dollar shall be firmly maintained at $35 an ounce — which makes a good starting point for a sound international gold standard. If, therefore, Britain were to standardize her pound sterling at 38.4 grains of fine gold (the exact equivalent of the $2.80 she is now using), and if Holland, West Germany and Switzerland were to firmly establish their guilder, mark and Swiss franc, respectively, at 3-3/7 grains of fine gold per unit of currency (equivalent to 25c per guilder, mark or Swiss franc), it would have the effect of laying the foundation for an international gold standard, and should stimulate increased commerce among the nations concerned. And such a reliable monetary set-up should be an encouragement to other nations to do likewise with their currencies, and thus also become beneficiaries of having international commerce on a sound gold basis.

Some of our currency bears the slogan "In God We Trust." And since God has made available to humans the most reliable material for giving value to money—namely, gold—an excellent slogan for general use at the international level is "In Gold We Trust."

FREDERICK G. SHULL

2009 Chapel Street
New Haven 15, Conn.

Christopher Co. Formed

Christopher & Co., Inc. has been formed with offices at 80 Broad Street, New York City, to engage in a securities business. William V. Simone is a principal of the firm.

Form Cushman Associates

COLUMBIA, S. C.—Cushman Associates, Inc. is conducting a securities business from offices at 1338 Main Street. Heyward S. Davis is a principal of the firm.

H. A. Riecke Adds

PHILADELPHIA, Pa. — H. A. Riecke & Co., Incorporated, 1433 Walnut Street, members of the New York Stock Exchange and other leading exchanges, announce that Charles A. Beyler, Diran Karaghuezian and Edwin Rubenstein are now associated with their Philadelphia office as registered representatives.

The firm also announced that Paul K. Peers is now a registered representative in their New York office, 50 Broadway and William A. Smith a registered representative in their Daytona Beach, Florida, office.

Form Alert Investors

CORONA, N. Y.—Alert Investors Corporation has been formed with offices at 108-47 Corona Avenue to engage in a securities business.

International Assoc. Opens

ROCKVILLE CENTRE, N. Y.—International Associates has been formed with offices at 53 North Park Avenue to engage in a securities business. Partners are Irving L. Bernstein, Harold Grossman, Bernard Korn, Herman Lazarus and Murray Weiss.

New Stagnation Theory And Our Current Problems

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32 billion dollars. But if the curve had been started in the second quarter of 1957, when we also had a full-employment output by the Council's criterion, the gap would have been only 20 billion dollars.

Gap Would Vanish With 1947 Base

And if the curve had been started in the second quarter of 1947, when we likewise had a full-employment output, the gap would have vanished. In fact, we would then have to say that actual output in 1960 exceeded potential output by over 2 billion dollars.

It is plain from these calculations that if we merely vary the starting point of the 3½% curve, and do so without departing from the Council's logic, we can easily draw a more encouraging picture of the recent past than the Council has drawn.

I have thus far followed the Council in assuming that our potential output has been growing at a 3½% annual rate. I do not question the plausibility of this figure, but neither would I question the plausibility of a somewhat lower or a somewhat higher figure. We must reckon with the uncomfortable fact that small differences in the growth rate are capable of making a very large difference in projections of national output.

The Council has not described the precise derivation of its 3½% growth rate. It seems clear, however, from what the Council does say that it did not use a method that is particularly appropriate on its own economic logic.

If it be assumed that a full-employment output exists when the unemployment rate is 4%, then every figure of the gross national product at times when unemployment is at this level must express a full-employment output. A curve linking such figures will then automatically show the rate at which real output advances when our economy operates at reasonably full employment.

Unhappily, however, numerous pairs of such figures can be found in the postwar period, and some pairs yield a growth rate of less than 3½% while others yield a higher rate.

Let me comment on one of the recent calculations of this type. As previously noted, we had a 4% unemployment rate in the second quarter of 1947 and again exactly 10 years later. Between these two dates, our output grew at an average annual rate of 3.9%—which is higher than the growth rate of potential output estimated by the Council.

Let us now see what happens when this 3.9% curve is carried forward to 1960. At first blush, it might appear that the gap between actual and potential output would exceed the 32 billion dollar figure computed by the Council. In fact, however, the gap turns out to be only 26 billion dollars.

This illustrative calculation shows, once more, that it makes a good deal of difference whether the curve of potential output is started at one date or another. By starting the curve of potential output in the second quarter of 1957 instead of mid-1955, it is possible to convey, first, that the upward trend of the gap is smaller than the Council found; second, that the gap has lasted a shorter period; third, that all this is true despite the assumption of an appreciably higher growth rate of potential output than the Council estimated.

This concludes what I have to say about the Council's evidence in behalf of its theory. I hope that I have not left the impression that the new theory of secular stagnation is utterly without foundation. That would not be true. This theory *is* tied to some actual experience. But when the evidence is examined, it turns out to rest fundamentally on one fact, namely, that the business-cycle expansion of 1958-1960 was exceptionally short and incomplete. When the expansion ended, our economy was still some distance from full employment.

I do not question the importance of this fact. Nor do I question its disturbing character. But I do question what inference can properly be drawn from this solitary fact.

I would urge two things. First, a theory which has such a slender foundation in experience must be viewed somewhat skeptically. Second, there is a better explanation of what happened between 1958 and 1960 than is offered by the neo-stagnation theory which of late has become quite fashionable.

Let us note, to begin with, that economic recovery proceeded very briskly until the spring of 1959. Between the first quarter of 1958 and the first quarter of 1959 the nation's physical output rose by 8%. Between mid-1958 and April 1959 the rate of unemployment also fell sharply—from about 7½ to almost 5%.

But soon thereafter a sharp retardation of economic growth set in. The expansion of business activity terminated in May, having run its course in only two years and stopping at a time when the economy was still some distance from a full employment level.

Many factors undoubtedly contributed to the unsatisfactory character of the business-cycle expansion from 1958 to 1960, but I believe that three developments were decisive.

Reasons for 1958-1960 Incomplete Expansion

First of all, we had a violent shift in Federal finances. Between the first quarter of 1959 and the third quarter of 1959 the Federal cash deficit, allowing for seasonal factors, fell from an annual rate of $17 billion to $2 billion. By the second quarter of 1960, we were already operating with a surplus at an annual rate of $7 billion. Thus, in a period of little more than a year, we had a turnaround in Federal finances of about $24 billion.

This was undoubtedly one of the very sharpest shifts of Federal finance in our nation's history.

Second, the fiscal restraint on general economic expansion was accompanied — indeed preceeded — by a tightening of credit conditions.

By mid-1959 commercial banks were already in debt at the Federal Reserve to the tune of $1 billion. The money supply stopped growing. Demand deposits diminished by nearly $4 billion between July, 1959 and May, 1960. Interest rates rose sharply, both on short-term and long-term loans. Indeed, long-term rates advanced faster than during a comparable stage of any business cycle during the past 100 years.

Still a third factor contributed significantly to the incompleteness of the expansion of 1958-1960, namely, the protracted steel strike in the second half of 1959.

Anticipations of the strike first led to a sharp build-up of inventories and a boom psychology in the spring and early summer of 1959.

Once the strike came and continued to drag on, it caused both concern and confusion in the business community and led to some hesitation in placing orders for investment goods. The strike also led to some confusion in governmental circles and prevented early recognition, which otherwise might well have occurred, of the magnitude of the restraints that were being imposed by our government on economic expansion.

And when the strike finally ended, many business concerns—having in the meantime had an extraordinary stimulus and opportunity to re-examine their inventory policies—proceeded to practice new economies in managing their inventories.

In all these ways the steel strike contributed to an early end of the expansion which commenced in the spring of 1958.

If this sketch of the background of the recession is anywhere near the mark, we must attribute the incompleteness of the expansion of 1958-1960 partly to the steel strike but even more to our governmental policies of restraint.

Praises Intent But Not the Degree

To be sure, these policies were designed to prevent further inflation and to restore confidence, both at home and abroad, in the management of our national finances. I have no doubt that these policies were sound and even essential. But, as happened in the event, they were pushed with excessive vigor and they were not checked in time.

On my reading of recent history, the neo-stagnationist theory which is now being widely used to explain the incompleteness of the expansion of 1958-1960 is, therefore, quite convincing. To be sure, our economy faltered, so to speak, prematurely. But the early onset of recession was due to special factors, to factors of a kind that need not be repeated, rather than to some permanent or growing weakness of our economy.

I have dwelt on two very different interpretations of economic developments in recent years. These interpretations necessarily have different policy implications.

On the basis of the Council's interpretation, and to use its own language, "we face a stubborn problem of chronic slack, and the road to full recovery is a long one."

Sees Full Employment 15-18 Months Away

On the basis of my interpretation, there is no chronic slack of our economy. The problem of recovery that we face is not very different from that which we faced in 1949 or in 1954 or in 1958. Full employment is not a remote possibility. On the contrary, it may well be reached some 15 or 18 months from now.

In view of its interpretation of recent history, the Council logically concludes that "the expansionary effects of government programs will be welcome even if they occur well after the recession has been reversed."

I believe, on the other hand, that the mildness of the recent recession supports the thesis that the underlying forces of economic expansion are strong and that they have of late been only temporarily suppressed. I believe that signs of economic recovery are already here and are rapidly multiplying. In view of this fact and in view also of the substantial increases of Federal spending that were initiated in the closing months of the Eisenhower Administration and the further increases that have been set in motion by President Kennedy, I think that we would be courting inflation and a gold crisis if we now arranged new governmental spending programs so that they would mature when the economy is already advancing without them.

If we accept the Council's view that "we face a stubborn problem of chronic slack," the distinction between governmental spending to spur recovery and governmental spending to spur long-term growth becomes unimportant, and the same might be said of the distinction between governmental spending to promote social welfare and spending to promote economic growth.

On the other hand, if my diagnosis of the state of our economy is correct, these distinctions are vital. Thus, I would hold that improved medical care of the aged, however desirable it may be in the interests of human welfare, will do little or nothing to improve economic efficiency or to accelerate long-term growth, and that it is entirely misleading to favor better medical care of the aged, as is now being done, on the ground that it will also promote long-term growth.

Again, I would grant quickly that a liberalized social security program, such as President Kennedy advanced in his Economic Message to the Congress, would help to speed economic recovery. But I must go on and point out that the same can be said of any type of governmental deficit spending. Since the liberalization of the social security program is designed to be a permanent reform, rather than to serve merely as an anti-recession aid, I think that it is a mistake to advance such a program in the guise of a recovery measure. The Congress should pass this legislation only after full deliberation indicates that it is likely to promote the national welfare in the long run, and not merely in the months immediately ahead.

Once again, on the basis of the Council's analysis of the state of our economy, the problem of accelerating economic growth requires that we undertake greater public and private investment expenditures. I would readily grant this general proposition. However, the problem of accelerating long-term economic growth is excessively simplified when we suppose that it will be resolved merely by greater investment outlays.

Ways of Increasing Efficiency

Once aggregate spending is sufficient to maintain full employment, the rate of economic growth must depend principally on the rate at which economic efficiency increases.

Efficiency and productivity are undoubtedly promoted by some types of investment, but they can also often be promoted without any additional outlays or even with reduced outlays. We need think only of the restrictive practices that abound in construction work, in railroading, in agriculture, and in many of our manufacturing concerns.

I think that if we seriously want to accelerate economic growth, we will need to remove many of these impediments to efficiency, whether they arise from careless business management, or from the coercive power of trade unions, or from governmental legislation itself.

I have tried in the course of my remarks to indicate how a difference in interpretation of recent economic developments will lead to some differences with regard to economic policy. But I want to guard against any exaggeration of these differences.

Praises President's Measures

Let me say at once that I see considerable merit in many of the proposals that the President has advanced for dealing with the recession.

I applaud his vigorous efforts to speed tax refunds, to enlarge the distribution of surplus foodstuffs to the needy, to speed early payment of dividends on veterans life insurance, to accelerate governmental lending under existing programs, to speed procurement which has already been scheduled, and to accelerate construction work which is already under way.

I admire the President's appeal for prompt enactment of a temporary program for extending the duration of unemployment insurance benefits. The Congress has already acted favorably on this request and I hope that the Congress will go further and enact, as the President has recommended, a permanent unemployment insurance law for coping with recessions.

I also feel encouraged by the new Administration's recognition of the need to revise some of our tax laws in the interest of stimulating private enterprise and investment. I look forward hopefully to legislation along these lines.

But while I find the greater part of the President's recovery program entirely congenial, I am unable—as I have already stated—to regard liberalized social security programs, even though spending on them can get under way promptly, as sound measures for dealing with a recession.

I also doubt the wisdom of proposing a substantial increase of the minimum wage at a time of recession. I do not regard a lifting of the minimum wage as a useful anti-recession device, particularly at a time like the present when we are having a serious balance-of-payments problem.

Investment Misnomers

Nor am I able to accept without some reservations the view that greater Federal investment in education, health, housing, research and resource development is desirable in the interest of accelerating the nation's long-term economic growth. I think that some of these types of expenditure may be justified on grounds of social welfare and that others may be justified on grounds of economic efficiency, but I fail to see how all of them can accelerate the nation's long-term economic growth merely because we now call them investment.

Nor am I able to accept the view that new and larger governmental spending programs on education, health, housing, research and resource development should be welcomed even if they materialize well after the recession has been reversed. This particular view rests precisely on the stagnation theorizing that I have taken some pains to scrutinize.

I have been forced by the nature of the topic to make some critical remarks on the economic thinking and policies of the new Administration. But I also have fund much to commend.

I deem it only proper to conclude by saying that the Administration has avoided extreme economic views: that it has in no way shown hostility to business enterprise, and that the economic moves actually taken by the Administration have been more prudent than some of its economic rhetoric has at times suggested.

*An address by Dr. Burns at the Tenth Annual Business Economists Conference of the University of Chicago, Chicago, Ill., April 21, 1961.

Tronomatic Stock Sold

Plymouth Securities Corp. offered and sold 65,000 shares of Tronomatic Corp. common stock at $4 per share, pursuant to an April 20 offering circular.

Manufacturing, engineering activities and offices and show room are at 125 Bruckner Boulevard, Bronx, N. Y.

The net proceeds, estimated at $202,500, are to be used for expansion, research, equipment, advertising, and general corporate purposes.

AS WE SEE IT

Continued from page 1

the means of production. Thus it is clear that to a good Communist no one is free or no nation is free, which has not abandoned freedom as understood by most of us and had his wrists firmly encased in Communistic shackles.

More Than Dialectics

But there is more in this matter than mere dialectics, Marxian, or other, and those aspects which relate realistically to mundane affairs must be better understood by us all if trouble is to be avoided. The danger is less that Communist shackles will be mistaken for freedom as that nonsensical, even actively harmful conditions will be regarded as essential to freedom. It is not likely that anyone in this country at least will agree that the Chinese confined to their communes are "free" in any sense of the word simply because they do not have a private landlord. Nor is there great danger that the dweller in the land of the Kremlin who has little or nothing to say about when he shall work or live or how much he shall be paid will be regarded as a "free" man, no matter what the Leninist doctrine may have to say. We, for our part, should doubt whether even the people living in "backward" countries or areas formerly part of colonial empires would fall into such errors. They, in all too many cases, are probably not much interested, or sufficiently interested in any event in "freedom" as their own interest would require—as they may well discover after it is too late—but their hazard is more indifference than misconceptions.

The danger at least to citizens of "advanced" countries, particularly to ourselves here in the United States, is that consciously or not, we shall presently gain the impression from Communist jargon and the preachings of the New Deal and its successors that strange conditions must be imposed in order that freedom bless us. It is sometimes believed that it is politically effective to support programs, whatever their nature, with allegation that without them freedom will be lost or at least impaired. Some of these allegations are so extreme and so patently foolish that it would appear quite unnecessary to expose them. Yet in one form or another they have made unfortunately deep and lasting impressions upon far too many individuals, both in this and a number of other countries where one would naturally expect more perspicuity. What is more, the advocates of these policies, or perhaps we should say nostrums, are on the aggressive, and we ignore them or remain indifferent to them at our own risk. It may not, therefore, be amiss to call specific attention to some of these fallacies.

An Obvious Fact

First of all, let what should be an obvious fact be simply stated: No man loses his freedom or lacks freedom merely by reason of the capitalistic form of economic organization. Such notions are, strangely enough, not confined to Communists, socialists or their fellow travelers—although it is quite possible that a good many who harbor such notions never fully recognize them as such—except possibly when the capitalists are foreigners to the lands in question. To put the matter in a somewhat different form, the individual who operates equipment which he does not own—whether the owner is his neighbor or a giant corporation is of no consequence—is for that reason no less free than he who owns it and must manage it. This is a simple truth often obscured purposely or not by the mouthings of labor leaders. The fact is that the owner and manager of production equipment is often far more enslaved than his employees—and must be if he is to stay in business. Of course, giant corporations must be managed, too, and so often there are those who would make the managers appear slave holders, but the fact is that these managers are themselves in effect slaves to their duties and obligations.

Another queer idea often encountered is that employees in private industry are somehow "freed" if and when government takes possession of the tools they use. The idea seems to be that the equipment thus becomes their property—or theirs and millions of others—as if they then had any real say about what goes on. This sort of thinking is most often found when foreign countries and peoples, particularly so-called backward peoples, are under consideration. Somehow the people of Cuba, yes, the working men of Cuba, are somehow freer, according to this reasoning, when the sugar mills and other production tools pass from the hands of private, particularly foreign, owners into the hands of dictatorial, but quite inexperienced and probably entirely inefficient and incapable revolutionists! This is, of course, one of the tenets of present-day Communism—and that fact need give no one any surprise. What seems a little surprising is the readiness with which so many who would have no part of Communism take much the same attitude. No one, naturally, denies that exploitation has often taken place—with what may be regarded as loss of freedom, if one will — but confiscation is no answer. Nor can it guarantee more real freedom to anyone.

Would Remain in Bondage

Now, experience amply shows that the peoples in so-called backward countries are very likely to remain in bondage to horrible poverty and related distress if foreign capital does not come to their rescue. They will, of course, remain in bondage, or worse, if thye seek the aid of aggressive Communists. Theoretically, of course, they can adopt an ultra-spartan form of existence while they slowly accumulate the capital needed to improve their position — assuming that they somehow can acquire the needed know-how—but such a course has actually been followed only in the presence of dictatorships which impose it from above. And, in any event, it reaches a desirable goal in about the hardest of all possible ways. Now foreign capital is not likely to be available without prospect of profit—no matter what may be said on the subject—but in the absence of crude exploitation, which of course need not occur, adequate pro profit to those supplying capital and know-how are a very modest price for the more normal economic advance thus made possible.

Another anomaly of modern thinking is the claim that wage earners are "freed" from "bondage" when they organize themselves into unions which are managed and operated by small cliques which impose conditions of work and other restrictions upon individuals which members must obey explicitly. It has always seemed to us that even when employers had been taking advantage of their employees, the wage earners were at best but changing masters when they proceeded to unionize under present-day conditions. The situation is of course greatly aggravated by the exemption from anti-trust laws that has been granted by politicians eager for the support of organized labor. Of course, all of us in this country and in all — or nearly all — other "free" countries enjoy much greater liberty than is to be had in a Communist country or in, say, Cuba when Communists from outside take over, but let us not ignore the fact that freedom is not complete—or even as complete as modern conditions permit—when giant labor unions—sometimes under thumbs of big-scale criminals — control so many individuals in so much detail. We all too often use the word "freedom" much too loosely.

Must Look After Self

It is foolish, of course, to suppose that an individual lacks freedom because he has not been liberated from the obligation to look after his own interests, and thus escape want — as seems to be implied in some of the preachings of the day. To say he lacks freedom because he is not able to provide for himself and his family, and thus must either suffer or depend upon others, is to use the word in a strained and rather foolish fashion. It would appear unnecessary to point out such obvious facts, but the "four freedoms" and many inferences that have been drawn from them seem to make such obvious assertions desirable. We would not for the world give the impression that the difference between the degrees of freedom enjoyed by the citizens of the so-called free world and the slaves of Communist countries is not great. It is enormous. It is great notwithstanding the frequently reiterated assertion by New Dealers that freedom is often lacking in countries outside the Communistic orbit. We do not always enjoy the degree of freedom that should, by right, be ours, particularly of the degree enjoyed by our forefathers when men and women were left much more to lead their own lives and provide for themselves, subject only to laws designed to assure each freedom from imposition by others. That freedom should be ours again—and will be when the New Deal philosophy and its followers disappear from the scene.

The danger is that we shall feel it necessary to do foolish things both at home and abroad in the name of freedom — and fail to do those things which would really make us free.

CORRECTION

In the *Financial Chronicle* of April 20 in reporting the formation of Mittell-Keizer, Inc., 19 Congress Street, Boston, Mass., it was indicated that the firm was a successor to the investment business of Keizer & Co., Inc. We are informed that this is in error, that Mittell-Keizer, Inc. is a new corporation and has no connection with Keizer & Co., Inc.

Cabot Elected V.-P. Of Mutual Funds

BOSTON, Mass.—Henry B. Cabot, Jr. has been elected a Vice-President of Incorporated Investors and Incorporated Income Fund. Mr. Cabot, a Vice-President and Treasurer of the Parker Corporation, which he joined in 1957, is the chief trader for the funds.

Shields Opens Branch

Shields & Company has opened a branch office at 730 Third Ave., New York City, under the direction of John B. Lynch, a partner in the firm.

Federal Reserve Film Available

A new filmstrip on "The Role of the Federal Reserve System in the United States Economy" is now available at $7.00 per copy from the Joint Council on Economic Education, the Federal Reserve Bank of New York announced over the weekend. The New York Reserve Bank cooperated with the Joint Council in the development and production of the filmstrip for use in high schools to improve understanding of how the Federal Reserve System operates in the nation's credit market to promote balanced growth in our economy.

The 111-frame filmstrip is illustrated in color, with an accompanying narration by Carl Madden, formerly Manager of the Bank's Public Information Department and now Dean, School of Business Administration, Lehigh University. It consists of three parts. Part I, "The Demand for Credit," shows how different groups of borrowers use credit and how important it has been to the growth of our economy. Part II, "The Supply of Credit," describes the flow of savings into the credit market and explains how commercial banks can add a flexible margin of bank credit to the available credit supply. Part III, "The Problem of Economic Balance," examines how the Federal Reserve System uses its influence over the flexible supply of bank credit to promote economic expansion with stable prices.

The filmstrip and an accompanying booklet, which contains a reproduction of each frame with narration and teaching suggestions, is available from the Joint Council on Economic Education, 2 West 46th Street, New York 36, N. Y., at $7 per set.

Rocket Research Common Offered

On April 27 (today) Craig-Hallum, Kinnard, Inc. and Blanchett, Hinton, & Granat, Inc. commenced a public offering of 300,000 shares of the no par common stock of Rocket Research Corp. at $2.25 per share. The Seattle company was formed two years ago by four Boeing employees who have been fully engaged in managing the new firm since last September. The net proceeds of the stock offering, estimated at about $584,000, will be used mostly for research facilities and test equipment germane to the fields of rocketry and propulsion.

Joins Reynolds & Co.

PHILADELPHIA, Pa.—Reynolds & Co., members of the New York Stock Exchange and other leading exchanges, announce that Vice-Admiral Ephraim R. McLean, Jr. USN (retired) is now associated with their Philadelphia office, 1526 Walnut Street, as an Account Executive.

Crichton, Cherashore Form

PHILADELPHIA, Pa.—Crichton, Cherashore & Co., Inc. is conducting a securities business from offices in the Fidelity Philadelphia Trust Building. Officers are Irving L. Cherashore, President, and Bruce N. Crichton, Secretary-Treasurer. Mr. Cherashore was formerly with Schmidt, Roberts & Parke.

Jack Bushman Opens

MONTGOMERY, Ala.—Jack C. Bushman is conducting a securities business from offices in the Leu Building under the firm name of Jack C. Bushman Agency.

STATE OF TRADE AND INDUSTRY

Continued from page 4

ended April 22. Output then was the highest of any week since the one ended May 28, 1960.

A few weeks ago, market analysts predicted that April steelmaking operations would average about 60% of estimated 1961 capacity. But they have already crossed 62.5% and seem certain to finish at least a point or two above the target.

Look for the industry to pour 7.6 million ingot tons in April—8% more than it produced in March and the most turned out in any month since May, 1960.

Steelmakers' decisions to relight open hearth furnaces that have long been idle reflect improved bookings and mounting backlogs.

Tin plate, galvanized sheets, reinforcing bars, and standard pipe are benefiting from seasonal uptrends in consumption. Users are depending on the mills to carry big stocks of ready-to-ship material. Stocks are being depleted, so mills are accelerating output in an effort to stay competitive on deliveries.

Line pipe producers are hopeful the Administration's proposals to expedite Federal Power Commission clearance of gas transportation projects will be adopted soon enough to give 1961 shipments a boost. The 7017 miles of pipeline awaiting FPC approval may require up to 1.4 million tons of large diameter pipe.

A scrap price retreat is starting. Export demand is weakening, and steel mills appear to be using more pig iron than scrap. *Steel's* price composite on No. 1 heavy melting steel was down last week 83 cents to $38.67 a gross ton.

The aluminum industry expects to have pretty good sales this year despite tightening competition from other materials, *Steel* reported.

For example: Producers of glamour nonmetallics, like plastics and ceramics, are attacking on many fronts. Makers of older nonmetallics, such as concrete, are making a comeback. Producers of other metals — steel, copper, nickel, lead, zinc — have sharply stepped up their marketing activities.

Competition within the aluminum industry is also keen. There are now six firmly entrenched primary producers. For years, there were only three. Another company will probably join the ranks of primary producers before long.

In 1950, there were 63 secondary ingot producers; today there are 84. Over that period, producers of foil have grown from six to 16 in number; makers of extruded shapes and drawn tubing from 39 to 133; sheet producers from nine to 34.

To help get, keep, and expand markets, producers and fabricators plan to tempt users and designers with more services, better products, less expensive production methods, new and bigger mill shapes.

The industry is looking for growing use of the metal in autos, building products, containers, shipbuilding, transportation, cryogenics, and military hardware.

Steel Production Data for the Week Ended April 22

As previously announced (see page 26 of our issue Dec. 22) the American Iron and Steel Institute has materially changed its weekly report on the steel industry operations. The revised formula no longer relates production totals as a percentage of the industry's operating rate based on the Jan. 1, 1960, over-all productive capacity. Instead, and effective Jan. 1, 1961, the output figures are given as an index of production based on average weekly production for 1957-59.

The revised method of reporting presents the following data:

Production for week ending April 22, 1961, was 1,784,000 tons (*95.8%), a 2.1% increase and output of 1,748,000 tons (*93.8%) for week ending April 15.

Production this year through April 22 amounted to 25,186,000 tons (*84.5%), or 39.4% below the 41,530,000 tons (*139.3%) in the period through April 23, 1960.

The Institute concludes with Index of Ingot Production by District for week ended April 22, 1961, as follows:

	*Index of Ingot Production for Week Ending April 22,1961
North East Coast	101
Buffalo	92
Pittsburgh	87
Youngstown	78
Cleveland	95
Detroit	107
Chicago	97
Cincinnati	98
St. Louis	105
Southern	104
Western	116
Total industry	95.8

*Index of production based on average weekly production for 1957-59.

Automobile Production Up 10.3% Over the Previous Week for 1960

Every U. S. auto assembly plant was in operation this week for the first time in 1961. Production of passenger cars climbed to 125,817, or 10.3% over the year's previous peak attained last week when the industry turned out 114,108 units, *Ward's Automotive Reports* said.

The statistical agency said that this week's output rate was equal to 86.8% of the 144,886 cars produced in the same week of a year ago, the closest the industry has come this year toward paralleling the intense 1960 pace.

Truck production of 24,508 this week was up 4.4% from 23,468 a week ago, and only 5.6% below 25,964 units for the same period of a year ago.

Ward's said overtime schedules were included extensively throughout Ford Motor Co. plants. In its first 1961 week of company-wide operations, Ford extended car making into Saturday at Lorain (O.), Metuchen (N. J.) and Kansas City Falcon-Comet sites, and added a day to Thunderbird-Lincoln assembly at Wixom (Mich.). Lorain and Louisville truck making also ran six days. Four plants, however, worked on four-day programs.

Ford also recalled some 2,600 workers to various component manufacturing sites this week, bringing to 8,500 the number recalled in a three-week period.

Studebaker-Packard Corp., on an abbreviated four-day schedule most of the year, added a fifth day's output this week at South Bend; American Motors Corp. was active five days at Kenosha, Wis., and Chrysler Corp. jumped its output some 42% from last week in its seven assembly plants.

Of 23 General Motors plants only two were affected by one-day cutbacks, and production by the company about paralleled its more than 60,000-unit output of a week ago.

International Harvester, one of the nation's major truck makers, instituted two 10-hour shifts at its Fort Wayne, Ind., factory in response to a spring surge in sales.

Of this week's passenger car production, General Motors accounted for 48.2%; Ford Motor Co. 32.2%; Chrysler Corp. 12.6%; American Motors Corp. 6.0%, and Studebaker-Packard 1.0%.

Electric Output 5.5% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, April 22, was estimated at 14,311,000,000 kwh., according to the Edison Electric Institute. Output was 123,000,000 kwh. below that of the previous week's total of 14,434,000,000 kwh. and 744,000,000 kwh., or 5.5% above that of the comparable 1960 week.

Decline in Business Failures for Week Ended April 20

Commercial and industrial failures in the week ended April 20 fell to 320, the lowest level in six weeks, from 383, the six-week high established in the preceding week, reported Dun & Bradstreets Inc. Despite these irregular fluctuations, casualties continued to exceed the toll of 283 a year ago and the toll of 300 in 1959. Current business mortality was only slightly above the prewar level of 316 in the comparable week of 1939.

Liabilities of $5,000 or more were involved in 274 of the week's failures, dropping from 344 in the previous week but remaining above the 253 of this size last year. In contrast, small casualties with losses under $5,000 rose to 46 from 39. Forty-four of the failing businesses suffered liabilities in excess of $100,000 as against 41 in the preceding week.

All industry and trade groups except wholesaling had fewer failures in the week just ended. The toll among retailers fell to 146 from 188, among construction contractors to 60 from 72, among manufacturers to 55 from 64, and among commercial services to 28 from 35. On the other hand, wholesaling casualties rose to 31 from 24. More concerns succumbed than last year in all lines except service, where the toll held even with 1960.

In all regions except the Middle and South Atlantic States, failures dipped below their week-ago levels. There was a drop in the Pacific States to 61 from 90, and in the East North Central to 52 from 70. The two contrasting increases lifted Middle Atlantic casualties to 108 from 94 and South Atlantic to 52 from 41. Regional trends from last year were mixed; five regions reported fewer casualties than a year earlier, while four suffered heavier tolls. The sharpest upturn from 1960 occurred in the South Atlantic States, where twice as many businesses failed as in the similar week last year.

Canadian failures climbed to 57 from 22 in the preceding week and 25 in the comparable week of 1960.

Lumber Shipments Were 4.4% Behind 1960 Volume

Lumber production in the United States in the week ended April 15, totaled 221,882,000 board feet, compared with 218,881,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 258,425,000 board feet.

Compared with 1960 levels, output declined 14.1%, shipments dropped 4.4%, and orders fell 9.4%.

Following are the figures in thousands of board feet for the weeks indicated:

	April 15, 1961	April 8, 1961	April 16, 1960
Production	221,882	218,881	258,425
New orders	221,645	253,120	245,242
Shipments	243,811	241,770	255,157

Freight Car Loadings for Week Ended Apr. 15 Showed a Decrease Of 16.1% Below 1960 Week

Loading of revenue freight in the week ended April 15, 1961, totaled 522,386 cars, the Association of American Railroads announced. This was a decrease of 100,277 cars or 16.1% below the corresponding week in 1960, and a decrease of 112,462 cars or 17.7% below the corresponding week in 1959.

Loadings in the week of April 15 were 16,456 cars or 3.3% above the preceding week.

There were 11,503 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended April 8, 1961 (which were included in that week's over-all total). This was an increase of 992 cars or 9.4% above the corresponding week of 1960 and an increase of 3,477 cars or 43.3% above the 1959 week.

Cumulative piggyback loadings for the first 14 weeks of 1961 totaled 145,610 for an increase of 666 cars or five-tenths of one per cent above the corresponding period of 1960 and 44,570 cars or 44.1% above the corresponding period in 1959. There were 58 class I U. S. railroad systems originating this type of traffic in the current week compared with 51 a year ago and 47 in the corresponding week in 1959.

Intercity Truck Tonnage Was Nearly 1% Ahead of 1960 Week

Intercity truck tonnage in the week ended April 15, was not quite one per cent ahead of the corresponding week of 1960 — being up 0.9% — the American Trucking Associations, Inc., announced. Truck tonnage was also narrowly above the volume for the previous week of this year—a gain of 0.8%. The comparatively favorable year-to-year findings were influenced by religious holidays at this time a year ago.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

Wholesale Commodity Price Index Up Fractionally in Latest Week

There was a fractional rise this week in the general wholesale commodity price level, reflecting higher prices on grains, flour, butter, hides, wool, and rubber. These increases offset slight decreases in sugar, hogs, steers, lambs, and steel scrap. The Daily Wholesale Commodity Price Index, compiled by Dun & Bradstreet, Inc., edged up to 269.54 (1930-32=100) on April 24 from 269.16 a week earlier, but it was down appreciably from the 274.58 of the corresponding date a year ago.

Wholesale Food Price Index Down to 1961 Low

The wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., dipped 0.3% on April 25 to $6.00 from the week earlier $6.02 to hit the lowest level so far this year. The index previously stood at $6.00 on April 4. Compared with the $5.94 of the corresponding date last year, the index was up 1.0%.

Commodities quoted higher in wholesale cost this week were flour, wheat, corn, rye, oats, coffee, cottonseed oil, and eggs. Lower in price were lard, cocoa, potatoes, steers, hogs, and lambs.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Retail Trade Considerably Below Comparable 1960 Calendar Week

Although extensive sales promotions helped consumer buying move up moderately from a week earlier in the week ended April 26, 1961, over-all retail trade was down sharply from the similar 1960 calendar week, when Easter shopping was at its peak. Considerable year-to-year dips in apparel and more moderate ones in major appliances, floor coverings, and new passenger cars offset increases in furniture, linens, and draperies.

The total dollar volume of retail trade in the week ended April 26, 1961, was 11% to 15% below the similar calendar week last year, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from the comparable 1960 levels by the following percentages: Middle Atlantic —17 to —21; West North Central —16 to —20; South Atlantic —15 to —19; East North Central —13 to —17; Pacific Coast —10 to —14; East South Central and Mountain —8 to —12; West South Central —6 to —10; New England —3 to —7.

Nationwide Department Store Sales Down 17% From 1960 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended April 15, 1961, showed a decrease of 17% below the like period last year. For the week ended April 8, a decrease of 16% was reported. For the four weeks ended April 15, 1961, a 6% loss was reported.

According to the Federal Reserve System, department store sales in New York City for the week ended April 15, showed a 20% loss over the same period last year. In the preceding week ended April 8, sales showed a decrease of †18% from the same week in 1960. For the four weeks ended April 15, a 6% decrease was reported below the 1960 period, while Jan. 1 to April 15 no change occurred over last year's sales.

† Revision of previous comparison.

Guide to Success In Mkt. Success

"Guide to Success in the Stock Market"—which is sponsored by the New York Security Dealers Association—is being most favorably accepted by the public as well as brokers and institutions throughout the country.

The publishers, Avon Publishing Co., originally printed 150,000 copies in January. Since then it has printed 50,000 additional copies and then another 50,000—totaling a quarter of a million copies.

Books can be obtained, wherever books are sold—such as book, drug, candy, newspaper and other store counters at 35 cents per copy.

The book contains a complete basic description of the Security Markets—how they function and operate. It tells about Growth Stocks, convertible bonds, warrants, mutual funds and speculations. It describes the regulation of security markets, the operation of Security and Commodity Exchanges and place and usefulness of Brokers, Dealers, Counsel, etc. The book has been ably edited by Dr. Ira U. Cobleigh.

Brokers and dealers throughout the country have purchased and distributed to their clients close to 50,000 copies. The books are available to brokers, in quantities, at 20 cents each.

Phila. Secs. Ass'n to Hear

PHILADELPHIA, Pa. — Sol N. Berman, President and Stuart B. Webb, First Vice-President of Berman Leasing Company, will be guest speakers at a luncheon meeting of the Philadelphia Securities Association on Tuesday, May 2, at The Barclay Hotel.

Frederick T. J. Clement of Drexel & Co. is in charge of arrangements.

Now F. J. Mitchell Co.

NEWPORT BEACH, Calif.—Francis J. Mitchell & Co. Incorporated has been formed to continue the investment business of Francis J. Mitchell, 410 West Coast Highway. Officers are Francis J. Mitchell, President; Kenneth K. Koster, Vice-President; and Arthur A. Lindeke, Secretary.

Indications of Current Business Activity

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:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated steel operations (per cent capacity)	Apr. 30	61.0	60.0	56.0	74.8
Equivalent to—					
Steel ingots and castings (net tons)	Apr. 30	1,784,000	1,748,000	1,632,000	2,210,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Apr. 14	7,248,810	7,226,560	1,353,160	7,072,110
Crude runs to stills—daily average (bbls.)	Apr. 14	7,789,000	7,899,000	8,043,000	7,898,000
Gasoline output (bbls.)	Apr. 14	27,994,000	27,980,000	27,932,000	28,472,000
Kerosene output (bbls.)	Apr. 14	2,462,000	2,872,000	2,834,000	2,395,000
Distillate fuel oil output (bbls.)	Apr. 14	11,487,000	11,284,000	13,014,000	12,249,000
Residual fuel oil output (bbls.)	Apr. 14	5,581,000	6,032,000	6,446,000	6,761,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	Apr. 14	223,176,000	225,659,000	225,519,000	192,844,000
Kerosene (bbls.) at	Apr. 14	26,494,000	26,619,000	25,240,000	17,657,000
Distillate fuel oil (bbls.) at	Apr. 14	86,634,000	88,507,000	95,380,000	65,288,000
Residual fuel oil (bbls.) at	Apr. 14	42,312,000	42,517,000	42,998,000	25,291,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Apr. 15	522,386	505,930	506,583	622,663
Revenue freight received from connections (no. of cars)	Apr. 15	479,129	472,773	473,104	553,036
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:					
Total U. S. construction	Apr. 20	$457,500,000	$364,100,000	$353,900,000	$758,200,000
Private construction	Apr. 20	241,700,000	177,300,000	169,300,000	529,600,000
Public construction	Apr. 20	215,800,000	186,800,000	184,600,000	228,600,000
State and municipal	Apr. 20	178,400,000	151,700,000	154,600,000	200,600,000
Federal	Apr. 20	37,400,000	35,100,000	30,000,000	28,000,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Apr. 15	6,990,000	*6,600,000	6,500,000	8,882,000
Pennsylvania anthracite (tons)	Apr. 15	295,000	265,000	323,000	354,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100	Apr. 15	130	128	140	156
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Apr. 22	14,311,000	14,434,000	14,549,000	13,567,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Apr. 20	320	383	359	283
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Apr. 17	6.196c	6.196c	6.196c	6.196c
Pig iron (per gross ton)	Apr. 17	$66.44	$66.44	$66.44	$66.41
Scrap Steel (per gross ton)	Apr. 17	$37.83	$39.17	$38.50	$33.50
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Apr. 19	28.600c	28.600c	28.600c	32.600c
Export refinery at	Apr. 19	27.825c	28.025c	27.250c	31.275c
Lead (New York) at	Apr. 19	11.000c	11.000c	11.000c	12.000c
Lead (St. Louis) at	Apr. 19	10.800c	10.800c	10.800c	11.800c
‡Zinc (delivered) at	Apr. 19	12.000c	12.000c	12.000c	13.500c
Zinc (East St. Louis) at	Apr. 19	11.500c	11.500c	11.500c	13.000c
Aluminum (primary pig, 99.5%) at	Apr. 19	26.000c	26.000c	26.000c	26.000c
Straits tin (New York) at	Apr. 19	107.500c	109.750c	103.750c	99.000c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Apr. 25	88.83	88.15	88.50	83.57
Average corporate	Apr. 25	87.72	87.99	88.40	85.20
Aaa	Apr. 25	91.91	92.35	92.79	89.51
Aa	Apr. 25	90.06	90.34	91.34	87.32
A	Apr. 25	87.18	87.59	88.13	84.81
Baa	Apr. 25	82.15	82.15	82.03	79.60
Railroad Group	Apr. 25	85.20	85.59	85.20	82.52
Public Utilities Group	Apr. 25	89.23	89.23	89.78	85.98
Industrials Group	Apr. 25	88.95	89.37	90.20	87.18
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Apr. 25	3.71	3.78	3.74	4.22
Average corporate	Apr. 25	4.58	4.56	4.53	4.77
Aaa	Apr. 25	4.28	4.25	4.22	4.45
Aa	Apr. 25	4.41	4.39	4.32	4.61
A	Apr. 25	4.62	4.59	4.55	4.80
Baa	Apr. 25	5.01	5.01	5.02	5.22
Railroad Group	Apr. 25	4.77	4.74	4.77	4.98
Public Utilities Group	Apr. 25	4.47	4.47	4.43	4.71
Industrials Group	Apr. 25	4.49	4.46	4.40	4.62
MOODY'S COMMODITY INDEX	Apr. 25	366.2	367.3	370.0	378.5
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Apr. 15	296,339	325,808	304,551	299,606
Production (tons)	Apr. 15	315,490	305,857	320,783	324,743
Percentage of activity	Apr. 15	93	86	91	95
Unfilled orders (tons) at end of period	Apr. 15	435,615	459,067	434,750	429,286
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100	Apr. 21	113.02	113.02	111.90	110.36
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS					
Transactions of specialists in stocks in which registered—					
Total purchases	Mar. 31	3,006,590	4,208,140	4,187,050	1,827,240
Short Sales	Mar. 31	498,380	795,120	941,960	317,230
Other sales	Mar. 31	2,504,460	3,294,260	3,141,650	1,470,190
Total sales	Mar. 31	3,002,840	4,089,380	4,083,610	1,787,420
Other transactions initiated off the floor—					
Total purchases	Mar. 31	454,150	704,970	533,640	271,370
Short Sales	Mar. 31	34,540	40,290	58,800	38,140
Other sales	Mar. 31	425,290	714,960	529,280	261,370
Total sales	Mar. 31	459,830	755,250	588,080	299,510
Other transactions initiated on the floor—					
Total purchases	Mar. 31	870,880	1,142,565	1,166,705	703,440
Short Sales	Mar. 31	112,390	191,410	155,250	98,170
Other sales	Mar. 31	1,006,205	1,354,366	1,017,635	530,212
Total sales	Mar. 31	1,118,595	1,545,776	1,172,885	628,382
Total round-lot transactions for account of members—					
Total purchases	Mar. 31	4,331,620	6,055,675	5,887,395	2,802,050
Short Sales	Mar. 31	645,310	1,026,820	1,156,010	453,540
Other sales	Mar. 31	3,935,955	5,363,586	4,688,565	2,261,772
Total sales	Mar. 31	4,581,265	6,390,406	5,844,575	2,715,312
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION					
Odd-lot sales by dealers (customers' purchases)—†					
Number of shares	Mar. 31	1,980,019	2,751,549	2,907,825	1,468,371
Dollar value	Mar. 31	$101,903,733	$141,255,991	$147,382,885	$74,846,990
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—Customers' total sales	Mar. 31	2,076,186	2,797,188	2,874,731	1,314,930
Customers' short sales	Mar. 31	4,147	6,726	9,794	10,595
Customers' other sales	Mar. 31	2,072,039	2,790,462	2,864,937	1,304,335
Dollar value	Mar. 31	$101,461,999	$133,801,257	$136,314,252	$66,261,004
Round-lot sales by dealers—					
Number of shares—Total sales	Mar. 31	653,060	870,250	840,340	388,690
Short Sales	Mar. 31	------	------	------	------
Other sales	Mar. 31	653,060	870,250	840,340	388,690
Round-lot purchases by dealers—Number of shares	Mar. 31	578,110	767,810	881,010	525,990
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total round-lot sales—					
Short Sales	Mar. 31	742,990	1,150,510	1,275,180	573,180
Other sales	Mar. 31	20,482,800	27,325,510	27,128,060	11,949,250
Total sales	Mar. 31	21,225,790	28,476,020	28,403,240	12,522,430
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):					
Commodity Group—					
All commodities	Apr. 18	119.5	119.4	119.7	120.0
Farm products	Apr. 18	88.9	*88.1	89.8	91.2
Processed foods	Apr. 18	108.7	*109.0	109.8	106.8
Meats	Apr. 18	94.1	95.0	96.7	95.9
All commodities other than farm and foods	Apr. 18	128.1	127.9	128.0	128.6

*Revised figure. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
BANK DEBITS—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Month of March (000's omitted)	$255,389,000	$222,666,000	$245,729,000
BANKERS' DOLLAR ACCEPTANCES OUTSTANDING — FEDERAL RESERVE BANK OF NEW YORK—As of March 31			
Imports	$408,199,000	$388,343,000	$363,561,000
Exports	820,781,000	701,722,000	413,085,000
Domestic shipments	13,590,000	12,658,000	10,083,000
Domestic warehouse credits	255,638,000	278,836,000	133,746,000
Dollar exchange	109,870,000	104,330,000	200,924,000
Based on goods stored and shipped between foreign countries	622,532,000	562,771,000	244,399,000
Total	$2,230,610,000	$2,048,660,000	$1,365,798,000
BUSINESS FAILURES—DUN & BRADSTREET, INC.—Month of March:			
Manufacturing number	271	229	224
Wholesale number	152	149	143
Retail number	786	693	607
Construction number	266	262	241
Commercial service number	135	116	120
Total number	1,610	1,449	1,335
Manufacturing liabilities	$26,579,000	$23,160,000	$19,170,000
Wholesale liabilities	15,231,000	12,393,000	9,671,000
Retail liabilities	51,185,000	30,646,000	14,116,000
Construction liabilities	20,283,000	14,943,000	19,427,000
Commercial service liabilities	13,344,000	6,941,000	7,809,000
Total liabilities	$126,622,000	$88,083,000	$70,193,000
BUSINESS INCORPORATIONS (NEW) IN THE UNITED STATES—DUN & BRADSTREET, INC.—Month of March	16,607	*13,258	17,437
CIVIL ENGINEERING CONSTRUCTION — ENGINEERING NEWS RECORD — Month of March (000's omitted):			
Total U. S. construction	$1,912,000	$1,360,000	$2,001,000
Private construction	984,000	747,000	1,026,000
Public construction	928,000	613,000	975,000
State and municipal	658,000	525,000	712,000
Federal	270,000	88,000	263,000
COMMERCIAL PAPER OUTSTANDING—FEDERAL RESERVE BANK OF NEW YORK—As of March 31 (000's omitted)	$1,418,000	$1,418,000	$805,000
CONSUMER CREDIT OUTSTANDING—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—REVISED SERIES—Estimated short and intermediate term credit in millions as of Feb. 28:			
Total consumer credit	$54,102	$55,021	$51,182
Instalment credit	42,264	42,782	39,785
Automobile	17,383	17,611	16,626
Other consumer goods	10,793	11,050	10,254
Repairs and modernization loans	2,935	2,967	2,772
Personal loans	11,153	11,154	10,133
Noninstalment credit	11,838	12,239	11,397
Single payment loans	4,381	4,314	4,129
Charge accounts	4,037	4,599	4,104
Service credit	3,420	3,326	3,164
CONSUMER PRICE INDEX—1947-49 = 100— Month of February:			
All items	127.5	127.4	125.6
Food	121.4	121.3	117.4
Food at home	118.6	118.5	114.4
Cereal and bakery products	139.4	139.1	135.2
Meats, poultry and fish	111.8	111.6	106.2
Dairy products	119.0	119.1	116.5
Fruits and vegetables	127.2	126.1	125.9
Other food at home	108.5	109.5	102.9
Food away from home (Jan. 1953 = 100)	120.3	120.0	117.8
Housing	132.4	132.3	131.2
Rent	143.1	142.9	141.0
Gas and electricity	125.9	125.9	124.0
Solid fuels and fuel oil	141.3	139.6	139.0
Housefurnishings	103.7	103.6	104.3
Household operation	138.3	138.3	136.3
Apparel	109.6	109.4	108.4
Men's and boys'	111.3	111.4	108.7
Women's and girls'	99.5	99.1	99.3
Footwear	140.9	140.3	138.7
Other apparel	92.9	93.0	92.8
Transportation	146.2	146.2	147.9
Private	133.9	134.0	136.4
Public	205.7	205.5	199.3
Medical care	159.4	158.5	154.7
Personal care	133.8	133.7	132.6
Reading and recreation	122.7	122.2	120.6
Other goods and services	132.6	132.6	131.8
DEPARTMENT STORE SALES—FEDERAL RESERVE SYSTEM—1947-49 Average=100— Month of March:			
Adjusted for seasonal variation	143	145	138
Without seasonal adjustment	129	109	115
INDUSTRIAL PRODUCTION—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—1947-49=100—Month of March:			
Seasonally adjusted	102	102	109
Unadjusted	104	103	111
NEW CAPITAL ISSUES IN GREAT BRITAIN MIDLAND BANK LTD.—Month of March	£23,559,000	£57,968,000	£53,761,000
PERSONAL INCOME IN THE UNITED STATES (DEPARTMENT OF COMMERCE)—Month of March (in billions):			
Total personal income	$409.6	$406.2	$397.0
Wage and salary receipts, total	272.1	271.0	269.3
Commodity producing industries	107.3	106.5	111.6
Manufacturing only	84.2	84.0	88.8
Distributing industries	72.0	72.0	70.8
Service industries	42.3	42.2	40.0
Government	50.5	50.3	46.9
Other labor income	10.9	10.9	10.8
Business and professional	35.5	35.4	35.4
Farm	13.1	13.0	10.1
Rental income of persons	12.5	12.5	12.5
Dividends	14.0	14.0	13.9
Personal interest income	27.6	27.7	25.9
Transfer payments	33.3	31.1	28.3
Less employees' contribution for social insurance	9.4	9.4	9.2
Total nonagricultural income	392.6	389.3	382.7
RYE CONDITION—CROP REPORTING BOARD U. S. DEPT. OF AGRICULTURE— As of April 1	89%	------	86%
TREASURY MARKET TRANSACTIONS IN DIRECT AND GUARANTEED SECURITIES OF U. S. A.—Month of March:			
Net sales	------	$21,349,200	------
Net purchases	$56,144,200	------	$43,081,500
WINTER WHEAT PRODUCTION—CROP REPORTING BOARD U. S. DEPT. OF AGRICULTURE—As of April 1 (bushels)	1,098,735,000	------	1,117,131,000

Securities Now in Registration

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
• ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm

• ACR Electronics Corp. (5/25)
Feb. 27, 1961 refiled 125,000 shares of common stock. **Price**—$3 per share. **Proceeds**—For salaries of additional personnel, liquidation of debt, research and the balance for working capital. **Office**—551 W. 22nd St., New York City. **Underwriter**—Robert Edelstein Co., Inc., New York City.

Accesso Corp. (5/8-12)
Jan. 30, 1961 filed 40,000 shares of common stock and 40,000 shares of preferred stock (par $10) to be offered for public sale in units consisting of one share of common and one share of preferred stock. **Price**—$15 per unit. **Business**—The company is engaged in the design, manufacture and sale of fluorescent lighting systems, acoustical tile hangers, metal tiles and other types of acoustical ceiling systems. **Proceeds**—For the repayment of loans and general corporate purposes. **Office** — 3425 Bagley Avenue, Seattle, Wash. **Underwriter**—Ralph B. Leonard & Sons, Inc., New York City (managing).

Acme Missiles & Construction Corp.
Jan. 6, 1961 filed 30,000 outstanding shares of class A common stock. **Price** — To be supplied by amendment. **Business**—The construction and installation of missile launching platforms. **Proceeds**—To selling stockholders. **Office** — 43 North Village Avenue, Rockville Centre, N. Y. **Underwriter**—None.

Action Discount Dollars Corp.
April 14, 1961 (letter of notification) 42,500 units, each unit to consist of one share of common stock (par one cent) and one share of class A stock (par $1). **Price**—$7 per unit. **Business**—The sale and redemption of trading stamps. **Proceeds** — For printing trading stamps, catalogues; advertising and franchise development. **Office**—26 Broadway, New York, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., New York, N. Y.

A-Drive Auto Leasing System, Inc.
Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. **Price**—$10 per share. **Business**—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. **Proceeds**—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks. **Office**—1616 Northern Boulevard, Manhasset, N. Y. **Underwriter**—Hill, Darlington & Grimm, New York City (managing). **Offering**—Imminent.

Advanced Investment Management Corp.
Jan. 13,1961 filed 300,000 shares of common stock. **Price**—$3.50 per share. **Business**—The company was organized in October, 1960 to operate an insurance home office service and management company with the related secondary purpose of owning investments in entities engaged in the insurance business. **Proceeds**—The company will use the proceeds estimated at $851,895 as a reserve for the acquisition of interests in life insurance; for furniture and fixtures; for the establishment of a sales organization and for working capital. **Office**—The Rector Building, Little Rock, Ark. **Underwriter**—Advanced Underwriters, Inc., Little Rock, Ark.

Aerojet-General Corp.
April 11, 1961 filed $15,000,000 of sinking fund debentures, due 1981. **Price**—To be supplied by amendment. **Business**—This subsidiary of General Tire & Rubber Co., is engaged in the research, development and manufacture of rocket engines and propellants for military and space exploration purposes. **Proceeds**—For the repayment of debt. **Office**—1100 West Hollyvale St., Azusa, Calif. **Underwriter**—Kidder, Peabody & Co., New York City (managing). **Offering**—Expected in late May.

Aerotest Laboratories Inc. (5/22-26)
March 24, 1961 filed 100,000 shares of common stock, (par 10 cents), of which 40,000 shares are to be offered for public sale by the company and 60,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The testing of components and systems designed and manufactured under government contracts by companies in the missile, space, electronic and aircraft industries. **Proceeds**—To repay loans, buy additional equipment and for working capital. **Office**—Deer Park, L. I., N. Y. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Airwork Corp. (5/8-12)
March 17, 1961 filed $1,500,000 of 6% subordinated debentures, due May 1, 1976 and 10-year warrants to purchase 125,000 shares of common stock, to be offered for public sale in units consisting of $1,000 of debentures and an unattached warrant to purchase an undisclosed number of common shares. **Price** — To be supplied by amendment. **Business**—The overhaul and sale of aircraft engines, instruments and accessories. **Proceeds**—To repay bank loans and for working capital. **Office**—Millville, N. J. **Underwriter** — Auchincloss, Parker & Redpath, Washington, D. C., and New York City.

Alaska Creamery Products, Inc.
Dec. 19, 1960 (letter of notification) 130,000 shares of common stock (par $1). **Price**—$2 per share. **Proceeds**—To purchase equipment, and other necessary materials for distribution of dairy products. **Address**—Anchorage, Alaska. **Underwriter**—To be named.

★ Allison Business Services, Inc.
April 17, 1961 (letter of notification) 100,000 shares of capital stock (par 10 cents). **Price**—$3 per share. **Business**—The supplying of temporary office personnel. **Proceeds**—To purchase assets of Rapid Computing Co., Inc. and for general corporate purposes. **Office**—122 E. 42nd Street, New York, N. Y. **Underwriter**—Hancock Securities Corp., New York, N. Y.

• All-State Credit Corp. (5/1)
Feb. 21, 1961 filed 200,000 shares of class A stock. **Price**—$5 per share. **Business**—A sales finance company, specializing in the purchase of conditional sales contracts from furniture and appliance dealers throughout the New York City area. **Proceeds**—For the repayment of debt and for working capital. **Office**—71 West Merrick Blvd., Valley Stream, N. Y. **Underwriter**—Mortimer B. Burnside & Co., Inc. (managing); Stanley Heller & Co.; John H. Kaplan & Co., and Philips, Rosen & Appel, all of New York City.

America-Israel Phosphate Co.
Dec. 23, 1960 filed 125,000 shares of common stock, each share of which carries two warrants to purchase two additional common shares in the next issue of shares, at a discount of 25% from the offering price. **Price**—$4 per share. **Business**—The prospecting and exploration for phosphate mineral resources in Israel. **Proceeds**—For general business purposes. **Office** — 82 Beaver Street, New York City. **Underwriter**—Casper Rogers Co., New York City (managing).

American Broadcasting-Paramount Theatres Inc. (5/23)
April 12, 1961 filed 140,000 outstanding shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The operation of television, radio and motion picture theatre facilities and phonograph records and music publishing. **Proceeds**—For the selling stockholder. **Office**—7 West 66th St., New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Cyrus J. Lawrence & Sons, both of New York City (managing).

American Educational Life Insurance Co.
Dec. 5, 1960 filed 960,000 shares of class A common voting stock (par $1) and 240,000 shares of class B nonvoting common stock to be sold in units, each unit to consist of 4 shares of class A stock and one share of class B stock. **Price**—$25 per unit. **Business**—The writing of life insurance and allied lines of insurance. **Proceeds**—For capital and surplus. **Office** — Third National Bank Bldg., Nashville, Tenn. **Underwriter**—Standard American Securities, Inc., Nashville, Tenn.

★ American Finance Co., Inc.
April 21, 1961 filed $500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one $200 debenture, 30 common shares and 10 warrants. **Price**—$500 per unit. **Business**—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. **Proceeds**—For the retirement of debentures, and capital funds. **Office** — 1472 Broadway, New York City. **Underwriter**—Myron A. Lomasney & Co., New York City. **Offering**—Expected in late June.

American Financial Corp. (5/22-26)
March 24, 1961 filed 175,000 shares of common stock, of which 125,000 shares are to be offered for public sale by the company and 50,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The operation of three Ohio savings and loan associations, an automobile and truck leasing business, and a small building contracting business in southern Ohio. **Proceeds**—The repayment of debt and for general corporate purposes. **Office**—3955 Montgomery Road, Norwood, Ohio. **Underwriter**—Westheimer & Co., Cincinnati, Ohio (managing).

American Gas Co.
March 22, 1961 filed 101,081 shares of common stock to be offered for subscription by stockholders on the basis of 2.7 new shares for each share held. **Price**—$3.50 per share. **Proceeds**—To repay bank loans and for construction. **Office**—546 South 24th Ave., Omaha, Neb. **Underwriter**—Cruttenden, Podesta & Co., Chicago (managing). **Offering**—Expected in early May.

American Mortgage Investment Corp.
April 29, 1960 filed $1,800,000 4% 20-yr. collateral trust bonds and 1,566,000 shares of class A non-voting common stock. It is proposed that these securities will be offered for public sale in units (2,000) known as Investment Certificates, each representing $900 of bonds and 783 shares of stock. **Price**—$1,800 per unit. **Proceeds**—To be used principally to originate mortgage loans and carry them until market conditions are favorable for disposition. **Office** — 210 Center St., Little Rock, Ark. **Underwriter**—Amico, Inc.

Amity Corp. (5/22-26)
Jan. 17, 1961 filed 88,739 shares of common stock (par $1). **Price**—$3 per share. **Business**—Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. **Proceeds**—For general corporate purposes, in-

Japan's Stock Mart Is Nation's New TV Luminary

The United States has its television popularity leaders in "Peter Gunn," "The Rifleman" and "Wagon Train"—but in Japan the new popularity television leader is "The Morning Smiles Report."

And of all things it is a 40-minute program presenting in detail latest developments on the country's booming Tokyo Stock Exchange.

Word to that effect was received by Naomichi Toyama, Managing Director, New York office, Nikko Securities Co., Ltd.—one of Japan's "Big Four" securities firms.

The new program, Japan's first in this field, is being carried on the Nippon Education Television Network and its popularity is due to the fact that currently over 12,000,000 Japanese own common stock shares—a greater percentage than in the U. S.

Star of the program is a tiny puppet figure called "Mr. Money" who comments on new developments. Open appearance featured Gakuzo Yoshino, President of Nikko and Chairman of the Board of Governors of the Tokyo Stock Exchange. Future guests will include economic, financial and other experts.

A second version of the program runs for 45 minutes after the close of the market in the afternoon. On Saturdays, a single broadcast runs one hour from 8:50 a.m.

Japanese interest in securities developed after the end of World War II when the occupation authorities decreed the breaking up of the large cartels which formerly held the major interest in Japanese enterprise.

Today stock ownership is the rule—and Nikko, for example, has over 105 offices, many located in subway stations and railroad terminals, department stores, amusement centers and other high traffic points.

Appeal to women is particularly strong and many participate in what are called "Money Building" clubs seeking to become "yen millionaires" equal to $2,800.

Phila. Inv. Women

PHILADELPHIA, Pa.—In conjunction with other cities throughout the country celebrating Invest-in-America Week the Investment Women's Club of Philadelphia in cooperation with the Invest-in-America Committee of Philadelphia have arranged for the annual dinner to be held on Monday, May 1 at the Barclay. Dr. John C. Sevier, author, lecturer and instructor in Management at the Temple University, School of Business and Public Administration will be the speaker.

cluding $170,000 for construction and $12,000 for debt reduction. **Office**—Equitable Building, Baltimore, Md. **Underwriter**—Karen Securities Corp., New York City.

★ **Aldens, Inc.**
April 21, 1961 filed $15,000,000 of sinking fund debentures due 1981. **Price**—To be supplied by amendment. **Business** — The sale of merchandise throughout the United States by mail order and retail stores. **Proceeds**—For working capital. **Office**—5000 W. Roosevelt Rd., Chicago, Ill. **Underwriter**—Lehman Brothers, New York City (managing).

● **Ampoules, Inc. (5/4)**
Feb. 28, 1961 filed 100,000 shares of common stock. **Price**—$4 per share. **Business**—The design and development of sterile disposable hypodermic ampoules for administering medication. **Proceeds**—For general corporate purposes including laboratory equipment, salaries for engineers, moulds and dies, and working capital. **Office**—238 North Main St., Hudson, Ohio. **Underwriters**—Brand, Grumet & Seigel, Inc., and Kesselman & Co., Inc., both of New York City.

● **Angeles Crest Development Co., Inc.**
Feb. 27, 1961 filed $1,500,000 of 7% subordinated debentures due April 1, 1971 and 75,000 shares of common stock to be offered for public sale in units consisting of $500 of debentures and 25 common shares. **Price**—$632.50 per unit. **Business**—The company was organized under California law in April, 1960, to acquire land for the development of residential lots, a golf course and related facilities. **Proceeds** — For the payment of a mortgage note, for development expenses and for working capital. **Office**—3436 North Verdugo Road, Glendale, Calif. **Underwriters**—Dempsey-Tegeler & Co., St. Louis, Mo., and Lester, Ryons & Co., Los Angeles, Calif. **Offering** — Imminent.

Apache Corp.
March 31, 1961 filed 300 units in the Apache Gas and Oil Program 1962. **Price**—$15,000 per unit. **Business**—The acquisition, holding, testing, developing and operating of gas and oil leaseholds. **Proceeds**—For general corporate purposes. **Office**—523 Marquette Ave., Minneapolis, Minn. **Underwriter** — The company and its subsidiary, APA, Inc., will act as underwriters for the Program.

Apache Realty Corp.
March 31, 1961 filed 1,000 units in the First Apache Realty Program. **Price**—$5,000 per unit. **Business**—The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation of shopping centers, office buildings and industrial properties. **Proceeds** — For investment. **Office** — 523 Marquette Ave., Minneapolis, Minn. **Underwriter**—Blunt Ellis & Simmons, Chicago (managing).

● **Aqua-Chem, Inc. (5/1)**
March 3, 1961 filed 340,000 shares of common stock (par $1), of which 227,000 are to be offered for public sale by the company and 113,000 outstanding shares by Cleaver-Brooks Co., its parent. **Price**—To be supplied by amendment. **Business** — The company, formerly Cleaver-Brooks Special Products, Inc., is engaged principally in the development, manufacture and sale of equipment used for desalting and purifying sea and brackish water. **Proceeds** — For research and development and working capital. **Office** — 225 North Grand Ave., Waukesha, Wis. **Underwriters** — Carl M. Loeb, Rhoades & Co., New York City and Loewi & Co., Inc., Milwaukee, Wis. (managing).

Arizona Color Film Processing Laboratories, Inc.
March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. **Price**—22 cents per share. **Business**—The processing of black and white and color film. **Proceeds**—To repay loans and for working capital. **Office**—2 North 30th Street, Phoenix, Ariz. **Underwriter**—None.

★ **Arizona Public Service Co. (5/23-6/13)**
April 21, 1961 filed 488,986 shares of common stock (par $2.50), to be offered for subscription by common stockholders on the basis of one new share for each 15 shares held of record on May 23, with rights to expire June 13. **Price**—To be supplied by amendment. **Proceeds**—For expansion. **Office**—501 South Third Ave., Phoenix, Ariz. **Underwriters**—First Boston Corp., and Blyth & Co., Inc. (managing).

Arkansas Power & Light Co. (5/15)
March 23, 1961 this subsidiary of Middle South Utilities filed $12,000,000 of first mortgage bonds, due 1991. **Office**—Ninth and Louisiana Streets, Little Rock, Ark. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co. and Dean Witter & Co. (jointly); Lehman Brothers; Stone & Webster Securities Corp. and White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc. **Bids**—To be received May 15 at 11:30 a.m. (DST).

● **Armstrong Paint & Varnish Works, Inc. (5/3)**
March 9, 1961 filed 207,315 outstanding shares of common stock, to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The manufacture and sale of paint, varnish, lacquer and paint cans. **Proceeds**—For the selling stockholders. **Office**—1330 South Kilbourn Ave., Chicago, Ill. **Underwriter** — Lee Higginson Corp., New York City (managing).

Arrow Electronics, Inc.
March 30, 1961 filed 165,000 shares of common stock (par $1). **Price**—$5 per share. **Business**—The distribution of electronic equipment including high fidelity, radio and television components. **Proceeds**—To repay loans, expand facilities and for working capital. **Office** — 525 Jericho Turnpike, Mineola, L. I., N. Y. **Underwriter**—Arnold Malkan & Co., Inc., New York City. **Offering**—Expected in June.

● **Astek Instrument Corp.**
March 17, 1961 (letter of notification) 200,000 shares of common stock (par 10 cents). **Price**—$1.50 per share. **Business**—The manufacture of flight instruments and control systems for missiles, space vehicles and aircraft. **Proceeds**—For leasehold improvements, furniture and equipment, the purchase of equipment, and working capital. **Office** — Armonk, N. Y. **Underwriter** — M. H. Woodhill, Inc., New York, N. Y.

● **Atlantic Fund for Investment in U. S. Government Securities, Inc.**
July 22, 1960, filed 2,000,000 shares of common stock. **Price** — $25 per share. **Business — A diversified investment company, which will become an open-end company with redeemable shares upon the sale and issuance of the shares being registered. Proceeds—For investment in U. S. Government securities. Office—50 Broad Street, New York City. Underwriter**—Capital Counsellors, 50 Broad Street, New York City. **Note**—This company was formerly the Irving Fund for Investment in U. S. Government Securities, Inc.

Audiographic Inc.
Feb. 27, 1961 filed 150,000 shares of common stock. **Price**—$4 per share. **Business**—The manufacture and sale of fire and burglar warning systems. **Proceeds**—To establish subsidiaries, buy equipment to make component parts of warning systems now manufactured by others, reduce indebtedness, add to inventory, and for working capital. **Office**—Bellemore, L. I., N. Y. **Underwriter**—First Broad Street Corp., New York City (managing).

Automated Procedures Corp.
April 7, 1961 filed 110,000 shares of class A stock (par 5 cents). **Price**—$3 per share. **Business**—The company offers customized data processing service which involves the breaking up of complex accounting operations into simple tasks performable by its machines. **Proceeds**—To purchase additional equipment. **Office** — 71 West 23rd Street, New York City. **Underwriter**—Jay W. Kaufmann & Co., New York City.

● **Automation Development, Inc. (5/1-5)**
Jan. 27, 1961 (letter of notification) 40,000 shares of common stock (par 5 cents). **Price**—$3.75 per share. **Proceeds**—For further development of the "Skyjector." **Office**—342 Madison Ave., New York City. **Underwriter**—First Philadelphia Corp., New York, N. Y., and United Planning Corp., Newark, N. J.

Automotive Vacuum Control Corp.
March 30, 1961 (letter of notification) 60,000 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—For advertising, new products and working capital. **Office**—1007 East Second Street, Wichita, Kan. **Underwriter**—Donald J. Hinkley & Co., Inc., Denver, Colo.

● **B. M. C. Industries, Inc. (5/15)**
March 1, 1961 filed 50,000 shares of 7% non-cumulative preferred stock (par $7.50); and 200,000 shares of common stock (par one cent), of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holder thereof. The offering will be made in units, each unit to consist of one preferred share and four common shares. **Price**—$11.50 per unit. **Business**—The company, formerly Beakatron Manufacturing Corp., manufactures, assembles and distributes a diverse line of electronic components for use in guidance and communication systems. **Proceeds**—For expansion and working capital. **Office**—1101-1109 Utica Ave., Brooklyn, N. Y. **Underwriter**—International Services Corp., Paterson, N. J.

BarChris Construction Corp.
March 30, 1961 filed $3,500,000 of convertible subordinated debentures, due May 1, 1976. **Price**—To be supplied by amendment. **Business**—The design, manufacture and sale of bowling alleys and bowling equipment. **Proceeds**—For construction of a new plant, development of new products and working capital. **Office**—35 Union Square West, New York City. **Underwriter**—Drexel & Co., New York City (managing). **Offering** — Expected in mid-May.

Beam (James B.), Distilling Co. (5/17)
March 24, 1961 filed 200,000 outstanding common shares. **Price**—To be supplied by amendment. **Business**—The production of whiskeys, vodka, brandies and cordials. **Proceeds**—For the selling stockholders. **Office**—65 East South Water Street, Chicago, Ill. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

Bell Telephone Co. of Pennsylvania (5/2)
April 7, 1961 filed $50,000,000 of debentures, due May 1, 2001. **Proceeds**—To repay advances from A. T. & T. the parent company, and for expansion. **Office**—1835 Arch Street, Philadelphia 3, Pa. **Underwriters**—To be deter-

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NEW ISSUE CALENDAR

April 28 (Friday)

National Airlines, Inc. — **Debentures**
(Offering to stockholders—Underwritten by Lehman Brothers) $10,288,000

Vitamix Pharmaceutical, Inc. — **Common**
(Bache & Co.) 100,000 shares

May 1 (Monday)

Aqua-Chem, Inc. — **Common**
(Carl M. Loeb, Rhoades & Co. and Loewi & Co. Inc.) 340,000 shares

Automation Development, Inc. — **Common**
(First Philadelphia Corp. and United Planning Corp.) $150,000

Beryllium Manufacturing Corp. — **Common**
(Eldes Securities Corp.) $472,500

Community Research & Developm't, Inc. — **Common**
(Offering to stockholders—underwritten by Alex. Brown & Sons) 620,445 shares

Electro-Mechanical Corp. — **Common**
(Manufacturers Securities Corp.) $224,200

Emmer Glass Corp. — **Common**
(Clayton Securities Corp.) $760,000

Fulton Industries, Inc. — **Common**
(Robinson-Humphrey Co., Inc. and Walston & Co., Inc.) 233,955 shares

Geriatric Pharmaceutical Corp. — **Common**
(T. M. Kirsch Co.) $200,000

Harvey-Wells Corp. — **Common**
(Schirmer, Atherton & Co.) $300,000

Heath (D. C.) & Co. — **Common**
(Kidder, Peabody & Co.) 240,000 shares

Hickory Industries, Inc. — **Common**
(J. B. Coburn Associates, Inc.) $125,000

Marcon Electronics Corp. — **Common**
(Meade & Co.) $300,000

Mohawk Insurance Co. — **Common**
(R. F. Dowd & Co., Inc.) $900,000

National Bagasse Products Corp. — **Units**
(S. D. Fuller & Co. and Howard, Weil, Labouisse, Friedrichs & Co.) $2,654,370

National Food Marketers, Inc. — **Common**
(Robert Edelstein Co., Inc.) $400,000

Northern Instrument Corp. — **Common**
(I. R. E. Investors Corp.) $300,000

Thrift Courts of America, Inc. — **Units**
(Myron A. Lomasney & Co.) $1,600,000

Washington Natural Gas Co. — **Common**
(Offering to stockholders—underwritten by Dean Witter & Co.; Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith, Inc.) 118,384 shares

May 2 (Tuesday)

Bell Telephone Co. of Pennsylvania — **Debentures**
(Bids 11 a.m. DST) $50,000,000

California Financial Corp. — **Capital**
(William R. Staats & Co. and J. Barth & Co.) 88,977 shares

Norway (Kingdom of) — **Bonds**
(Harriman Ripley & Co. Inc.; Kuhn, Loeb & Co. Inc.; Lazard Freres & Co. and Smith, Barney & Co. Inc.) $15,000,000

Sealectro Corp. — **Common**
(Bache & Co.) 231,600 shares

Sierra Pacific Power Co. — **Common**
(Offering to stockholders—no underwriting) 132,570 shares

May 3 (Wednesday)

Armstrong Paint & Varnish Works, Inc. — **Common**
(Lee Higginson Corp.) 207,315 shares

Continental Oil Co. — **Debentures**
(Morgan Stanley & Co.) $100,000,000

Fabien Corp. — **Common**
(Goodbody & Co.) $405,000

Washington Gas Light Co. — **Bonds**
(Bids 11 a.m. DST) $15,000,000

May 4 (Thursday)

Ampoules, Inc. — **Common**
(Brand, Grumet & Seigel, Inc. and Kesselman & Co., Inc.) $400,000

Chicago, Burlington & Quincy RR. — **Equip. Tr. Ctfs.**
(Bids 12 noon CDST) $4,800,000

May 5 (Friday)

Consolidated Activities, Inc. — **Debentures**
(G. F. Nicholls & Co., Inc.) $1,000,000

Consolidated Activities, Inc. — **Common**
(G. F. Nicholls & Co., Inc.) $175,000

Irvington Steel & Iron Works — **Common**
(L. L. Fane & Co., Inc.) $300,000

May 8 (Monday)

Accesso Corp. — **Units**
(Ralph B. Leonard & Sons, Inc.) $600,000

Airwork Corp. — **Units**
(Auchincloss, Parker & Redpath) $1,500,000

Blatt (M.) Co. — **Common**
(Maltz, Greenwald & Co.; Clayton Securities Corp.; Rodetsky, Kleinzahler, Walker & Co. and L. C. Wegard & Co.) 100,000 shares

California Liquid Gas Corp. — **Common**
(Kidder, Peabody & Co.) 125,00 shares

Dixie Natural Gas Corp. — **Common**
(Vestal Securities Corp.) $300,000

Dodge Wire Corp. — **Common**
(Plymouth Securities Corp.) $600,000

Economy Book Co. — **Common**
(Hayden, Stone & Co.) 150,000 shares

Electronic Assistance Corp. — **Common**
(Hayden, Stone & Co.) 110,000 shares

Giannini Scientific Corp. — **Common**
(Kidder, Peabody & Co.) $300,000

Kings Electronics Co., Inc. — **Common**
(Ross, Lyon & Co., Inc.) $1,180,748

Opelika Manufacturing Corp. — **Common**
(Glore, Forgan & Co.) 200,000 shares

Philadelphia Aquarium, Inc. — **Debentures**
(Stroud & Co.) $2,550,000

Seacrest Industries Inc. — **Common**
(A. J. Gabriel Co., Inc. and Williamson Securities Corp.) $160,000

Stein, Hall & Co. Inc. — **Common**
(F. Eberstadt & Co.) 250,000 shares

Stratton Corp. — **Debentures**
(Cooley & Co.) $550,000

Tassette, Inc. — **Class A**
(Amos Treat & Co., Inc.) 200,000 shares

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May 9 (Tuesday)

Customline Control Panels, Inc.__________Common
(Blaha & Co., Inc.) $300,000

King Kullen Grocery Co., Inc.__________Class A
(Hemphill, Noyes & Co. and Estabrook & Co.) 180,000 shares

Peoples Gas Light & Coke Corp.__________Bonds
(Bids 10 a.m. CDST) $30,000,000

May 10 (Wednesday)

All-State Credit Corp.__________Class A
(Mortimer B. Burnside & Co., Inc.) $1,000,000

CTS Corp.__________Common
(Goldman, Sachs & Co.) 300,000 shares

Decitron Electronics Corp.__________Common
(M. L. Lee & Co.) $100,000

New York Central RR.__________Equip. Trust Ctfs.
(Bids to be received) $4,155,000

May 11 (Thursday)

Sierra Pacific Power Co.__________Bonds
(Bids 11 a.m. DST) $6,500,000

May 15 (Monday)

Arkansas Power & Light Co.__________Bonds
(Bids 11:30 a.m. DST) $12,000,000

B. M. C. Industries, Inc.__________Units
(International Services Corp.) $575,000

Burgmaster Corp.__________Common
(Shearson, Hammill & Co.) 190,000 shares

Criterion Insurance Co.__________Common
(Offering to stockholders—no underwriting) $3,120,000

Dean Milk Co.__________Common
(A.G. Becker & Co.) 150,093 shares

Income Planning Corp.__________Units
(Espy & Wanderer, Inc.) $200,000

Meridian Electronics, Inc.__________Common
(B. N. Rubin & Co. Inc.) $285,000

Microwave Associates, Inc.__________Common
(Lehman Brothers) 240,000 shares

North Electric Co.__________Common
(Offering to stockholders—no underwriting) 22,415 shares

Publishers Co., Inc.__________Common
(Amos Treat & Co., Inc. and Roth & Co., Inc.) $2,200,000

U. S. Mfg. & Galvanizing Corp.__________Common
(Armstrong & Co., Inc.) $300,000

Warner Brothers Co.__________Common
(Lehman Brothers) 200,000 shares

Wayne-George Corp.__________Common
(Hayden, Stone & Co.) 80,000 shares

May 16 (Tuesday)

Car Plan System, Inc.__________Common
(R. F. Dowd & Co., Inc.) $300,000

Elion Instruments, Inc.__________Capital
(Warner, Jennings, Mandel & Longstreth) 60,000 shares

General Economics Corp.__________Common
(Continental Planning Co.) $650,000

Harcourt Brace & World, Inc.__________Common
(White, Weld & Co., Inc.) 101,398 shares

New York State Electric & Gas Corp.__________Bonds
(Bids 11 a.m. DST) $25,000,000

Tennessee Gas Transmission Co.__________Debentures
(Stone & Webster Securities Corp.; White, Weld & Co. and Halsey, Stuart & Co. Inc.) $75,000,000

Wolf Corporation__________Class A
(No underwriting) $300,000

May 17 (Wednesday)

Beam (James B.) Distilling Co.__________Common
(Goldman, Sachs & Co.) 200,000 shares

Pennsylvania Electric Co.__________Bonds
(Bids 11 a.m. DST) $10,000,000

Upper Peninsula Power Co.__________Common
(Kidder, Peabody & Co.; Paine, Webber, Jackson & Curtis and Stone & Webster Securities Corp.) 26,000 shares

May 18 (Thursday)

Federal Paper Board Co., Inc.__________Debentures
(Goldman, Sachs & Co.) $20,000,000

Interstate Power Co.__________Bonds
(Bids 11 a.m. DST) $9,000,000

Interstate Power Co.__________Common
(Offering to stockholders—Bids 11 a.m. DST) 225,853 shares

May 22 (Monday)

Aerotest Laboratories Inc.__________Common
(Hayden, Stone & Co.) 100,000 shares

American Financial Corp.__________Common
(Westheimer & Co.) 175,000 shares

Amity Corp.__________Common
(Karen Securities Corp.) $226,217

Brown Fintube Co.__________Common
(Paine, Webber, Jackson & Curtis) 122,000 shares

Chock Full O' Nuts Corp.__________Debentures
(F. Eberstadt & Co.) $7,500,000

Harwyn Publishing Corp.__________Common
(N. A. Hart & Co.) $412,500

Ohio Edison Co.__________Bonds
(Bids 11:30 a.m. DST) $30,000,000

Panacolor, Inc.__________Common
(Federman, Stonehill & Co.) $800,000

Real Estate Investment Trust of America__________Ben. Int.
(Paine, Webber, Jackson & Curtis; Kidder, Peabody & Co. and Lee Higginson Corp.) 500,000 shares

Schaper Manufacturing Co., Inc.__________Common
(Paine, Webber, Jackson & Curtis) $806,000

May 23 (Tuesday)

American Broadcasting-Paramount Theatres, Inc.__________Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc. and Cyrus J. Lawrence & Sons) 140,000 shares

Arizona Public Service Co.__________Common
(Offering to stockholders—underwritten by First Boston Corp. and Blyth & Co., Inc.) 488,986 shares

Curley Co., Inc.__________Common
(Carter, Berlind, Potoma & Weill) 50,000 shares

Michigan Consolidated Gas Co.__________Bonds
(Bids 11:30 a.m. DST) $30,000,000

May 24 (Wednesday)

Consolidated Natural Gas Co.__________Debentures
(Bids 11:30 a.m. DST) $40,000,000

U. S. Realty Investment Trust__________Ben. Int.
(Hornblower & Weeks) $3,869,750

May 25 (Thursday)

ACR Electronics Corp.__________Common
(Robert Edelstein Co., Inc.) $375,000

New Orleans Public Service, Inc.__________Bonds
(Bids 11:30 a.m. DST) $15,000,000

May 29 (Monday)

Eastern Lime Corp.__________Common
(Casper Rogers & Co.) $300,000

Empire Devices, Inc.__________Common
(Hayden, Stone & Co.) Approximately $1,050,000

Precisionware, Inc.__________Common
(Hayden, Stone & Co.) 125,000 shares

Products Research Co.__________Common
(Schwabacher & Co.) 283,200 shares

Rocket Jet Engineering Corp.__________Common
(Thomas Jay, Winston & Co., Inc. and Maltz, Greenwald & Co.) 110,000 shares

Scot Lad Foods, Inc.__________Common
(Hayden, Stone & Co.) 250,000 shares

May 31 (Wednesday)

Indiana & Michigan Electric Co.__________Debentures
(Bids 11:30 a.m. DST) $20,000,000

June 1 (Thursday)

Columbia Gas System, Inc.__________Debentures
(Bids to be received) $30,000,000

June 5 (Monday)

Fox-Stanley Photo Products, Inc.__________Common
(Equitable Securities Corp.) 387,500 shares

Pennsylvania Electric Co.__________Debentures
(Bids noon DST) $12,000,000

Southland Life Insurance Co.__________Common
(Offering to stockholders—underwritten by Equitable Securities Corp.) 80,000 shares

June 6 (Tuesday)

American Telephone & Telegraph Co.__________Bonds
(Bids to be received) $250,000,000

Public Service Electric & Gas Co.__________Common
(Merrill Lynch, Pierce, Fenner & Smith Inc.) 900,000 shares

Virginia Chemicals & Smelting Co.__________Common
(White, Weld & Co.) 135,000 shares

June 7 (Wednesday)

Community Public Service Co.__________Bonds
(Bids to be received) $5,000,000

June 8 (Thursday)

Brooklyn Union Gas Co.__________Bonds
(Bids to be received) $20,000,000

June 12 (Monday)

Income Properties, Inc.__________Class A
(Eisele & King, Lebaire, Stout & Co.) $1,462,500

Magnefax Corp.__________Common
(Stroud & Co.) $1,000,000

Missouri Edison Co.__________Bonds
(Bids to be received) $2,000,000

June 13 (Tuesday)

Virginia Electric & Power Co.__________Bonds
(Bids 11 a.m. DST) $30,000,000

June 14 (Wednesday)

Michigan Wisconsin Pipe Line Co.__________Bonds
(Bids 11 a.m. DST) $30,000,000

June 15 (Thursday)

Photronics Corp.__________Common
(Offering to stockholders—underwritten by L. D. Sherman & Co.) 150,000 shares

Southern Electric Generating Co.__________Bonds
(Bids 11 a.m. DST) $25,000,000

June 20 (Tuesday)

Consolidated Edison Co. of New York, Inc.__________Bonds
(Bids 11 a.m. DST) $50,000,000

June 27 (Tuesday)

Massachusetts Electric Co.__________Bonds
(Bids to be received) $17,500,000

August 8 (Tuesday)

Northern States Power Co.__________Bonds
(Bids to be received) $20,000,000

September 28 (Thursday)

Mississippi Power Co.__________Bonds
(Bids to be received) $5,000,000

Mississippi Power Co.__________Preferred
(Bids to be received) $5,000,000

October 18 (Wednesday)

Georgia Power Co.__________Bonds
(Bids to be received) $15,500,000

Georgia Power Co.__________Preferred
(Bids to be received) $8,000,000

December 5 (Tuesday)

Virginia Electric & Power Co.__________Bonds
(Bids to be received) $15,000,000

December 7 (Thursday)

Gulf Power Co.__________Bonds
(Bids to be received) $5,000,000

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mined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; White, Weld & Co., and Eastman Dillon, Union Securities & Co. (jointly); Morgan Stanley & Co. **Bids**—To be received in Room 2315, 195 Broadway, New York City, up to 11 a.m. (DST) on May 2, 1961.

Beryllium Manufacturing Corp. (5/1-5)
Feb. 27, 1961 filed 105,000 shares of common stock. **Price**—$4.50 per share. **Business** — The fabrication of pure beryllium components and other materials. **Proceeds**—For expansion and inventory, with the balance for working capital. **Office**—253 W. Merrick Rd., Valley Stream, L. I., N. Y. **Underwriter**—Eldes Securities Corp., New York City.

Big Boy Properties, Inc.
March 20, 1961 filed 100,000 shares of common stock. **Price**—$10 per share. **Business**—The company plans to operate a chain of "Big Boy" restaurants in California. **Proceeds** — For the purchase of restaurants and other properties. **Office**—1001 East Colorado Street, Glendale, Calif. **Underwriter**—None.

● **Blatt (M.) Co. (5/8)**
Feb. 28, 1961 filed 100,000 shares of common stock (par 25 cents). **Price**—To be supplied by amendment. **Business** — The issuer manufactures and installs bowling lanes and related equipment. **Proceeds**—For expansion, new equipment, the repayment of debts and for working capital. **Office**—315 Third St., Trenton, N. J. **Underwriters**—Maltz, Greenwald & Co., New York City (managing); Clayton Securities Corp., Boston, Mass.; Rodetsky, Kleinzahler, Walker & Co., Jersey City, N. J.; and L. C. Wegard & Co., Levittown, N. J.

● **Blue Haven Industries, Inc.**
March 30, 1961 (letter of notification) 70,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Proceeds**—To increase inventory, reduce indebtedness and for working capital. **Office**—11933 Vose St., North Hollywood, Calif. **Underwriter** — Carter, Berlind, Potoma & Weill, New York, N. Y. is no longer underwriting this issue. New underwriter is Pacific Coast Securities Co., San Francisco.

★ **Bookshelf of America, Inc.**
April 17, 1961 (letter of notification) 74,950 shares of common stock (par 10 cents). **Price** — $4 per share. **Business**—The mail order sale of religious books. **Proceeds**—For moving expenses, new equipment and working capital and general corporate purposes. **Office**—889 Broadway, New York, N. Y. **Underwriter**—D. H. Blair & Co., New York, N. Y.

Bowl-Mor Co., Inc.
March 29, 1961 filed 38,474 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—At the market. **Business**—The manufacture and distribution of pin-setting machines used in bowling. **Proceeds**—For the selling stockholders. **Office**—Newtown Road, Littleton, Mass. **Underwriter**—None.

● **Briel Industries, Inc.**
Feb. 17, 1961 (letter of notification) 26,625 shares of class A common stock (par $2.50) to be offered for subscription by stockholders on the basis of one new share for each 16 shares held. **Price**—$8 per share. **Proceeds**—For construction and working capital. **Address**—Industrial Park, Shelbyville, Ky. **Underwriters**—J. J. B. Hilliard & Son and Stein Bros. & Boyce, both of Louisville, Ky.

Broadcast International, Inc.
Feb. 28, 1961 (letter of notification) 60,000 shares of common stock (par five cents). **Price**—$5 per share. **Business**—Producers of radio and television programs. **Proceeds**—For general corporate purposes. **Office**—3 W. 57th St., New York City. **Underwriter**—Harry Odzer Co., New York, N. Y.

Brown Fintube Co. (5/22-26)
March 27, 1961 filed 122,000 shares of class A common stock (par $1), of which 100,000 shares are to be offered for public sale by the company and 22,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The production of heat-transfer equipment for use primarily in the petrochemical, chemical and refining industries. **Proceeds** — For new equipment and working capital. **Office**—300 Huron Street, Elyria, Ohio. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City.

Burgmaster Corp. (5/15-19)
March 23, 1961 filed 190,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The manufacture of multiple spindle-turret drilling machines. **Proceeds**—To repay loans, purchase additional equipment and real estate, and for working capital. **Office**—15001 South Figueroa Street, Gardena, Calif. **Underwriter**—Shearson, Hammill & Co., New York City (managing).

Business Finance Corp.
Aug. 5, 1960 (letter of notification) 195,000 shares of common stock (par 20 cents). **Price** — $1.50 per share. **Proceeds**—For business expansion. **Office**—1800 E. 26th St., Little Rock, Ark. **Underwriter**—Cohn Co., Inc., 309 N. Ridge Road, Little Rock, Ark.

CTS Corp. (5/10)
March 16, 1961 filed 300,000 shares of common stock (no par) of which 75,000 shares are to be offered for public sale by the company and 225,000 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business**—Manufactures electronic and electro-mechanical components, primarily variable resistors and associated switches. **Proceeds**—To repay debt and for working capital. **Office**—1142 West Beardsley Ave.,

Elkhart, Ind. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

Cable Carriers, Inc.
March 23, 1961 filed 196,109 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. **Proceeds**—For working capital. **Office**—Kirk Boulevard, Greenville, S. C. **Underwriter**—To be named.

Cad-E-Mobile Corp. of America
March 20, 1961 (letter of notification) 60,000 shares of class A common stock (par five cents). **Price**—$2 per share. **Proceeds**—For salaries, advertising, inventory, and working capital. **Office**—1830 N. E. 163rd Street, North Miami Beach, Fla. **Underwriter**—Lloyd, Miller & Co., Washington, D. C.

● **California Financial Corp. (5/2)**
Feb. 23, 1961 filed 96,040 shares of capital stock, of which 35,000 are to be offered for public sale by the company and 61,040 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company, through a subsidiary is engaged in the savings and loan business in the San Francisco area. It also conducts an insurance agency business, renders management services to its subsidiaries and participates in the financing of real estate development projects. **Proceeds**—For the repayment of loans and for expansion. **Office** — 11 Tillman Place, San Francisco, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and J. Barth & Co., San Francisco.

California Liquid Gas Corp. (5/8-12)
March 21, 1961 filed 125,000 shares of common stock (par $1), of which 50,000 are to be offered for public sale by the company and 75,000 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business** — The sale and distribution of liquified petroleum gas and accessory equipment. **Proceeds**—To finance the acquisitions of Ransome Co. of Nevada and Liquiefuel, Inc., to retire debt and for working capital. **Office**—P. O. Box 5073, Sacramento, Calif. **Underwriter**—Kidder, Peabody & Co., New York City (managing).

Capital For Technical Industries, Inc.
April 10, 1961 filed 500,000 shares of common stock. **Price**—$10 per share. **Business**—A small business investment company. **Proceeds**—To repay a loan and to provide long term capital to small business concerns. **Office**—1281 Westwood Blvd., Los Angeles, Calif. **Underwriter**—Dempsey-Tegeler & Co., St. Louis, Mo. **Offering**—Expected in late May.

★ **Capital Properties Inc.**
April 21, 1961 filed $600,000 of 9½% debentures due 1977 and 12,000 shares of common stock to be offered for public sale in units of $1,000 of debentures and 20 common shares. **Price**—$1,000 per unit. **Business**—The company plans to purchase and lease back three buildings to be erected by Tower's Marts, Inc., for use as retail discount department stores. **Proceeds**—For acquisition of the above properties. **Office**—36 Pearl St., Hartford, Conn. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

● **Car Plan System, Inc. (5/16)**
April 10, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price** — $3 per share. **Business** — The leasing of automobiles. **Proceeds** — For expansion. **Office**—540 N. W. 79th Street, Miami, Fla. **Underwriter**—R. F. Dowd & Co., Inc., New York City.

Central Hadley Corp.
Jan. 27, 1961 filed 41,829 outstanding shares of 5% cumulative convertible preferred stock (par $10), and 481,450 outstanding common shares. **Business**—A holding company with three wholly owned subsidiaries; B. H. Hadley, Inc., which designs, develops, tests and manufactures precision components for fluid control and regulation systems for the missile industry; Stellardyne Laboratories, Inc., which sells testing and cleaning services to the missile industry; and Central Explorers Co., which owns oil leases and develops the leases. **Proceeds**—To the selling stockholders. **Office**—596 North Park Avenue, Pomona, Calif. **Underwriter**—None.

Chalco Engineering Corp.
Jan. 30, 1961 filed 100,000 shares of common stock. **Price**—$6 per share. **Business**—The company is engaged in the business of engineering, research, development, manufacturing and installation of custom communication systems and electronic, electro-mechanical and mechanical systems and devices for ground support facilities for missile and space programs of the U. S. Government. The company also manufactures special purpose products sold for military use. **Proceeds**—For the repayment of loans and for working capital. **Office** — 15126 South Broadway, Gardena, Calif. **Underwriter** — First Broad Street Corp., New York City (managing).

Chock Full O' Nuts Corp. (5/22-26)
April 7, 1961 filed $7,500,000 of subordinated debentures, due May 1, 1981. **Price**—To be supplied by amendment. **Business**—The operation of a chain of restaurants in the New York City area, and the packaging and retail sale of coffee. **Proceeds**—For expansion. **Office**—425 Lexington Avenue, New York 17, N. Y. **Underwriter**—F. Eberstadt & Co., New York City (managing).

Chroma-Glo, Inc.
March 2, 1961 (letter of notification) 90,000 shares of common stock (par 50 cents). **Price** — $3.30 per share. **Business** — The manufacture of pressure sensitive emblems. **Proceeds**—For payment of obligations; purchase of equipment; and for working capital. **Office**—525 Lake Ave., S., Duluth 2, Minn. **Underwriter**—Jamieson & Co. Minneapolis, Minn. **Offering**—Imminent.

Church Builders, Inc.
Feb. 6, 1961 filed 50,000 shares of common stock, series 2. **Price**—$5.50 per share. **Business**—A closed-end diversified investment company of the management type. **Proceeds**—For investment. **Office**—501 Bailey Avenue, Fort Worth, Texas. **Distributor**—Associates Management, Inc., Fort Worth, Texas.

Circle-The-Sights, Inc.
Mar. 30, 1960 filed 165,000 shares of com. stock and $330,000 of debentures (10-year 8% redeemable). **Price**—For stock, $1 per share; debentures in units of $1,000 at their principal amount. **Proceeds**—For initiating sight-seeing service. **Office**—Washington, D. C. **Underwriter**—None.

Clairtone Sound Corp. Ltd.
March 29, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The design, manufacturing and distribution of stereophonic high fidelity radio-phonograph consoles and accessories **Proceeds** — For research and development, expansion, increased inventories and repayment of debt. **Office**—118 Rivalda Road, Weston, Ont., Canada. **Underwriter**—Reiner, Linburn & Co., New York City (managing). **Offering**—Expected in late May.

★ **Clark Equipment Credit Corp.**
April 21, 1961 filed $20,000,000 of debentures, series A, due 1981. **Price**—To be supplied by amendment. **Business**—The financing in the U. S. and Canada of retail time sales of products manufactured by Clark Equipment Co., parent. **Proceeds**—For the repayment of debt. **Office**—324 East Dewey Ave., Buchanan, Mich. **Underwriters**—Lehman Brothers and Blyth & Co., Inc., New York City (managing).

Coastal Acceptance Corp.
March 1, 1961 (letter of notification) $175,000 of 10-year 7% registered series notes to be offered in varying denominations of $100 to $1,000. **Proceeds** — For general corporate purposes. **Office** — 36 Lowell Street, Manchester, N. H. **Underwriter**—Shontell & Varick, Manchester, N. H.

Coastal Publications Corp.
March 30, 1961 filed 110,000 shares of common stock (par 60 cents). **Price**—To be supplied by amendment. **Business**—The preparation of technical literature on the use and maintenance of complicated electronic equipment produced for the Department of Defense. **Proceeds**—For general corporate purposes. **Office**—130 W. 42nd Street, New York City. **Underwriter**—Jesup & Lamont, New York City.

Colber Corp.
Jan. 26, 1961 (letter of notification) 100,000 shares of common stock (par 20 cents). **Price**—$3 per share. **Business**—Manufacturers of resistors. **Proceeds**—For purchase of machinery and equipment, leasehold improvements and for working capital. **Office**—26 Buffington St., Irvington, N. J. **Underwriter**—Richard Bruce & Co., Inc., 80 Pine St., New York 5, N. Y. **Offering**—Imminent.

★ **Columbia Gas System, Inc. (6/1)**
April 21, 1961 filed $30,000,000 of debentures due June 1986. **Office**—120 E. 41st St., New York City. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Morgan Stanley & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly). **Bids**—To be received at the company's office on June 1.

Commerce Oil Refining Corp.
Dec. 16, 1958 filed $25,000,000 of first mortgage bonds due Sept. 1, 1968, $20,000,000 of subordinated debentures due Oct. 1, 1968 and 3,000,000 shares of common stock to be offered in units as follows: $1,000 of bonds and 48 shares of stock and $100 of debentures and nine shares of stock. **Price** — To be supplied by amendment. **Proceeds** — To construct refinery. **Underwriter**—Lehman Brothers, New York. **Offering**—Indefinite.

● **Commercial Investment Co.**
March 2, 1961 (letter of notification) 25,000 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—For purchase of stock in a customer's showroom; payment on a note and for working capital. **Office**—1963 W. Burnside St., Portland, Ore. **Underwriter**—Shiels Securities Inc., Portland, Ore. **Note**—This offering was withdrawn April 3.

● **Community Research & Development, Inc. (5/1-5)**
Feb. 27, 1961 filed 620,445 shares of common stock to be offered for subscription by holders of its common stock and 6% convertible debentures due Jan. 1, 1972 on the basis of one new share for each two common shares held, and 105 shares for each $1,000 of debentures held. **Price**—To be supplied by amendment. **Business**—The development, ownership and management of income producing real estate projects. **Proceeds** — For construction. **Office**—14 West Saratoga Street, Baltimore, Md. **Underwriter**—Alex. Brown & Sons, Baltimore, Md. (managing).

★ **Components Specialties, Inc.**
April 20, 1961 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—$3.50 per share. **Business**—The importation and sale of electronic subminiature components. **Proceeds** — For repayment of debt; advertising, and inventory. **Office** — 3 Foxhurst Road, Baldwin, L. I., N. Y. **Underwriter** — Fund Planning, Inc., New York, N. Y.

Comptometer Corp.
March 31, 1961 filed 160,401 shares of common stock to be offered for subscription by holders of outstanding common stock; 6½% subordinated convertible sinking fund debentures, series A, due 1970; and option agreements for the purchase of common shares. Warrants will be issued on the basis of one right for each common share held on the record date, one right for each share issuable upon conversion of a series A debenture, as if such debenture had been converted, and one right for each share issuable under the option agreements. The warrants will provide that one new share will be issuable for each eight rights tendered. **Price**—To be supplied by amendment. **Business**—The company's activities are organized on a divisional basis—Business Machines, Communications and Electronics, Business Forms, Burke Golf and Worthington Golf Ball Divisions. **Proceeds**—For the repayment of debt and for working capital. **Office**—5600 West Jarvis Ave., Chicago, Ill. **Underwriters** — To be named.

● **Computer Equipment Corp.**
April 5, 1961 (letter of notification) 46,780 shares of common stock (no par) to be offered for subscription by stockholders on the basis of one new share for each 10 shares held of record April 20. **Price**—$2.10 per share. **Proceeds**—For research and production, and general corporate purposes. **Office** — 11612 W. Olympic Blvd., Los Angeles, Calif. **Underwriter**—Holton, Henderson & Co., Los Angeles, Calif.

● **Consolidated Activities, Inc. (5/5)**
Feb. 28, 1961 filed $1,000,000 of 6½% convertible subordinated debentures, due April 30, 1976, to be offered by the company and 50,000 shares of common stock (par 50c) to be offered by a selling stockholder. **Price**—(Debenture) 101% of the principal amount. (Stock) $3.50 per share. **Business**—The issuer is principally engaged in the construction and operation of bowling alleys. **Proceeds**—To retire a mortgage and outstanding debentures, for construction of a new bowling alley and for general corporate purposes. **Office**—26 West Northfield Road, Livingston, N. J. **Underwriter**—G. F. Nicholls & Co., Inc., 1 Maiden Lane, New York 38, N. Y.

Consolidated Bowling Corp.
March 29, 1961 filed 738,000 shares of common stock and $900,000 of 6% convertible subordinated debentures, due in July, 1981. **Prices**—For the stock: $3.50 per share; for the debentures: 100% of principal amount. **Business**—Operates bowling centers and owns real estate. **Proceeds** — For expansion. **Office** — 880 Military Road, Niagara Falls, N. Y. **Underwriter**—None.

Consolidated Business Systems, Inc.
March 30, 1961 filed 200,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The design, development, manufacture and sale of standard and custom made printed and lithographed business forms. **Proceeds** — To repay loans, purchase additional equipment, and for working capital. **Office** — 400 Jersey Avenue, New Brunswick, N. J. **Underwriter**—Milton D. Blauner & Co., Inc., and M. L. Lee & Co., Inc., both of New York City. **Offering**—Expected in late May to early June.

Consolidated Cigar Corp.
April 10, 1961 filed 275,000 shares of common stock (par $1), to be offered for subscription by holders of outstanding common stock at the rate of one new share for each 8 shares held. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of cigars. **Proceeds**—For expansion. **Office**—529 Fifth Avenue, New York City. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing). **Offering**—Expected in late May.

★ **Consolidated Natural Gas Co. (5/24)**
April 24, 1961 filed $40,000,000 of debentures due May 1, 1986. **Business**—A holding company for six operating concerns engaged in the natural gas business. **Proceeds**—For construction. **Office**—30 Rockefeller Plaza, New York 20, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co., and First Boston Corp. (jointly); White, Weld & Co., and Paine, Webber, Jackson & Curtis (jointly). **Bids**—To be received on May 24 at 11:30 a.m. (DST) in Room 3000, 30 Rockefeller Plaza, New York City. **Information Meeting** — Scheduled for May 19 at 10:30 a.m. (DST) at the Bankers Club, 40th Floor, 120 Broadway, New York City.

Consumers Automatic Vending, Inc.
March 31, 1961 filed 100,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business**—The installation, maintenance and servicing of automatic vending machines, including complete in-plant automatic cafeterias, in the metropolitan New York area. **Proceeds**—For equipment, the reduction of debt and other corporate purposes. **Office** — 59-05 56th Street, Maspeth. N. Y. **Underwriters**—Diran, Norman & Co., and V. S. Wickett & Co., Inc., both of New York City. **Offering**—Expected sometime in May.

Continental Oil Co. (5/3)
April 7, 1961 filed $100,000,000 of debentures, due 1991. **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries produce, refine, transport and market petroleum and petroleum products. **Proceeds**—To repay debt, make advances to affiliates and for expansion. **Office**—1300 Main Street, Houston, Texas. **Underwriter**—Morgan Stanley & Co., New York City (managing).

Continental Trust Co.
March 15, 1961 (letter of notification) 297,000 shares of preferred stock and 297,000 shares of common stock to be offered in units of one share of preferred and one share of common. **Price**—$1.01 per unit. **Proceeds**—For operating expenses. **Office** — Scottsdale Savings Building, Scottsdale, Ariz. **Underwriter**—Preferred Securities, Inc., Phoenix, Ariz.

Cortez Life Insurance Co.
Jan. 12, 1961 filed 500,000 shares of common stock. **Price**—$3 per share. **Business**—The company is engaged in the business of writing life insurance, annuity policies

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and re-insurance. **Proceeds**—For general corporate purposes. **Office**—304 Main St., Grand Junction Colo. **Underwriter**—None.

Criterion Insurance Co. (5/15)
March 27, 1961 filed 520,000 shares of common stock (par $2), to be offered for subscription by common stockholders of Government Employees Life Insurance Co., and Government Employees Corp., on the basis of one new share for each 10 shares held of record March 30, and by stockholders of Government Employees Insurance Co., on the basis of one new share for each five shares held of record March 30, with rights to expire about June 5. **Price**—$6 per share. **Business**—The company was organized on March 22, 1961 by the management of the three Government Employees Group companies and plans to engage in all kinds of fire and casualty insurance business. **Proceeds**—For general corporate purposes. **Office**—Government Employees Insurance Building, Washington, D. C. **Underwriter**—None.

● **Crowell-Collier Publishing Co.**
March 14, 1961 filed $12,000,000 of convertible subordinated debentures due 1981, being offered for subscription by common stockholders on the basis of $100 of debentures for each 25 common shares held of record April 24 with rights to expire May 9. **Price**—To be supplied by amendment. **Business**—A holding company whose subsidiaries publish books and operate radio and TV stations. **Proceeds**—To repay loans. **Office**—640 Fifth Ave., New York City. **Underwriter** — Carl M. Loeb, Rhoades & Co., New York City (managing).

● **Curley Co. Inc. (5/23)**
March 30, 1961 filed 50,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The manufacture and packaging of household liquid detergents for distribution under private labels. **Proceeds**—For general corporate purposes. **Office**—Jefferson and Masters Sts., Camden, N. J. **Underwriter**—Carter, Berlind, Potoma & Weill, New York City (managing).

● **Customline Control Panels, Inc. (5/9)**
Feb. 21, 1961 (letter of notification) 120,000 shares of common stock (par 10 cents). **Price** — $2.50 per share. **Business**—Manufacturers of control panels for centralized control of chemical and industrial processes. **Proceeds**—For a training program for additional engineering personnel; additional capital equipment; payment of a bank loan; opening of a Los Angeles sales and engineering office; research and development and working capital. **Office**—1379 E. Linden Avenue, Linden, N. J. **Underwriter**—Blaha & Co., Inc., Long Island City, N. Y.

Dalto Corp.
March 29, 1960 filed 431,217 shares of common stock to be offered for subscription by holders of such stock of record Oct. 7 at the rate of one-and-a-half new shares for each share then held. **Price**—$1.25 per share. **Proceeds**—For the retirement of notes and additional working capital. **Office**—Norwood, N. J. **Underwriter**—Sterling, Grace & Co., 50 Broad St., New York City. **Offering**—Indefinitely postponed.

Data Processing, Inc.
April 12, 1961 (letter of notification) 75,000 shares of no par common stock. **Price**—$4 per share. **Business**—The research, design and development of advanced digital computer programs. **Proceeds**—To purchase or lease computer equipment. **Office**—1334 Main St., Waltham, Mass. **Underwriter** — First Weber Securities Corp., 79 Wall St., New York City.

Davis Industries
March 16, 1961 (letter of notification) 100,000 shares of common stock. **Price**—$3 per share. **Office**—111 North La Cienega Blvd., Beverly Hills, Calif. **Underwriter**—Raymond Moore & Co., Los Angeles, Calif.

De-Electronics, Inc.
April 13, 1961 (letter of notification) 112,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Business** — The manufacture of electronic components and assemblies. **Proceeds** — For the purchase of inventory; manufacturing facilities and working capital. **Office**—50 E. Third St., Mount Vernon, N. Y. **Underwriter**—Theodore Arrin & Co., New York, N. Y.

● **Dean Milk Co. (5/15-19)**
March 31, 1961 filed 150,093 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 50,093 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The wholesale distribution of milk and milk products in the middle west. **Proceeds**—For the repayment of debt and for working capital. **Office**—3600 River Road, Franklin Park, Ill. **Underwriter** — A. G. Becker & Co., Chicago (managing).

● **Decitron Electronics Corp. (5/10)**
March 16, 1961 filed 50,000 shares of common stock (par one cent), of which 30,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holders thereof. **Price** — $2 per share. **Business** — The design, manufacture and sale of electronic equipment for the U. S. Government. **Proceeds** — For research and development and for working capital. **Office**—850 Shepherd Ave., Brooklyn, N. Y., **Underwriter**—M. L. Lee & Co.. New York City.

Delanco Electric Machine Co., Inc.
Jan. 17, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The company operates three retail stores selling sewing machines and electrical appliances. **Proceeds**—For expansion and general corporate purposes. **Office**—111 Delancey Street, New York, N. Y. **Underwriter**—Michael Pariser Corp., New York, N. Y.

Delta Design, Inc.
Sept. 28, 1960 filed 100,000 shares of capital stock. **Price**—$4.50 per share. **Business** — Development of vacuum system components. **Proceeds** — For acquisition of land and construction of a factory; purchase of new machinery and tooling; inventory and working capital. **Office**—3163 Adams Ave., San Diego, Calif. **Underwriter**—None.

● **Detroit Tractor, Ltd.**
May 26, 1960 filed 1,375,000 shares of class A stock. Of this stock, 1,125,000 shares are to be offered for the company's account and the remaining 250,000 shares are to be offered for sale by the holders thereof. **Price**—Not to exceed $3 per share. **Proceeds**—To be applied to the purchase of machine tools, payment of $95,000 of notes and accounts payable, and for general corporate purposes. **Office**—1221 E. Keating Avenue, Muskegon, Mich. **Underwriter**—To be supplied by amendment. **Note**—This statement was withdrawn April 21.

● **Development Corp. of America**
March 30, 1961 filed 200,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The development and construction of single-family residences and communities in Florida. **Proceeds**—For general corporate purposes. **Office** — 5707 Hollywood Boulevard, Hollywood, Fla. **Underwriter**—Amos Treat & Co., Inc., New York City (managing). **Offering** — Expected in late May.

Dictron, Inc.
March 29, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—For raw materials, production, testing and working capital. **Office** — 3650 Richmond St., Philadelphia, Pa. **Underwriter**—Royer Securities Co., Philadelphia, Pa.

Di Giorgio Fruit Corp.
April 10,1961 filed 275,000 shares of common stock (par $2.50). **Price**—To be supplied by amendment. **Business**—The production, harvesting and marketing of agricultural products, especially fruits. **Proceeds**—For the repayment of a loan. **Office** — 350 Sansome Street, San Francisco, Calif. **Underwriter**—Dean Witter & Co., San Franicsco. **Offering**—Expected in late May.

● **Dixie Natural Gas Corp. (5/8-12)**
Dec. 5, 1960 (letter of notification) 75,000 shares of common stock (par 2 cents). **Price**—$4 per share. **Business**—Develops oil and gas leases in West Virginia. **Proceeds** — For general business purposes. **Office** — 115 Broadway, New York 6, N. Y. **Underwriter**—Vestal Securities Corp., New York City.

Dixon Chemical Industries, Inc.
March 31, 1961 filed $1,500,000 of 6% convertible subordinated income debentures due 1981 to be offered for subscription by holders of the company's common stock. **Price** — To be supplied by amendment. **Business** — The manufacture of sulfuric acid. **Proceeds**—For the construction of a new plant and for working capital. **Office**—1260 Broad Street, Bloomfield, N. J. **Underwriter**—P. W. Brooks & Co., Inc., New York City (managing). **Offering**—Expected in late May to early June.

Dixon Chemical & Research, Inc.
March 31, 1961 filed $2,900,000 of 6% convertible sinking fund debentures, due 1978. **Price**—To be supplied by amendment. **Business**—The production of sulfuric acid, liquid sulfur dioxide, aluminum sulfate, chromic acid and corrosion-resistant coatings. **Proceeds** — For construction of a new plant, repayment of debt, and working capital. **Office**—1260 Broad Street, Bloomfield, N. J. **Underwriter**—P. W. Brooks & Co., Inc., New York City (managing). **Offering**—Expected in late May to early June.

● **Dodge Wire Corp. (5/8-12)**
Dec. 7, 1960, filed 100,000 shares of common stock. **Price**—$6 per share. **Business**—The manufacture of woven aluminum screen cloth. **Proceeds**—The repayment of indebtedness and general corporate purposes. **Office**—Industrial Blvd., Covington, Ga. **Underwriter**—Plymouth Securities Corp., New York City.

★ **Dollar Mutual Fund, Inc.**
April 25, 1961 filed 100,000,000 shares of capital stock. **Price**—$1 per share. **Proceeds**—For investment. **Office**—Minneapolis, Minn. **Underwriter**—Fund Distributors, Inc.

Dolomite Glass Fibres, Inc.
Dec. 27, 1960 filed 200,000 shares of 7% preferred stock (cumulative - convertible); 200,000 class A common shares (voting) and 1,000,000 common shares (non-voting). **Price**—$10 per share for the preferred and $1 per share for the class A and common shares. **Business**—The manufacture and sale of glass fibre for insulation and glass fibre threads, mats and rovings for use in the production of reinforced plastics. **Proceeds**—For working capital and the purchase of additional equipment. **Office**—1037 Jay St., Rochester, N. Y. **Underwriter**—None.

Doughboy Industries, Inc.
April 12, 1961 filed 100,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The manufacture and sale of flour used for spaghetti, macaroni and noodles; the production of animal feeds, plastic toys and swimming pools, and the manufacture of machinery for heat sealing and labeling containers. **Proceeds** — For working capital and the repayment of loans. **Office**—New Richmond, Wis. **Underwriter**—Kalman & Co., Inc., St. Paul, Minn. (managing).

● **Duke Power Co.**
March 14, 1961 filed 368,000 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each 30 shares held of record April 24, with rights to expire May 15. **Price**—$45 per share. **Proceeds** — To repay short-term loans. **Offices**—Charlotte 1, N. C.; Flemington, N. J., and 30 Rockefeller Plaza, New York City. **Underwriter**—None.

● **Dubow Chemical Corp.**
April 10, 1961 (letter of notification) 80,000 shares of class A common stock (par one cent). **Price**—$2.25 per share. **Business**—The development and manufacture of chemical products. **Proceeds**—For general corporate purposes. **Office**—222 Newbridge Ave., East Meadow, L. I., N. Y. **Underwriters** — Planned Investing Corp., New York City and Fidelity Investors Service, East Meadow, L. I., N. Y.

Duplex Vending Corp.
March 20, 1961 filed 160,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—A distributor of the coin-operated commercial washers, and dryers, heaters and other equipment produced by International Duplex Corp. **Proceeds**—For expansion and working capital. **Office**—641 Bergen St., Brooklyn, N. Y. **Underwriter**—Godfrey, Hamilton, Magnus & Co., New York City (managing). **Offering**—Expected in May.

● **Eastern Camera Exchange, Inc.**
See Eastern Camera & Photo, Corp., below.

● **Eastern Camera & Photo Corp.**
Dec. 29, 1960 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—Operating a chain of retail stores and concessions selling cameras, film and photographic supplies and equipment; also processes and prints black and white photographic film. **Proceeds**—To reduce indebtedness incurred by acquisitions, to pay notes due, and for general corporate purposes. **Office**—68 W. Columbia Street, Hempstead, N. Y. **Underwriter**—Casper Rogers & Co., Inc., New York, N. Y. **Note**—This company formerly was named Eastern Camera Exchange, Inc.

Eastern Lime Corp. (5/29-6/2)
March 31, 1961 filed $700,000 of subordinated debentures, due 1976. **Price**—At 100% of principal amount. **Business**—The operation of a quarry in Kutztown, Pa., and the production of limestone for cement companies. **Proceeds**—For new equipment and the repayment of debt. **Office**—Kutztown, Pa. **Underwriters**—Stroud & Co., Inc., Philadelphia and Warren W. York & Co., Inc., Allentown, Pa. (co-managers).

● **Economy Book Co. (5/8)**
March 15, 1961 filed 150,000 shares of common stock (par 10 cents) of which 75,000 shares are to be offered for public sale by the company and 75,000 outstanding shares, by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries are engaged principally in the binding of children's hard cover books. **Proceeds**—For new equipment, moving expenses and working capital. **Office**—511 Joyce Street, Orange, N. J. **Underwriter**—Hayden, Stone & Co., New York City (managing).

★ **Electrarc, Inc.**
April 21, 1961, filed 100,000 shares of common stock, **Price** — $5 per share. **Business** — The research and development of arc welding and wire shielding. **Proceeds**—For equipment, working capital and miscellaneous expenses. **Office**—505 Washington St., Lynn, Mass. **Underwriter**—P. de Rensis & Co. Inc., Boston, Mass.

Electro Industries, Inc.
July 19, 1960 (letter of notification) 75,000 shares of class A common stock (no par) and 20,000 shares of additional class A common stock to be offered to the underwriters. **Prices**—Of class A common, $2 per share; of additional class A common, 2½ cents per share. **Proceeds**—To expand the company's inventory to go into the packaging and export of electrical equipment, and for working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter** — **Carleton Securities Corp., Washington, D. C.**

● **Electro-Mechanical Corp. (5/1-5)**
March 17, 1961 (letter of notification) 54,000 shares of common stock (par one cent). **Price**—$2.30 per share. **Business**—The company designs, develops and produces electronic test equipment and systems for the communications and data processing fields. **Proceeds**—For expansion and general corporate purposes. **Office**—Town Dock Road, New Rochelle, N. Y. **Underwriter**—Manufacturers Securities Corp., 511 Fifth Avenue, New York 17, N. Y.

● **Electro-Nuclear Metals, Inc.**
Aug. 31, 1960 (letter of notification) 250,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds**—To purchase new equipment, rental and for administrative costs. **Office**—115 Washington Blvd., Roseville, Calif. **Underwriter** — A. J. Taranto & Co., Carmichael, Calif. **Note**—This issue was withdrawn from registration.

● **Electronic Aids, Inc.**
March 29, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price** — $3 per share. **Business**—Engaged in medical electronics and the production of electronic teaching devices. **Proceeds** — To purchase equipment and raw materials, and for working capital. **Office**—857 N. Eutaw St., Baltimore, Md. **Underwriter**—R. Topik & Co., Inc., 295 Madison Ave., New York, N. Y.

Electronic Assistance Corp. (5/8-12)
March 17, 1961 filed 110,000 shares of common stock (par 10 cents) of which 60,000 shares are to be offered for public sale by the company and 50,000 outstanding shares by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The design, engineering, manufacture and sale of radar altimeters, communications devices and test equipment. **Proceeds**—For investment in a new subsidiary and for expansion of present facilities. **Office**—20 Bridge Avenue, Red Bank, N. J. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Electronic Associates, Inc.
March 30, 1961 filed 75,000 shares of capital stock (par $1). **Price**—To be supplied by amendment. **Business**—The development, production and sale of analog computers and precision electronic laboratory equipment; and also computer engineering services at three centers in the United States and Europe. **Proceeds** — To repay

loans and for working capital. **Office**—Long Branch, N. J. **Underwriter**—W. C. Langley & Co., New York City (managing). **Offering**—Expected in late May.

Elgeet Optical Co., Inc.
March 28, 1961 filed 180,000 shares of common stock. **Price**—$6.50 per share. **Business**—The production of lenses and optical systems for camera manufacturers. **Proceeds**—For repayment of bank loans, new machinery, research and development, with the balance for general corporate purposes. **Office**—838 Smith Street, Rochester, N. Y. **Underwriter**—Troster, Singer & Co., New York City (managing). **Offering**—Expected in late May.

● Elion Instruments, Inc. (5/16)
Oct. 28, 1960 filed 60,000 outstanding shares of capital stock (par 50 cents), together with five-year warrants for the purchase of 6,000 new capital shares, to be offered for sale in units of one share of stock and one-tenth of a warrant. No sale will be made of less than 10 such units. **Price**—To be related to the price of the company's stock in the over-the-counter market immediately prior to the offering. **Business**—The firm makes and sells instruments and equipment for scientific and industrial measurement and analyses. **Proceeds**—To selling stockholders, who are two company officers who will lend the net proceeds to the company. **Office**—430 Buckley St., Bristol, Pa. **Underwriter** — Warner, Jennings, Mandel & Longstreth, Philadelphia, Pa.

Emmer Glass Corp. (5/1-5)
March 8, 1961 filed 190,000 shares of class A common stock, of which 160,000 shares are to be offered for public sale by the company and 30,000 outstanding shares, by the present holder thereof. **Price**—$4 per share. **Business**—The sale of glass, metal, fiber and plastic containers; and housewares and garden accessories. **Proceeds**—For the repayment of debt and general corporate purposes. **Office**—6250 N. W. 25th Ave., Miami, Fla. **Underwriter**—Clayton Securities Corp., Boston, Mass. (managing).

● Empire Devices, Inc. (5/29)
April 3, 1961 filed 105,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—Between $10 and $12 per share. **Business**—The manufacture of electronic test equipment. **Proceeds**—For the selling stockholders. **Office**—Amsterdam, N. Y. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Empire Life Insurance Co. of America
March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). **Price**—$10 per share. **Proceeds**—To go to selling stockholders. **Office**—2801 W. Roosevelt Road, Little Rock, Ark. **Underwriter**—Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

Enterprise Equipment, Inc.
April 5, 1961 filed 12,000 shares of 6% cumulative preferred stock. **Price**—At par ($25). **Business**—The company was organized in January, 1961, by Arden Farms Co., parent, to own and lease trucks and equipment used in the processing and distribution of dairy products. **Proceeds**—For general corporate purposes. **Office**—1501 Fourth Avenue South, Seattle, Wash. **Underwriter**—None.

Equity Capital Co.
April 7, 1961 filed 100,000 shares of common stock (par $1.25). **Price**—To be supplied by amendment. **Business**—The making of short-term construction and second mortgage loans, and the buying of improvement loan obligations from the holders thereof. **Proceeds**—To retire debt and for working capital. **Office**—430 First Avenue North, Minneapolis, Minn. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing). **Offering**—Expected some time in June.

● Fabien Corp. (5/3)
Feb. 27, 1961 filed 60,000 shares of outstanding common stock. **Price**—$6.75 per share. **Business**—The company, formerly Fabien Textile Printing Corp., is engaged in the printing of colored designs on various types of materials. **Proceeds**—To selling stockholders. **Office**—Lodi, N. J. **Underwriter**—Goodbody & Co., New York City (managing).

Far West Financial Corp.
March 30, 1961 filed 950,000 shares of capital stock, of which a maximum of 770,000 shares will be offered for public sale by the company, and a maximum of 180,000 outstanding shares will be offered by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company owns a majority of State Mutual Savings & Loan Association capital stock and operates an insurance agency. **Proceeds**—To repay loans, and to make loans to developers of real estate projects. **Office**—415 West Fifth St., Los Angeles, Calif. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing). **Offering**—Expected in late May.

Faradyne Electronics Corp.
Jan. 30, 1961 filed $2,000,000 of 6% convertible subordinated debentures. **Price**—100% of principal amount. **Business**—The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. **Proceeds**—For the payment of debts and for woorking capital. **Office**—471 Cortlandt Street, Belleville, N. J. **Underwriter**—S. D. Fuller Co.

Federal Paper Board Co., Inc. (5/18)
April 18, 1961 filed $20,000,000 of sinking fund debentures, due May 1, 1981. **Price**—To be supplied by amendment. **Business**—The manufacture of folding boxboard, paperboard, corrugated containers and machine made glassware. **Proceeds**—For a new mill at Versailles, Conn., and modernization of existing facilities. **Office**—24 River Road, Bogota, N. J. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

Fiat Metal Manufacturing Co., Inc.
March 29, 1961 filed 220,462 outstanding shares of common stock (par 10 cents), to be offered for public sale by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of prefabricated metal shower cabinets, glass shower enclosures and pre-cast shower floors. **Proceeds**—For the selling stockholder. **Office** — Michael Court, Plainview, L. I., N. Y. **Underwriter**—Dempsey-Tegeler & Co., St. Louis and New York City. **Offering**—Expected in early-to-mid June.

Filtors, Inc.
March 16, 1961 filed 271,000 shares of common stock, of which 122,000 shares are to be offered for public sale by the company and 149,000 outstanding shares, by the present holders thereof. **Price**—$7 per share. **Business**—The design, manufacture and sale of subminiature and microminiature hermetically sealed relays. **Proceeds**—For general corporate purposes. **Office**—30 Sagamore Hill Drive, Port Washington, N. Y. **Underwriter**—Dempsey-Tegeler & Co., St. Louis (managing). **Offering**—Expected in early-to-mid June.

Fireco Sales Ltd.
March 31, 1961 filed 123,000 outstanding shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The service merchandising of non-food consumer items in Canada, mainly in supermarkets. **Proceeds**—For the selling stockholder. **Office**—33 Racine Rd., Rexdale (Toronto), Canada. **Underwriter**—McDonnell & Co., New York City (managing). **Offering**—Expected in early May.

● First Small Business Corp. of New Jersey
April 18, 1961 filed 300,000 shares of capital stock (par $1), to be offered for public sale by the present holder thereof. **Price** — $12.50 per share. **Business** — A small business investment company organized in July, 1960, by the National State Bank of Newark, sole stockholder. **Proceeds**—For investment and working capital. **Office**—810 Broad St., Newark, N. J. **Underwriters**—Shearson, Hammill & Co., New York City and Heller & Meyer, East Orange, N. J. **Offering**—Expected in early June.

First Small Business Investment Company of Tampa, Inc.
Oct. 6, 1960 filed 500,000 shares of common stock. **Price**—$12.50 per share. **Proceeds** — To provide investment capital. **Office**—Tampa, Fla. **Underwriter**—None.

★ Flato Realty Fund
April 21, 1961 filed 2,000,000 shares of participation in the Fund. **Price**—$10 per share. **Business**—A new real estate investment trust. **Proceeds** — For investment. **Office**—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. **Distributor**—Flato, Bean & Co., Corpus Christi, Texas.

Fox Head Brewing Co.
March 16, 1961 (letter of notification) 52,806 shares of common stock (par $1.25). **Price**—At-the-market at time of sale. **Proceeds**—For redemption of preferred stock, and working capital. **Office**—227 Maple Avenue, Waukesha, Wis. **Underwriter**—Milwaukee Co., Milwaukee, Wis.

Fox-Stanley Photo Products, Inc. (6/5-9)
March 29, 1961 filed 387,500 shares of common stock (par $1) of which 50,000 shares are to be offered for public sale by the company and 337,500 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—In May 1961 the company plans to take over the businesses of The Fox Co., San Antonio, Tex., and the Stanley Photo Service, Inc., St. Louis, Mo., which are now engaged in the processing of photographic films and the sale of photographic equipment. **Proceeds**—For working capital and possible future acquisitions. **Office**—1734 Broadway, San Antonio, Tex. **Underwriter**—Equitable Securities Corp., Nashville, Tenn.

Friden, Inc.
March 30, 1961 filed 360,000 shares of common stock of which 150,000 shares are to be offered for public sale by the company and 210,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of various products such as calculators, adding machines, data processing equipment, Ticketograph machines and electronic heaters. **Proceeds**—For plant expansion, new equipment, prepayment of loans, and inventory. **Office**—2350 Washington Avenue, San Leandro, Calif. **Underwriters**—Dean Witter & Co., San Francisco and Merrill Lynch, Pierce, Fenner & Smith Inc., New York City. **Offering**—Expected in late May.

Frontier Airlines, Inc.
March 16, 1961 filed 250,000 outstanding shares of common stock. **Price**—To be supplied by amendment. **Business**—The transportation by air of passengers, property and mail between 66 cities in 11 states. **Proceeds**—For the selling stockholders. **Office** — 5900 E. 39th Ave., Denver, Colo. **Underwriter**—To be named.

● Fulton Industries, Inc. (5/1)
Feb. 21, 1961 filed 233,955 shares of outstanding common stock. **Price**—To be supplied by amendment. **Business**—Produces textiles, automotive parts, metal castings, cotton ginning equipment and pre-engineered steel buildings. **Proceeds**—To selling stockholders. **Office**—Atlanta, Ga. **Underwriters** — Robinson-Humphrey Co., Inc., Atlanta, Ga., and Walston & Co., Inc., New York City (managing).

Futterman Corp.
March 31, 1961 filed 1,000,000 shares of class A stock (par $1). **Price**—To be supplied by amendment. **Business**—The owning, managing, constructing, acquiring, leasing and sale of real estate properties. **Proceeds**—For the purchase of properties. **Office**—580 Fifth Avenue, New York City. **Underwriter**—Van Alstyne, Noel & Co., New York City (managing). **Offering**—Expected in early May.

G. B. Components, Inc.
April 10, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—For repayment of loans and working capital. **Office**—14621 Arminta St., Van Nuys, Calif. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia, Pa.

GPC, Inc.
March 27, 1961 filed 2,180 shares of class A common stock and $125,000 principal amount of certificates of indebtedness to be offered in 1,680 units. **Price**—For the stock: $25 per share. For the certificates: $75 per unit. **Business**—The company is now constructing a 32 lane bowling center on Route 58 in Portsmouth, Va. **Proceeds**—For construction expenses. **Office**—316 New Kirn Building, Portsmouth, Va. **Underwriter**—None.

● G-W Ameritronics, Inc.
Jan. 25, 1961 filed 80,000 shares of common stock and 160,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at $2 per share from March to August 1961 and at $3 per share from September 1962 to February 1964. **Price** — $4 per unit. **Business** — The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. **Proceeds** — For general corporate purposes. **Office**—Kensington and Sedgley Avenues, Philadelphia, Pa. **Underwriter**—Fraser & Co., Inc., Philadelphia, Pa. **Offering**—Expected in early May.

Gateway Sporting Goods Co.
March 20, 1961 filed 50,000 shares of common stock. **Price**—To be supplied by amendment. **Business** — The retail sale of sporting goods, photographic equipment, toys, luggage and other recreational items. **Proceeds**—For expansion. **Office**—1321 Main St., Kansas City, Mo. **Underwriter**—Stern Brothers & Co., Kansas City, Mo. **Offering**—Expected in early May.

Gem International, Inc.
April 6, 1961 filed 150,000 outstanding shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The operation of closed-door membership department stores in Denver, Kansas City, St. Louis, Minneapolis, Wichita, Washington, D. C., and Honolulu. **Proceeds**—For the selling stockholders. **Office**—10900 Page Boulevard St. Louis, Mo. **Underwriters**—Bosworth, Sullivan & Co., Inc., Denver, Colo., and Scherck, Richter Co., St. Louis, Mo. (managing). **Offering**—Expected some time in June.

● General Economics Corp. (5/16)
March 8, 1961 filed 130,000 shares of common stock. **Price**—$5 per share. **Business**—The company is active in the over-the-counter market as both broker and principal, sells mutual fund securities and life insurance, and finances the payment of life insurance premiums. **Proceeds**—For additional working capital. **Office**—130 W. 42nd Street, New York City. **Underwriter**—Continental Planning Co., 130 W. 42nd Street, New York City.

● General Precision Equipment Corp.
March 28, 1961 filed 150,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—A holding company whose subsidiaries are engaged in the production of electronic and electro-mechanical components and equipment for military aircraft, naval vessels, missiles and space vehicles. **Proceeds**—To repay debt. **Office**—50 Prospect Ave., Tarrytown, N. Y. **Underwriters**—The First Boston Corp., and Tucker, Anthony and R. L. Day, both of New York City (managing).

● Geriatric Pharmaceutical Corp. (5/1-5)
Feb. 28, 1961 (letter of notification) 50,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The distribution and sale of geriatric pharmaceuticals. **Proceeds**—For general corporate purposes. **Office**—45 Commonwealth Boulevard, Bellerose, N. Y. **Underwriter**—T. M. Kirsch Co., New York, N. Y.

Giannini Scientific Corp. (5/8-12)
Feb. 27, 1961 (letter of notification) 30,000 shares of common stock (par 10 cents). **Price**—$10 per share. **Business**—Research, development and manufacturing in technological fields. **Proceeds**—For general corporate purposes. **Office**—30 Broad Street, New York, N. Y. **Underwriter**—Kidder, Peabody & Co., Inc., New York, N. Y.

Gilbert Data Systems, Inc.
April 14, 1961 filed 175,000 shares of common stock. **Price**—$2 per share. **Business**—The affixing of price tags, packing, warehousing of apparel and other services for department and chain stores. **Proceeds**—For plant additions, repayment of debt and working capital. **Office**—441 Ninth Ave., New York City. **Underwriter**—Schrijver & Co., New York City.

Girard Industries Corp.
March 22, 1961 filed 100,000 shares of common stock (par 50 cents). **Price**—$5 per share. **Business**—The manufacture, and sale of certain types of furniture to retail dealers. **Proceeds**—For a new plant, equipment and working capital. **Office**—San Juan, Puerto Rico. **Underwriter**—Edwards & Hanly, Hempstead, N. Y. (managing). Brand, Grumet & Seigel, Inc.; Kesselmann & Co., Inc.; Casper Rogers & Co., Inc., New York City. **Offering**—Expected in late May.

Golden Triangle Industries, Inc.
March 29, 1961 filed 87,500 shares of common stock. **Price**—$4 per share. **Business**—The manufacture and sale of doll carriages, hobby horses and pony stock

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horses. **Proceeds**—For working capital. **Office**—100 South 30th and Jane Streets, Pittsburgh, Pa. **Underwriter**—Robert M. Harris & Co., Inc., Philadelphia.

Grayco Credit Corp.
Jan. 16, 1961 (letter of notification) $150,000 of 10-year 7% sinking fund debentures and 75,000 shares of common stock (par $1) to be offered in units consisting of 50 shares of common and $100 of debentures. **Price**—$200 per unit. **Proceeds**—For working capital. **Office**—1012 Market St., Johnson City, Tenn. **Underwriter**—Branum Investment Co., Inc., Nashville, Tenn.

Great Lakes Bowling Corp.
Feb. 24, 1961 filed $1,250,000 of 6% convertible subordinated debentures, due 1976. **Price**—$1,000 per debenture. **Business**—The operation of bowling centers with adjoining refreshment facilities in Michigan. **Proceeds**—For construction and working capital. **Office**—6366 Woodward Ave., Detroit, Mich. **Underwriter**—None.

Great Southern Financial Corp.
March 15, 1961 filed 500,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company plans to engage in the insurance and finance business. **Proceeds**—To organize subsidiaries. **Office**—First National Bank Bldg., Gadsden, Ala. **Underwriter**—None.

Grosset & Dunlap, Inc.
March 31, 1961 filed 436,086 shares of common stock (par $1), of which 210,320 shares are to be offered for public sale by the company and 225,766 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The publication and distribution of hard cover and paperback books for adults and children. **Proceeds**—For the purchase of additional stock in Bantam Books, Inc., Wonder Books, Inc., and Treasure Books, Inc., and for working capital. **Office**—1107 Broadway, New York City. **Underwriter**—Blyth & Co., Inc., New York City (managing). **Offering**—Expected in mid-May.

Guaranty National Insurance Co.
Feb. 27, 1961 (letter of notification) 120,000 shares of common stock (par 50 cents). **Price**—$2.50 per share. **Proceeds**—For investment and the operation of the company. **Office**—916 Broadway, Denver, Colo. **Underwriter**—Copley & Co., Colorado Springs, Colo.

Hager Inc.
March 31, 1961 filed 200,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The financing and sale of household food freezers and frozen foods to the consumer. **Proceeds**—For the repayment of debt and working capital. **Office**—2926 Fairfield Ave., Bridgeport, Conn. **Underwriter**—Marron, Sloss & Co., Inc., New York City (managing). **Offering**—Expected in mid-June.

★ **Hallicrafters Co.**
April 25, 1961 filed 300,000 shares of outstanding capital stock. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office**—Chicago, Ill. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

● **Haloid Xerox Inc.**
March 17, 1961 filed $15,093,600 of convertible subordinated debentures, due 1981, to be offered for subscription by common stockholders on the basis of $100 of debentures for each 25 shares held of record April 20, with rights to expire May 8. **Price**—At par. **Business**—The manufacture and sale of products for xerographic and photocopy reproduction, and for photographic use. **Proceeds**—To redeem all outstanding 5¼% preferred stock, repay bank loans and for working capital. **Office**—2 Haloid St., Rochester, N. Y. **Underwriter**—First Boston Corp., New York City (managing).

Harcourt Brace & World, Inc. (5/16)
March 24, 1961 filed 101,398 outstanding shares of common stock (par $1) **Price**—To be supplied by amendment. **Business**—The publication and sale of textbooks, school materials, aptitude tests, and general books. **Proceeds**—For the selling stockholders. **Office**—750 Third Ave., New York City. **Underwriter**—White, Weld & Co., Inc., New York City (managing).

Harrisonville Telephone Co.
April 3, 1961 (letter of notification) 12,500 shares of common stock (par $20) to be offered for subscription by stockholders on the basis of one new share for each two shares held. **Price**—$22.50 per share. **Proceeds**—For the repayment of loans, and working capital. **Address**—Waterloo, Ill. **Underwriter**—McCourtney-Breckenridge & Co., St. Louis, Mo.

● **Harvey-Wells Corp. (5/1-5)**
March 28, 1961 (letter of notification) 20,000 shares of common stock (par one cent). **Price**—$15 per share. **Proceeds**—To repay a loan, purchase equipment, for improvements and working capital. **Office**—43 Kendall Street, Framingham, Mass. **Underwriter**—Schirmer, Atherton & Co., Boston, Mass.

Harwyn Publishing Corp. (5/22-26)
March 30, 1961 filed 110,000 shares of class A common stock (par 10 cents). **Price**—$3.75 per share. **Business**—The publishing of illustrated encyclopedic works, principally for children. **Proceeds**—For general corporate purposes. **Office**—170 Varick Street, New York City. **Underwriter**—N. A. Hart & Co., Bayside, N. Y.

Heath (D. C.) & Co. (5/1-5)
March 17, 1961 filed 240,000 shares of common stock (par $5), of which 50,000 shares are to be offered for public sale by the company and 190,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The publishing of textbooks and related materials for students. **Proceeds**—For working capital. **Office**—285 Columbus Avenue, Boston, Mass. **Underwriter**—Kidder, Peabody & Co., New York City (managing).

● **Hickory Industries, Inc. (5/1-5)**
March 9, 1961 (letter of notification) 25,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business**—Manufacturers of barbecue machines and allied equipment. **Proceeds**—For general corporate purposes. **Office**—10-20 47th Road, Long Island City, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., New York, N. Y.

★ **Holiday Sportswear, Inc.**
April 21, 1961 filed 86,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of specialized bowling apparel for men, women and children. **Proceeds**—For additional working capital. **Office**—311 West Eighth St., Kansas City, Mo. **Underwriter**—George K. Baum & Co., Kansas City, Mo. (managing).

● **Honey Dew Food Stores, Inc.**
Jan. 27, 1961 (letter of notification) 145,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—The company operates a chain of 10 supermarkets. **Proceeds**—For general corporate purposes. **Office**—811 Grange Road, Teaneck, N. J. **Underwriter**—To be named shortly. **Offering**—Imminent.

Howard Johnson Co.
March 13, 1961 filed 660,000 outstanding shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries operate and supply a large restaurant chain. **Proceeds**—For the selling stockholders. **Office**—89 Beale St., Wollaston, Mass. **Underwriters**—Blyth & Co., Inc., New York City and F. S. Moseley & Co., Boston, Mass. **Offering**—Expected in early May.

Howe Plastics & Chemical Companies, Inc.
March 29, 1961 (letter of notification) 40,000 shares of common stock (par one cent). **Price**—At-the-market. **Business**—The manufacture of plastic items. **Proceeds**—For the repayment of debt; advertising and sales promotion; expansion and working capital. **Office**—4077 Park Avenue, Bronx 57, N. Y. **Underwriter**—J. I. Magaril Co., New York, N. Y.

Hurletron, Inc.
March 15, 1961 filed 150,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—Manufactures timing devices, and web control systems for printers. **Proceeds**—For the repayment of debt and for working capital. **Office**—135 So. La Salle St., Chicago, Ill. **Underwriter**—F. S. Moseley & Co., Boston, Mass.

Hydroswift Corp.
Oct. 20, 1960 filed 70,000 shares of common stock. **Price**—$5 per share. **Business**—The firm, which was organized in February, 1957, makes and wholesales products and services for the fiberglass industry, including particularly fiberglass boats known as "HydroSwift" and "Skyliner." **Proceeds**—For general funds, including expansion. **Office**—1750 South 8th Street, Salt Lake City, Utah. **Underwriter**—Whitney & Co., Salt Lake City, Utah.

I C Inc.
June 29, 1960 filed 600,000 shares of com. stock (par $1) **Price**—$2.50 per share. **Proceeds**—To further the corporate purposes and in the preparation of the concentrate and enfranchising of bottlers, the local and national promotion and advertising of its beverages, and where necessary to make loans to such bottlers, etc. **Office**—704 Equitable Building, Denver, Colo. **Underwriters**—Purvis & Co. and Amos C. Sudler & Co., both of Denver, Colo.

I T A Electronics Corp.
April 7, 1961 (letter of notification) 60,000 shares of common stock. **Price**—$5 per share. **Business**—Manufactures electronic equipment and components. **Proceeds**—For general corporate purposes. **Office**—Lansdown, Pa. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia, Pa.

● **Income Planning Corp. (5/15-19)**
Dec. 29, 1960 (letter of notification) 5,000 shares of cumulative preferred stock (no par) and 10,000 shares of class A common stock (par 10 cents) to be offered in units consisting of one share of preferred and two shares of common. **Price**—$40 per unit. **Proceeds**—To open a new branch office, development of business and for working capital. **Office**—3300 W. Hamilton Boulevard, Allentown, Pa. **Underwriter**—Espy & Wanderer, Inc., Teaneck, N. J.

Income Properties, Inc. (6/12-16)
March 31, 1961 filed 150,000 shares of class A stock (par 50 cents). **Price**—$9.75 per share. **Business**—Formerly known as Price Investors Corp., the company owns and operates six apartment houses and plans to construct two more. **Proceeds**—To repay debt and for working capital. **Office**—1801 Dorchester Road, Brooklyn, N. Y. **Underwriter**—Eisele & King,, Lebaire, Stout & Co., New York City (managing).

★ **Indiana & Michigan Electric Co. (5/31)**
April 20, 1961 filed $20,000,000 of sinking fund debentures due 1986. **Proceeds**—For the prepayment of bank loans, and working capital. **Offices**—2101 Spy Run Ave., Fort Wayne, Ind., and 2 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co.; First Boston Corp.; Harriman Ripley & Co., Inc. **Bids**—To be received on May 31 at 11:30 a.m. (DST). **Information Meeting**—Scheduled for May 26 at 3 p.m. (DST) at American Electric Power Service Corp., 2 Broadway (11th floor) New York City.

Industrial Control Products, Inc.
March 10, 1961 filed 165,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The engineering, designing and precision machining of electronic components. **Proceeds**—For research and development, inventory, equipment, start-up costs of semi-conductor production, and for working capital. **Office**—78 Clinton Rd., Caldwell Township, N. J. **Underwriter**—Edward Hindley & Co., New York City. **Offering**—Expected in early May.

Industrial Instrument Corp.
Feb. 27, 1961 filed 60,000 shares of 6% second series cumulative convertible preferred stock (par $10) to be offered for subscription by the holders of its outstanding common and first series preferred stock on the basis of one new share of preferred for each eight shares of common and one new share for each share of preferred held. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of instruments used to measure and control the flow, level, pressure and temperature of liquids and gases. **Proceeds**—To repay loans, buy new equipment and for working capital. **Office**—8400 Research Road, Austin, Texas. **Underwriter**—None.

Intercontinental Motels, Ltd.
March 28, 1961 (letter of notification) 150,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Proceeds**—For acquiring Fleetwood Motel Corp. and working capital. **Office**—Towne House Motor Lodge, P. O. Box 1061, Martinsville, Va. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

International Photocopy Corp.
Feb. 28, 1961 (letter of notification) 100,000 shares of common stock. **Price**—$3 per share. **Business**—Manufacturer and distributor of office photocopying equipment, chemicals and paper. **Proceeds**—For expansion and working capital. **Office**—564 W. Randolph St., Chicago, Ill. **Underwriter**—J. J. Krieger & Co., New York City.

Interstate Power Co. (5/18-6/2)
March 16, 1961 filed 223,833 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each 16 shares held of record May 18, with rights to expire June 2. **Price**—To be supplied by amendment. **Proceeds**—To repay bank loans and for construction. **Offices**—1000 Main Street, Dubuque, Iowa, and 111 Broadway, New York City. **Underwriter**—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Salomon Bros. & Hutzler; Merrill Lynch, Pierce, Fenner & Smith Inc.; White, Weld & Co. **Bids**—To be received on May 18 at 11 a.m. (DST).

Interstate Power Co. (5/18)
March 16, 1961 filed $9,000,000 of first mortgage bonds, due 1991. **Proceeds**—To repay bank loans and for construction. **Office**—1000 Main St., Dubuque, Iowa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; White, Weld & Co.; Salomon Bros. & Hutzler. **Bids**—To be received on May 18 up to 11 a.m. (DST) at the office of The Chase Manhattan Bank, One Chase Plaza, New York 5, N. Y., 23rd floor. **Information Meeting**—Scheduled for May 8, at 3 p.m. (DST) at the office of The Chase Manhattan Bank, 28th floor.

Invesco Collateral Corp.
March 6, 1961 filed $900,000 of 6% registered subordinated debentures to be offered in three series of $300,000 each, due June 30, 1965, 1966 and 1967, respectively. **Price**—$4,315; $4,190 and $4,079 per $5,000 of debentures. **Business**—The company, a wholly-owned subsidiary of Investors Funding Corp. of New York was organized under New York law in June, 1960, to purchase, invest in and sell real estate mortgages. **Proceeds**—For investment. **Office**—511 Fifth Avenue, New York City. **Underwriter**—None.

Investors Preferred Life Insurance Co.
March 30, 1961 filed 400,000 shares of common stock. **Price**—$2.40 per share. **Business**—The company is authorized to sell life, accident and health insurance. **Proceeds**—To be added to capital and surplus. **Office**—310 Spring Street, Little Rock, Ark. **Underwriter**—Life Securities, Inc., P. O. Box 3662, Little Rock.

● **Irvington Steel & Iron Works (5/5)**
Feb. 13, 1961 (letter of notification) 150,000 shares of common stock (par 50 cents). **Price**—$2 per share. **Business**—Fabricators of structural steel. **Proceeds**—For general corporate purposes. **Office**—Somerset Street, New Brunswick, N. J. **Underwriter**—L. L. Fane & Co., Inc., Plainfield, N. J.

"Isras" Israel-Rassco Investment Co. Ltd.
March 27, 1961 filed 30,000 shares of ordinary stock. **Price**—$62 per share. The company may, but is not obligated to, accept payment in State of Israel bonds. **Proceeds**—For the construction of hotels, office buildings, housing projects and the like. **Office**—Tel Aviv, Israel. **Underwriter**—None.

Jackson National Life Insurance Co.
April 11, 1961 filed 300,000 shares of class A common stock. **Price**—$4 per share. **Business**—The company plans to engage in the life insurance business. **Proceeds**—For capital funds, and working capital. **Office**—245 West Michigan Avenue, Jackson, Mich. **Underwriter**—Apex Investment Co., Detroit.

Jefferson Counsel Corp.
March 13, 1961 filed 30,000 shares of class B common stock (non-voting). **Price**—$10 per share. **Business**—The company was organized under Delaware law in January 1961 to sponsor the organization of the Jefferson Growth Fund, Inc., a new open-end diversified investment company of the management type. **Proceeds**—For organizational and operating expenses. **Office**—52 Wall St., New York City. **Underwriter**—None.

● **Jodmar Industries, Inc.**
Feb. 24, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**

—Design, lay-out, installation and maintenance of industrial heating and air-conditioning systems. **Proceeds**—For the purchase of inventory for current business; purchase of machinery, equipment and inventory for proposed manufacturing business; sales promotion and reserves. **Office**—8801-11 Farragut Road, Brooklyn 36, N. Y. **Underwriter**—Fontana Securities, Inc., 82 Beaver Street, New York, N. Y.

Julie Research Laboratories, Inc.
March 29, 1961 filed 100,000 outstanding shares of common stock to be offered for public sale by the present stockholder. **Price**—$10 per share. **Business**—Basic research and development leading to the design, manufacture and sale of precise electronic components and instruments. **Proceeds**—For the selling stockholder. **Office**—603 West 130th Street, New York City. **Underwriter**—C. E. Unterberg, Towbin Co., New York City (managing).

● **Jungle Juice Corp.**
Oct. 28, 1960 (letter of notification) 120,000 shares of common stock (par 25 cents). **Price**—$2.50 per share. **Proceeds**—For working capital and expansion. **Address**—Seattle, Wash. **Underwriter**—Fidelity Investors Service, East Meadow, N. Y.

Kaiser Aluminum & Chemical Corp.
March 30, 1961 filed 61,169 outstanding shares of 4¾% cumulative convertible (1961 series) preference stock ($100 par) and 305,834 outstanding shares of common stock, to be offered for public sale by the holders thereof. **Price**—To be supplied by amendment. **Business**—The company is a producer of primary aluminum and aluminum products. **Proceeds**—For the selling stockholders. **Office**—300 Lakeside Drive, Oakland, Calif. **Underwriter**—None.

Kawecki Chemical Co.
March 23, 1961 filed $3,500,000 of 4⅞% convertible subordinated debentures, due 1976, and 17,282 shares of common stock (par 25 cents), issuable upon the exercise of warrants. The debentures are to be offered for subscription by stockholders on the basis of $100 principal amount of debentures for each 15 shares held. **Price**—At par. **Business**—The research and pilot plant production of rare metals. **Proceeds**—To repay debt and for working capital. **Office**—Boyertown, Pa. **Underwriter**—Carl M. Loeb, Rhoades & Co., New York City (managing). **Offering**—Expected sometime in May.

King Kullen Grocery Co., Inc. (5/9)
March 28, 1961 filed 180,000 shares of class A stock, of which 50,000 shares are to be offered for public sale by the company and 130,000 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business**—The operation of a chain of self-service food stores in the Long Island, N. Y., area. **Proceeds**—For the construction and equipping of a new warehouse and office. **Office** — 178-02 Liberty Ave., Jamaica, N. Y. **Underwriters**—Hemphill, Noyes & Co., and Estabrook & Co., New York City (managing).

Kings Electronics Co., Inc. (5/8-12)
Jan. 27, 1961 filed 295,187 shares of common stock, of which 250,000 are to be offered for public sale by the company and 45,187 shares, being outstanding stock, by the present holders thereof. **Price**—$4 per share for the new stock. The outstanding shares will be offered at the prevailing market price on the over-the-counter market or on any securities exchange upon which they may be listed at any time after 60 days from the date of the company's offering. **Business**—The company is engaged principally in the design, development and manufacture of radio frequency connectors. **Proceeds**—For expansion, the repayment of loans and for working capital. **Office**—40 Marbledale Road, Tuckahoe, N. Y. **Underwriter**—Ross, Lyon & Co., Inc., New York City (managing).

Knickerbocker Biologicals, Inc.
Dec. 23, 1960, filed 100,000 outstanding shares of class A stock. **Price**—$6 per share. **Business**—The manufacture, packaging and distribution of a line of diagnostic serums and cells used for the purpose of blood grouping and testing. The company also operates blood donor centers in New York and Philadelphia. **Proceeds**—For the selling stockholders. **Office**—300 West 43rd Street, New York City. **Underwriter**—None.

● **Kreisier (Charles), Inc.**
Feb. 27, 1961 (letter of notification) 60,000 shares of common stock (par $1). **Price**—$5 per share. **Business**—Sale and rental of automobiles. **Proceeds**—Acquisition of cars for rental purposes; acquisition of additional salesroom; advertising and sales promotion and for working capital. **Office**—241 Park Avenue, New York, N. Y. **Underwriter**—Albion Securities Co., Inc., New York, N. Y.

Krystinel Corp.
April 12, 1961 filed 90,000 shares of class A stock. **Price**—$2.50 per share. **Business**—The company produces ferrites, which are ceramic-like materials with magnetic properties, and conducts a research and development program for ferrite products. **Proceeds**—For the repayment of a loan, research and development, new equipment and working capital. **Office**—P. O. Box 6, Fox Island Road, Port Chester, N. Y. **Underwriters**—Ross, Lyon & Co., Inc., and Schrijver & Co., both of New York City.

LP Gas Savings Stamp Co., Inc.
Sept. 27, 1960 (letter of notification) 30,000 shares of common stock **Price**—At par ($10 per share). **Proceeds**—For purchase of creative design and printing of catalogs, stamp booklets, advertising and for working capital. **Office**—300 W. 61st St., Shreveport, La. **Underwriter**—International Sales & Investment, Inc., 4501 North Blvd., Baton Rouge, La.

★ **Lannett Co., Inc.**
April 7, 1961 (letter of notification) 150,000 shares of common stock. **Price**—$2 per share. **Business**—The manufacture and sale of pharmaceuticals. **Proceeds**—For a new building, research and development, and a sales training program. **Office**—Frankford Ave., and Allen St., Philadelphia, Pa. **Underwriter** — Netherlands Securities Co., Inc., New York City.

"Lapidoth" Israel Oil Prospectors Corp. Ltd.
Oct. 27, 1960 filed 1,500,000 ordinary shares. **Price**—To be supplied by amendment, and to be payable either totally or partially in Israel bonds. **Business**—The company was organized in October 1959 as a consolidation of individual and corporate licensees who had been operating in the oil business as a joint venture. **Proceeds**—For exploration and development of oil lands. **Office**—22 Rothschild Blvd., Tel-Aviv, Israel. **Underwriter**—None.

Leader-Durst Center Co.
March 29, 1961 filed $569,500 of limited partnership interests. **Price**—$5,000 per unit. **Business**—A limited partnership organized under New York law in March, 1961, to acquire title to the Midland Shopping Center in Columbia, S. C., the Greenwich Shopping Center in Lake Charles, La., and a shopping center in Taylor Township, Mich. **Proceeds**—To be used to purchase the above properties. **Office**—41 East 42nd Street, New York City. **Underwriter**—None.

● **Leeds Homes, Inc.**
March 9, 1961 filed $1,000,000 of 6% subordinated sinking fund debentures, due 1976 and 300,000 shares of common stock to be offered for public sale in units consisting of $10 principal amount of debentures and three common shares. **Price**—To be supplied by amendment. **Business**—Company, formerly Aluminum Siding & Supply Corp., is a holding company whose subsidiaries are engaged in the sale, construction and financing of shell homes. **Proceeds**—For construction, working capital, and investment in mortgages on shell homes. **Office**—2501 Ailor Ave., Knoxville, Tenn. **Underwriter**—J. C. Bradford & Co., Nashville. **Offering**—Expected in early May.

Lincoln Fund, Inc.
March 30, 1961 filed 951,799 shares of common stock. **Price** — Net asset value plus a 7% selling commission. **Business** — A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. **Proceeds**—For investment. **Office**—300 Main St., New Britain, Conn. **Distributor**—Horizon Management Corp., New Britain.

Lindy Hydrothermal Products, Inc.
March 30, 1961 filed 65,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The design, manufacture, distribution and sale of heat exchange products and custom tanks for the storage of water, chemicals and other liquids. **Proceeds**—For new equipment, plant relocation, product development and repayment of debt. **Office**—2370 Hoffman Street, New York City. **Underwriter**—Bond, Richman & Co., New York City. **Offering**—Expected in late May.

● **Lytton Financial Corp.**
March 30, 1961 filed 300,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The company owns the stocks of several California savings and loan associations. It also operates an insurance agency, and through a subsidiary, Title Acceptance Corp., acts as trustee under trust deeds securing loans made by the associations. **Proceeds**—To repay loans and for working capital. **Office** — 8150 Sunset Boulevard, Hollywood, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York City (managing). **Offering** — Expected in mid-June.

(E. F.) Mac Donald Co.
April 11, 1961 filed 275,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The creation and administration of incentive campaigns designed to achieve the sales objectives of its customers. **Proceeds**—For the selling stockholders. **Office**—120 So. Ludlow St., Dayton, Ohio. **Underwriters**—Smith, Barney & Co., Inc., New York City and Merrill, Turben & Co., Inc., Cleveland, Ohio (managing).

● **Magnefax Corp. (6/12)**
April 10, 1961 filed 200,000 shares of no par common stock. **Price**—$5 per share. **Business**—The company plans to distribute desk-top copy machines and supplies. **Proceeds**—For new equipment, leasing office space, salaries, advertising, and other corporate purposes. **Office**—1228 Commercial Trust Bldg., Philadelphia, Pa. **Underwriter**—Stroud & Co., Inc., Philadelphia (managing).

Mallory Randall Corp.
March 30, 1961 filed 120,000 shares of common stock (par 10 cents). **Price**—To be supplied by amendment **Business**—The design, manufacture and sale of a line of plastic insulated food and drink serving accessories, principally mugs, bowls and tumblers. **Proceeds**—For plant relocation, new equipment, and other corporate purposes. **Office**—84 Clifton Place, Brooklyn, N. Y. **Underwriter**—Pistell, Crow, Inc., New York City. **Offering**—Expected in late May.

● **Marcon Electronics Corp. (5/1)**
Feb. 27, 1961 (letter of notification) 30,000 shares of common stock (par $1). **Price** — $10 per share. **Business** — Manufacture of electrical and electronic equipment. **Proceeds**—For purchase of equipment and tooling, research and development and working capital. **Office**—199 Devon Terrace, Kearny, N. J. **Underwriter**—Meade & Co., New York, N. Y.

Marine & Electronics Manufacturing Inc.
Sept. 22, 1960 (letter of notification) 100,000 shares of common stock class A (par 10 cents). **Price**—$3 per share. **Proceeds**—For expenses in the fabrication of sheet metal parts for missiles, rockets, radar and marine items. **Address**—Hagerstown, Md. **Underwriter**—Batten & Co., Washington, D. C.

● **Marine Structures Corp.**
Feb. 1, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Proceeds**—To purchase raw materials, advertising and for working capital. **Office**—204 E. Washington St., Petaluma, Calif. **Underwriter**—Grant, Fontaine & Co., Oakland, Calif. is no longer underwriting this issue. New underwriter is Metropolitan Trading Corp., 1835 K St., N. W., Washington, D. C.

Marrud, Inc.
April 12, 1961 filed 194,750 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 94,750 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business** — The wholesale distribution of cosmetics, beauty aids, health aids and related products. **Office**—189 Dean St., Norwood, Mass. **Underwriter**—McDonnell & Co., New York City.

★ **Massachusetts Electric Co. (6/27)**
April 24, 1961 filed $17,500,000 of first mortgage bonds, series F, due 1991. **Proceeds** — For the repayment of debt and for construction. **Office** — 939 Southbridge Street, Worcester, Mass. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co., and Coffin & Burr, Inc. **Bids**—To be received on June 27, 1961.

Matthews Corp.
Feb. 28, 1961 (letter of notification) 200,000 shares of common stock (par $1). **Price**—$1.50 per share. **Proceeds**—To retire bank loans; purchase new equipment and for working capital. **Office**—12923 Cerise Street, Hawthorne, Calif. **Underwriters**—Holton, Henderson & Co., Los Angeles, Calif., and Sellgren, Miller & Co., San Francisco, Calif.

● **Meridian Electronics, Inc. (5/15)**
March 20, 1961 (letter of notification) 95,000 shares of common stock (par 10 cents) of which 91,290 shares are to be offered by the company and 3,710 shares by the present holders thereof. **Price**—$3 per share. **Proceeds**—To repay loans and for working capital. **Office**—1001 W. Broad Street, Richmond, Va. **Underwriter**—B. N. Rubin & Co., Inc., New York, N. Y.

Metropolitan Securities, Inc.
Nov. 17, 1960 (letter of notification) 100,000 shares of class A common stock (par $1). **Price**—$3 per share. **Proceeds** — For working capital. **Office** — 919-18th St., N. W., Washington, D. C. **Underwriter** — Metropolitan Brokers, Inc., Washington, D. C.

Miami Industries, Inc.
March 24, 1961 filed 175,000 outstanding shares of class A common stock (par $1), to be offered for public sale by the holders thereof. **Price**—$9.50 per share. **Business**—The production and sale of electric resistance welded steel tubing. **Proceeds** — For the selling stockholders. **Office** — Springcreek Township, Miami County, Ohio. **Underwriter**—H. Hentz & Co., New York City (managing). **Offering**—Expected in late May.

★ **Michigan Consolidated Gas Co. (5/23)**
April 14, 1961 filed $30,000,000 of first mortgage bonds, due 1986. **Proceeds**—For the repayment of debt and for construction. **Office**—415 Clifford Street, Detroit, Mich. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Lehman Brothers. **Bids**—To be received in Detroit on May 23 at 11:30 a.m. (DST).

★ **Michigan Wisconsin Pipe Line Co. (6/14)**
April 21, 1961 filed $30,000,000 of first mortgage pipe line bonds, due 1981. **Proceeds**—For construction. **Office**—500 Griswold St., Detroit, Mich. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co., Inc. **Bids**—To be received on June 14 at 11 a.m. (DST) in Suite 4950, 30 Rockefeller Plaza, New York City.

Micro Electronics Corp.
March 31, 1961 filed 100,000 shares of common stock. **Price** — $4 per share. **Business** — The manufacture of printed circuits for the electronics industry. **Proceeds**—$124,000 for new plant, $76,000 for equipment, and $110,000 for working capital. **Office**—1191 Stout St., Denver, Colo. **Underwriter**—R. Baruch & Co., Washington, D. C. (managing).

Microtron Industries, Inc.
March 1, 1961 (letter of notification) 300,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Proceeds** — For purchase of equipment; inventory of parts; working capital; and research and development. **Office** — 120 S. Fairfax, Denver, Colo. **Underwriter**—Amos C. Sudler & Co., Denver, Colo.

● **Microwave Associates, Inc. (5/15)**
March 27, 1961 filed 240,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—To be related to the current market price of the stock on the American Stock Exchange at the time of the offering. **Business**—The design and production of specialized components used in microwave radio energy. **Proceeds** — For the selling stockholders. **Office** — South Street, Burlington, Mass. **Underwriters**—Lehman Brothers; Kuhn, Loeb & Co., Inc. and Clark, Dodge & Co., Inc., all of New York City.

Midwestern Acceptance Corp.
Sept. 8, 1960, filed 1,169,470 shares of common stock and $994,050 of 6% debentures, to be offered for public sale in units of one share of stock and 85¢ of debentures. **Price** — $1 per unit. **Business** — The company will do

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interim financing in the home building industry. Proceeds — To start its lending activities. Address — P. O. Box 886, Rapid City, S. D. Underwriter—None.

Milliken (D. B.) Co.
March 15, 1961 filed $240,000 of 6% subordinated sinking fund debentures, due 1971, with stock purchase warrants attached, together with 75,000 shares of capital stock. **Prices**—The debentures will be sold at par, with a 7½% underwriter's commission; the stock will be sold at $3 per share. **Proceeds**—For debt reduction and working capital. **Office**—131 North Fifth Ave., Arcadia, Calif. **Underwriter**—Lester, Ryons & Co., Los Angeles, Calif. **Offering**—Expected in May.

● Minneapolis Scientific Corp.
March 24, 1961 filed 1,500,000 shares of common stock. **Price**—$1.15 per share. **Business**—The company is licensed under the Small Business Investment Act of 1958 and is registered with the SEC as a non-diversified, closed-end, management investment company, which will invest in the fields of electronics, physics and chemistry. **Proceeds**—For investment and operating expenses. **Office** — First National Bank Building, Minneapolis, Minn. **Underwriter**—Bratter & Co., Inc., Minneapolis, Minn. **Note**—This company was formerly named National Scientific Corp.

Missile Sites, Inc.
March 30, 1961 filed 291,000 shares of common stock. **Price**—$5 per share. **Business**—A prime contractor with governmental agencies for the building of missile and radar sites and other specialized facilities. **Proceeds**—For working capital. **Office**—11308 Grandview Ave., Wheaton, Md. **Underwriter**—Balogh & Co., Inc., Washington, D. C.

Mobile Credit Corp.
Sept. 14, 1960 filed 25,874 shares of common stock and 1,000 shares of $100 par 6% cumulative convertible preferred stock. The stock will be offered for subscription by shareholders of record on the basis of two shares of new common for each three such shares held and one share of new preferred for each 38.81 common shares held, the record date in each case being Sept. 1, 1960. **Prices**—For common, $10 per share; for preferred, $100 per share. **Business**—The purchase of conditional sales contracts from dealers in property so sold, such as mobile homes, trailers, boats, and motorcycles. **Proceeds**—For working capital. **Office**—100 E. Michigan Ave., Jackson, Mich. **Underwriter**—None.

Moderncraft Towel Dispenser Co., Inc.
March 30, 1961 filed 80,000 shares of common stock, of which 73,750 shares are to be offered for public sale by the company and 6,250 outstanding shares by the underwriter. **Price**—$4 per share. **Business**—The manufacture and sale of an improved towel dispensing cabinet. **Proceeds**—For advertising, research and development, payment of debt, and working capital. **Office** — 20 Main Street, Belleville, N. J. **Underwriter**—Vickers, Christy & Co., Inc., New York City.

● Mohawk Insurance Co. (5/1-5)
Aug. 8, 1960, filed 75,000 shares of class A common stock. **Price**—$12 per share. **Proceeds**—For general funds. **Office**—198 Broadway, New York City. **Underwriter**—R. F Dowd & Co., Inc., 39 Broadway, New York 6, N. Y.

Mokan Small Business Investment Corp., Inc.
Jan. 17, 1961 filed 3,000 shares of common stock. **Price** —$100 per share. **Business**—The company was organized under Kansas law in October 1960 and is applying to the Small Business Administration for a Federal license to operate as a small business investment company. **Proceeds**—For general corporate purposes. **Office** — 719 Walnut St., Coffeyville, Kan. **Underwriter**—None.

Monticello Lumber & Mfg. Co., Inc.
April 11, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The sale of lumber, building supplies and hardware. **Proceeds**—To repay loans and for working capital. **Address**—Monticello, N. Y. **Underwriter**—J. Laurence & Co., Inc., New York, N. Y.

Mortgage Guaranty Insurance Co.
Oct. 17, 1960 filed 155,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. **Proceeds**—For capital and surplus. **Office**—606 West Wisconsin Avenue, Milwaukee, Wis. **Underwriter** —Bache & Co., New York City (managing). **Note**—This stock is not qualified for sale in New York State. **Offering**—Expected in June.

Morton Manufacturing Corp.
March 28, 1961 filed 100,000 outstanding shares of common stock (par $1), to be offered for public sale by the holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of medicated proprietary items, cosmetics, toiletries and fragrances. **Proceeds** — For the selling stockholders. **Office** — 2101 Hudson Street, Lynchburg, Va. **Underwriter** — Smith, Barney & Co., New York City (managing). **Offering**—Expected in early May.

Nash (J. M.) Co., Inc.
March 30, 1961 filed $1,000,000 of series A subordinated debentures, due July 1, 1981 and $1,000,000 of series B convertible subordinated debentures, due July 1, 1981. **Price**—To be supplied by amendment. **Business**—The manufacture of a variety of industrial products including woodworking and packaging equipment, power saws, auxiliary power plants, centrifugal pumps, inboard marine engines and a line of leisure time and sporting goods merchandise. **Proceeds**—To retire on or about Oct. 1, 1961 all outstanding 7½% convertible debentures; to repay bank loans, and for other corporate purposes. **Office**—208 Wisconsin Avenue, Milwaukee, Wis. **Underwriter**—Robert W. Baird & Co., Milwaukee (managing).

● Nat Nast, Inc.
April 18, 1961 filed 150,000 shares of class A common stock. **Price**—$4 per share. **Business**—The manufacture and distribution of bowling apparel. **Proceeds** — For working capital, construction, and funds estimated at $125,000 to stock such items as bowling clothes and accessories, gym clothing, etc. **Office**—816 Central, Kansas City, Mo. **Underwriter**—Hardy & Co., New York City (managing).

● National Airlines, Inc. (4/28)
Sept. 21, 1960 filed $10,288,000 of convertible subordinated debentures, due 1975, to be offered for subscription by holders of the outstanding common stock on the basis of $100 of debentures for each 18 common shares held. **Price**—To be supplied by amendment. **Business**—Domestic and international transport of persons, property, and mail. **Proceeds**—To make payments on planes and reduce short-term indebtedness, with the balance for general corporate purposes. **Office** — Miami International Airport, Miami, Fla. **Underwriter** — Lehman Brothers, New York City (managing).

National Bagasse Products Corp. (5/1-5)
March 14, 1961 filed 16,200 units, each unit consisting of $100 of 15-year 7% subordinated debentures, 30 shares of class A common and 10 warrants (to buy a like number of class A shares). **Price** — $163.85 per unit. **Business** — Manufactures composition board, hard board and insulating board from bagasse, a waste product of sugar refining. **Proceeds** — To build a new plant at Vacherie, La. **Office**—821 Gravier St., New Orleans, La. **Underwriters**—S. D. Fuller & Co., New York City, and Howard, Weil, Labouisse, Fredrichs & Co., New Orleans (managing).

● National Food Marketers, Inc. (5/1-5)
Jan. 27, 1961 filed 100,000 shares of common stock. **Price** $4 per share. **Business**—The company is engaged in the processing and packaging of quick-frozen, prepared seafood meat and poultry for use by restaurants and institutions and frozen ready-to-heat meals for distribution through vending machines. **Proceeds** — To repay loans; purchase additional machinery; establish a food laboratory, and for advertising, promotion, and working capital. **Office**—Blue Anchor, N. J. **Underwriter**—Robert Edelstein Co., Inc., New York City.

National Mercantile Corp.
March 29, 1961 filed 100,000 shares of common stock and five-year warrants to purchase an additional 20,000 common shares, to be offered for public sale in units consisting of one common share and one-fifth of a warrant. **Price**—To be supplied by amendment. **Business** —The distribution and retail sale of phonograph records. **Proceeds**—For the repayment of loans and for working capital. To expand retail operations. **Office**—1905 Kerrigan Avenue, Union City, N. J. **Underwriter**—A. T. Brod & Co., New York City (managing). **Offering**—Expected in late May.

● National Scientific Corp.
See Minneapolis Scientific Corp., above.

New England Telephone & Telegraph Co.
March 30, 1961 this subsidiary of A. T. & T. filed 3,149,615 shares of capital stock being offered for subscription by stockholders on the basis of one new share for each seven shares held of record April 25 with rights to expire on May 19. **Price**—$42 per share. **Proceeds**—To retire $40,000,000 of first mortgage 4½% bonds, series B, which mature May 1, 1961 and to repay advances from the parent company. **Office**—185 Franklin Street, Boston, Mass. **Underwriter**—None.

New Era Mining Co.
April 6, 1961 filed 1,000,000 shares of common stock (par 25 cents). **Price** — 50 cents per share. **Business** — The company plans to operate two gold placer claims in the Black Hills of South Dakota. **Proceeds**—To repay debt, purchase equipment and for working capital. **Office**—9635 West Colfax Avenue, Denver, Colo. **Underwriter**—None.

New Orleans Public Service, Inc.
April 13, 1961 filed $15,000,000 of first mortgage bonds, due 1991. **Proceeds** — For construction and the repayment of debt. **Office**—317 Baronne Street, New Orleans, La. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lee Higginson Corp.; Equitable Securities Corp., and Eastman Dillon, Union Securities & Co. (jointly); Kidder, Peabody & Co. and Stone & Webster Securities Corp. (jointly); White, Weld & Co.; Salomon Brothers & Hutzler.

New York State Electric & Gas Corp. (5/16)
March 24, 1961 filed $25,000,000 of first mortgage bonds due 1991. **Proceeds**—To repay bank loans and for construction. **Office**—108 East Green Street, Ithaca, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co. and Salomon Bros. & Hutzler (jointly); Blyth & Co., Inc.; Harriman Ripley & Co.; First Boston Corp., and Glore, Forgan & Co. (jointly). **Bids**—To be received on May 16 at 11 a.m. (EST).

Nippon Telegraph & Telephone Public Corp.
April 10, 1961 filed $15,000,000 of guaranteed bonds of which $5,000,000 will be due in 1964-1966 and $10,000,000 in 1976. The bonds are guaranteed as to principal and interest by the Government of Japan. **Price**—To be supplied by amendment. **Business**—The company was formed in 1952 to take over from the government the furnishing of public telephone, telegraph and related communication services in Japan. **Proceeds** — For expansion. **Office**—Tokyo, Japan. **Underwriters**—Dillon, Read & Co. Inc.; First Boston Corp., and Smith, Barney & Co. (managing). **Offering**—Expected in early May.

Normandy Oil & Gas, Inc.
Aug. 31, 1960 filed 750,000 shares of common stock. **Price** —$1 per share. **Business**—Oil and gas exploration and production. **Proceeds** — For general corporate purposes. **Office**—620 Oil & Gas Bldg., Wichita Falls, Texas. **Underwriter**—None, but 102,500 of the shares are reserved for commissions to selling brokers at the rate of 15 shares for each 100 shares sold.

★ North American Vending Manufacturing Corp.
April 19, 1961 (letter of notification) 55,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—The production of ice cube manufacturing and vending machines. **Proceeds**—For equipment; development of distributors, advertising and research and development. **Office**—110 Jericho Turnpike, Floral Park, N. Y. **Underwriter**—Ezra Kureen Co., New York, N. Y.

North Electric Co. (5/15)
March 30, 1961 filed 22,415 shares of common stock to be offered for subscription by stockholders of record May 15. **Price**—To be supplied by amendment. **Business**—This subsidiary of L. M. Ericsson Telephone Co. of Stockholm, Sweden, manufactures telecommunications equipment, remote control systems, electromechanical and electronic components, and power supply assemblies. **Proceeds**—To repay loans and for working capital. **Office**—553 South Market Street, Galion, Ohio. **Underwriter**—None.

Northern Instrument Corp. (5/1-5)
March 10, 1961 (letter of notification) 75,000 shares of common stock (par one cent). **Price**—$4 per share. **Business**—Manufacturers of electronic devices. **Proceeds**—For general corporate purposes. **Office**—3 Carll Ave., S., Babylon, N. Y. **Underwriter**—I. R. E. Investors Corp., Levittown, N. Y.

Northwestern Public Service Co.
April 3, 1961 filed 54,571 shares of common stock to be offered for subscription by holders of common stock on the basis of one new share for each 12 shares held. **Price** —To be supplied by amendment. **Office**—Huron, S. D. **Underwriter**—To be named.

Norway (Kingdom of) (5/2)
April 7, 1961 filed $15,000,000 of 15-year external loan bonds of 1961, due May 1, 1976. **Proceeds**—For the acquisition and importation of capital equipment required for the continuing development of the Norwegian economy. **Underwriters** — Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co. Inc.; Lazard Freres & Co., and Smith, Barney & Co. Inc.

● Ohio Edison Co. (5/22)
April 14, 1961 filed $30,000,000 of first mortgage bonds, due 1991. **Proceeds**—For construction and the repayment of debt. **Office** — 47 North Main Street, Akron, Ohio. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Glore, Forgan & Co.; Eastman Dillon, Union Securities & Co., and White, Weld & Co. (jointly); First Boston Corp.; Morgan Stanley & Co. **Bids**—To be received at 16 Wall St., New York City on May 22 at 11:30 a.m. (DST). **Information Meeting**—Scheduled for May 17 at 3:30 p.m. (DST) at the New York Society of Security Analysts, 15 William St., New York City.

Ohio-Franklin Fund, Inc.
Feb. 3, 1961 filed 2,000,000 shares of common stock to be offered to investors through a tax-free exchange of shares for securities of a selected list of companies. **Exchange Price**—Net asset value (expected to be $10 per share). **Business**—A new fund which provides a medium through which holders of blocks of securities may obtain diversification and continuous professional investment management without incurring Federal capital gains tax liability upon the exchange. **Proceeds**—For investment. **Office**—51 North High St., Columbus, O. **Distributor**—The Ohio Co., Columbus, O.

One Maiden Lane Fund, Inc.
April 7, 1961 filed 300,000 shares of common stock. **Price**—$3 per share. **Business**—This is a new mutual fund which will hold only convertible debentures and U. S. Treasury bonds. **Proceeds**—For investment. **Office** —One Maiden Lane, New York City. **Underwriter**—G. F. Nicholls & Co., Inc., New York City. **Offering**—Expected in early May.

● Opelika Manufacturing Corp. (5/8)
March 30, 1961 filed 200,000 outstanding shares of common stock (par $5), to be offered for public sale by the holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of a variety of textile products to the linen rental industry and to hospitals and other institutions. **Proceeds**—For the selling stockholders. **Office**—361 West Chestnut Street, Chicago, Ill. **Underwriter** — Glore, Forgan & Co., New York City (managing).

● Panacolor, Inc. (5/22)
Feb. 24, 1961 filed 200,000 shares of common stock (par 20 cents). **Price**—$4 per share. **Business**—The company plans to engage in the business of developing and printing color film primarily for the motion picture and television industries. **Proceeds**—For the construction of two machines to print color film by the Panacolor Process; for sales promotion, market development and officers' salaries; for mortgage and interest payments; and for working capital. **Office**—6660 Santa Monica Blvd., Hollywood, Calif. **Underwriter** — Federman, Stonehill & Co., New York City (managing).

● Panoil Co.
Feb. 23, 1961 filed 3,000,000 shares of capital stock to be offered for subscription by stockholders in units (each unit consisting of four shares) on the basis of one unit for each share of capital stock held. **Price**—To be

supplied by amendment. **Business**—The company, formerly Pan American Land & Oil Royalty Co., was organized in 1956 to acquire petroleum concessions in Cuba. It obtained stock in certain Cuban royalty and concession holding companies, which stock is now considered without value. At present the company has petroleum concession rights in Colombia, Turkey and Trinidad. **Proceeds**—To repay debts and for working capital. **Office**—1130 Republic National Bank Bldg., Dallas, Tex. **Underwriter** — None. **Note** — This statement was effective April 19.

Pantex Manufacturing Corp.
Dec. 27, 1960 filed 513,299 shares of capital stock, of which 307,222 shares are to be offered for the account of the issuing company and 206,077 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. The stock being offered for the company is a rights offering; one new share will be offered for each three capital shares held. **Price**—To be supplied by amendment. **Proceeds**—For the purchase of 200,000 shares of Tel-A-Sign, Inc. for $450,000, said shares to be distributed as a dividend to shareholders, with the balance for general corporate purposes, including working capital. **Office**—Central Falls, R. I. **Underwriter**—None.

Paxton (Frank) Lumber Co.
March 28, 1961 filed 83,389 outstanding shares of class A common (par $2.50) to be offered for public sale by the present holders thereof. **Price** — To be supplied by amendment. **Business** — The operation of a chain of lumber yards in the middle west. **Proceeds**—For the selling stockholders. **Office** — 6311 St. John Avenue, Kansas City, Mo. **Underwriter**—Stern Brothers & Co., Kansas City (managing).

Pearce-Simpson, Inc.
Dec. 30, 1960 filed $1,800,000 of outstanding 6% convertible debentures due April 1, 1970; 200,000 shares of common stock reserved for issuance upon conversion of the debentures; 145,938 outstanding shares of common stock; 72,500 outstanding warrants for the purchase of common shares and a like number of underlying shares. **Business**—The manufacture of radio telephones. **Proceeds**—To the selling stock and debenture holders. **Office**—2295 N. W. 14th Street, Miami, Fla. **Underwriter**—None.

Pennsylvania Electric Co. (5/17)
March 28, 1961 filed $10,000,000 of first mortgage bonds, due 1991. **Office**—222 Levergood Street, Johnstown, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc. and Harriman Ripley & Co. (jointly); First Boston Corp.; Equitable Securities Corp.; Kidder, Peabody & Co.; Kuhn, Loeb & Co. **Bids**—To be received on the 37th Floor of 80 Pine Street, New York City on May 17 at 11 a.m. (DST). **Information Meeting**—To be held at the above address on May 12 at 10 a.m. (DST).

Pennsylvania Electric Co. (6/5)
March 28, 1961 filed $12,000,000 of debentures, due 1986. **Office**—222 Levergood Street, Johnstown, Pa. **Underwriters**—To be determined by competitive bidding. The company has never before issued debentures. However, the following underwriters bid on the last issue of bonds: Blyth & Co., Inc., and Harriman Ripley & Co. (jointly); First Boston Corp.; Equitable Securities Corp.; Kidder, Peabody & Co.; Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co. **Bids**—To be received at 80 Pine Street, 37th floor, on June 5 at noon (DST). **Information Meeting**—To be held at the above address on June 2 at 10 a.m. (DST).

Pennsylvania & Southern Gas Co.
March 30, 1961 filed $600,000 of 5½% convertible debentures due June 1, 1981 to be offered for subscription by common stockholders on the basis of one $100 debenture for each 10 shares held. **Price** — At 100% of principal amount. **Proceeds** — To redeem all outstanding 6½% preferred stock, series A, B and C, and for construction. **Office**—137 West Lockhart St., Sayre, Pa. **Underwriter**—None.

Peoples Gas Light & Coke Co. (5/9)
March 30, 1961 filed $30,000,000 of first and refunding mortgage bonds, series J, due 1986. **Proceeds**—To pay at maturity $15,100,000 of first and refunding mortgage 3% bonds, series G, due June 15, 1961 and for general corporate purposes. **Office**—122 S. Michigan Avenue, Chicago 3, Ill. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Glore, Forgan & Co.; First Boston Corp. **Bids**—To be received on May 9 at 10 a.m. (CDST) in room 1615, 122 So. Michigan Ave., Chicago, Ill.

Perini Corp.
March 30, 1961 filed 1,451,998 shares of common stock (par $1), of which 1,350,000 are to be offered for public sale by the company, and 101,998 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company is engaged in the construction and general contracting business in the U. S. and Canada and recently entered the real estate development field. In addition it will control and operate the National League Baseball Club of Milwaukee, Inc. **Proceeds**—To repay loans and for general corporate purposes. **Office** — 73 Mt. Wayte Ave., Framingham, Mass. **Underwriters**—F. S. Moseley & Co., Boston, Mass., and Paine, Webber, Jackson & Curtis, New York City.

Philadelphia Aquarium, Inc. (5/8-12)
Oct. 14, 1960, filed $1,700,000 of 6% debentures due 1975 and 170,000 shares of capital stock (par 50 cents) to be offered in units, each consisting of one $100 debenture and 10 shares of stock. **Price**—$150 per unit. **Business**—Operation of an aquarium in or about Philadelphia. **Proceeds**—To acquire ground and to construct an aquarium building or buildings. **Office**—2635 Fidelity-Philadelphia Trust Building, Philadelphia, Pa. **Underwriter**—Stroud & Co., Inc., Philadelphia, Pa.

Photogrammetry, Inc.
March 20, 1961 (letter of notification) 23,000 shares of common stock (par $1). **Price**—$8 per share. **Proceeds**—For construction, equipment and working capital. **Office**—922 Burlington Avenue, Silver Spring, Md. **Underwriter**—First Investment Planning Co., Washington, D. C.

Photronics Corp. (6/15)
Feb. 24, 1961 filed 150,000 shares of common stock (par 10 cents), to be offered for subscription by stockholders on the basis of three new shares for each four shares held. **Price**—To be supplied by amendment. **Business**—The design, development and manufacture of optical and electro-optical systems and components used in aerial reconnaissance, photo-interpretation, photo-grammetry and optical scanning devices. **Proceeds** — For working capital, research and development, and new equipment. **Office**—134-08 36th Road, Flushing, N. Y. **Underwriter**—L. D. Sherman & Co., New York City.

Plastics Corp. of America, Inc.
Feb. 9, 1961 filed 800,000 shares of common stock, of which 650,000 shares are to be offered first in exchange for outstanding 5% notes on the basis of one share for each $1 principal amount of 5% note with the remaining 150,000 shares, together with any of the 650,000 shares not issued in the exchange, to be offered publicly. **Price**—$1 per share. **Business**—The company was organized under Minnesota law in November 1960 to provide a vehicle for the acquisition of companies engaged in the fields of plastics, rubber and related materials. **Proceeds** — To retire the above notes, open a plant in the Minneapolis-St. Paul area and provide working capital for any newly acquired companies. **Office**—1234 Baker Bldg., Minneapolis, Minn. **Underwriter**—None.

Potter Instrument Co., Inc.
March 24, 1961 filed 210,000 shares of common stock, of which 190,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holder thereof. **Price**—$10 per share. **Business**—The manufacture and sale of electronic data processing equipment. **Proceeds**—For the repayment of loans and to finance accounts receivable and inventories. **Office**—Plainview, L. I., N. Y. **Underwriter**—Bear Stearns & Co., New York City (managing). **Offering**—Expected in early May.

Power Designs Inc.
March 31, 1961 filed 500,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—The design, manufacture and sale of power supply equipment for the conversion of commercial AC power. **Proceeds**—To repay loans, for expansion and working capital. **Office**—1700 Shames Drive, Westbury, N. Y. **Underwriter** — Pistell, Crow, Inc., New York City. **Offering**—Expected in late May.

● **Precisionware, Inc. (5/29)**
March 30, 1961 filed 125,000 shares of common stock (par $1), of which 50,000 shares are to be offered for public sale by the company and 75,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—A contract manufacturer of kitchen cabinets and other types of wood cabinets which the company sells to builders, contractors and distributors. **Proceeds**—For new equipment, plant expansion and working capital. **Office** — 78 Livingston St., Brooklyn, N. Y. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Products Research Co. (5/29-6/2)
March 27, 1961 filed 283,200 shares of common stock (par $2), of which 120,000 shares are to be offered for public sale by the company and 163,200 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business**—The development, manufacture and sale of synthetic rubber caulking compounds, protective coatings, encapsulation materials and glass skylights. **Proceeds**—For the selling stockholders. **Office**—2919 Empire Ave., Burbank, Calif. **Underwriter**—Schwabacher & Co., San Francisco, Calif. (managing).

● **Publishers Company, Inc. (5/15-19)**
Jan. 27, 1961 filed 220,000 shares of common stock. **Price**—$10 per share. **Business**—The company and its subsidiaries are engaged in the business of selling and financing books sales. **Proceeds**—To acquire the assets of Books, Inc., 1140 Broadway, New York City; to invest in a new District of Columbia company, Books, Inc.; to invest additional funds in a subsidiary; to finance installment sales contracts receivable and for working capital. **Office**—1116 18th St., N. W., Washington, D. C. **Underwriters**—Amos Treat & Co., Inc., New York City and Roth & Co., Inc., Philadelphia, Pa. (managing).

Puerto Rican Airlines, Inc.
Feb. 6, 1961 (letter of notification) 100,000 shares of class A common stock (par 10 cents). **Price** — $3 per share. **Proceeds** — For accounts payable, to purchase equipment and for general corporate purposes. **Office**—c/o F. J. Perez-Almiroty, 1764 Ponce de Leon Ave., San Juan, Puerto Rico. **Underwriter**—Investment Securities Co. of Maryland, Inc., Baltimore, Md.

● **RMS Electronics, Inc.**
April 12, 1961 (letter of notification) 100,000 shares of common stock (par 25 cents). **Price**—$3 per share. **Business**—The manufacture of television and FM radio antennae. **Proceeds**—For general corporate purposes. **Address**—2016 Bronxdale Ave., Bronx, N. Y. **Underwriter**—Martinelli & Co., New York, N. Y.

Ram Electronics, Inc.
Dec. 28, 1960 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—Manufacturers of electronic and replacement parts for television receivers and other electrical circuits. **Proceeds**—For general corporate purposes. **Office**—600 Industrial Ave., Paramus, N. J. **Underwriter**—General Securities Co., Inc., 101 West 57th St., New York City. **Offering**—Expected in early May.

Real Estate Investment Trust of America (5/22-26)
March 31, 1961 filed 500,000 shares of beneficial interest in the Trust. **Price**—To be supplied by amendment. **Business**—The Trust which was organized in 1955 to acquire the assets of three Massachusetts business trusts now holds real estate properties in 12 states and the District of Columbia. **Proceeds** — For investment. **Office** — 294 Washington St., Boston, Mass. **Underwriters** — Paine, Webber, Jackson & Curtis; Kidder, Peabody & Co., and Lee Higginson Corp., all of New York City.

Recreation Enterprises, Inc.
March 16, 1961 filed 110,000 units of common stock and warrants, each unit to consist of one share of class A common and two common stock purchase warrants for the purchase of class A common (one exercisable at $5.50 per share for 18 months and the other at $6 per share within 36 months). **Price**—$5 per unit. **Business**—The company plans to operate a chain of bowling alleys in the midwestern states, initially in Missouri and Kansas. **Proceeds**—For the building of bowling centers. **Office**—6000 Independence Ave., Kansas City, Mo. **Underwriter**—I. M. Simon & Co., St. Louis, Mo.

Red Star Yeast & Products Co.
March 16, 1961 filed $1,000,000 of convertible subordinated debentures, due 1976. **Price** — To be supplied by amendment. **Business**—The production of yeast and yeast products for the pharmaceutical, food, and animal feed industries. **Proceeds** — For diversification and possible acquisitions. **Office**—221 East Buffalo St., Milwaukee, Wis. **Underwriter**—Loewi & Co., Inc., Milwaukee.

Renaire Foods, Inc.
March 30, 1961 filed $600,000 of debentures, 6½% convertible series due 1976, to be offered for public sale by the company and 125,000 shares of common stock, (par $1) of which 100,000 shares are to be offered for sale by the company and 25,000 outstanding shares by the present holders thereof. **Price**—At 100% of principal amount, for the debentures and $6 per share for the stock. **Business**—The retail distribution of food freezers, frozen foods, groceries, vitamins, proprietary medicines and sundries, principally in the Philadelphia and Baltimore trading areas. **Proceeds**—For construction, the purchase of installment contracts resulting from the sales of food and freezers, and for working capital. **Office**—770 Baltimore Pike, Springfield, Pa. **Underwriter**—P. W. Brooks & Co., Inc., New York City. **Offering**—Expected in late May or early June.

● **Rocket Jet Engineering Corp. (5/29)**
March 20, 1961 filed 110,000 outstanding shares of common stock (par 75 cents). **Price**—To be supplied by amendment. **Business** — The design, development and manufacture of escape and survival equipment used in military aircraft. **Proceeds**—For the selling stockholders. **Office**—1426 South Flower Street, Glendale, Calif. **Underwriters**—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif., and Maltz, Greenwald & Co., New York City. The latter firm will handle the books in the East.

Ruth Outdoor Advertising Co., Inc.
March 10, 1961 (letter of notification) 80,000 shares of class A stock (par 10 cents). **Price**—$3 per share. **Business**—Outdoor advertising. **Proceeds**—For general corporate purposes. **Address** — R. D. No. 2, Albany, N. Y. **Underwriter**—Lewis & Stoehr, New York, N. Y.

Safeguard Corp.
March 21, 1961 (letter of notification) 75,000 shares of common stock (par 50 cents). **Price**—$4 per share. **Proceeds**—For capital funds, expansion, and working capital. **Office**—1114 N. Broad Street, Lansdale, Pa. **Underwriter**—Netherlands Securities Co., Inc., New York, N. Y.

St. Louis Capital, Inc.
April 11, 1961 filed 750,000 shares of common stock (par $1). **Price**—$10 per share. **Business**—A new small business investment company. **Proceeds** — For investment. **Office**—611 Olive St., St. Louis, Mo. **Underwriters**—Hornblower & Weeks, New York City and I. M. Simon & Co., St. Louis (co-managers). **Offering**—Expected in late May.

San Francisco & Oakland Helicopter Airlines, Inc.
April 5, 1961 85,000 shares of class A stock (par $10) and 85,000 shares of common stock (par 10 cents) to be offered in units, each unit to consist of one share of class A and one common share. **Price** — To be supplied by amendment. **Business**—The company plans to furnish scheduled air transportation service in the San Francisco Bay area. **Proceeds**—For spare parts, lease of aircraft, starting-up expenses, and working capital. **Office**—155 Montgomery Street, San Francisco, Calif. **Underwriters**—Birr & Co., Inc., and Wilson, Johnson & Higgins, both of San Francisco.

Schaper Manufacturing Co., Inc. (5/22-26)
March 29, 1961 filed 80,600 shares of common stock (par $4), of which 15,000 shares are to be offered for public sale by the company and 65,600 outstanding shares by the present holder thereof. **Price**—$10 per share. **Business**—The design, assembly, manufacture and sale of a variety of plastic toys and games. **Proceeds**—For working capital. **Office**—650 Ottawa Ave., North, Minneapolis, Minn. **Underwriter** — Paine, Webber, Jackson & Curtis, New York City (managing).

● **Schneider (Walter J.) Corp.**
March 30, 1961 filed 120,000 shares of class A common (par 10 cents). **Price**—$5 per share. **Business**—Organized on March 24, 1961, the company plans to engage in the real estate business and allied activities. **Proceeds**—For general corporate purposes. **Office**—67 West 44th Street, New York City. **Underwriters**—Brand, Grumet & Seigel, Inc., and Kesselman & Co., Inc., both of New York City. **Offering**—Expected in late May.

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Scope, Inc.
March 28, 1961 filed 75,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The research and development of projects for agencies of the U. S. Government. **Proceeds**—For the repayment of debt, production and marketing of new products, and for working capital. **Office**—121 Fairfax Drive, Falls Church, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

● **Scot Lad Foods, Inc. (5/29)**
March 28, 1961 filed 250,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The packaging of food products for supermarkets. **Proceeds** —The net proceeds, estimated at $2,185,000, will be applied to outstanding indebtedness, with the balance to be added to working capital. **Office**—Chicago, Ill. **Underwriter**—Hayden, Stone & Co., New York City (managing).

● **Seacrest Industries Corp. (5/8-12)**
Feb. 24, 1961 (letter of notification) 40,000 shares of common stock (par one cent). **Price**—$7.50 per share. **Business**—The sale of home-freezers and refrigerator-freezer combinations, home delivery of food plans, and manufacture and sale of swimming pools. **Proceeds**—For the purchase of Westchester Foods, Inc. stock; current liabilities; building improvements; advertising, promotion and expansion and for general corporate purposes. **Office**—354 Franklin Avenue, Franklin Square, Long Island, N. Y. **Underwriters**—A. J. Gabriel Co., Inc., New York, N. Y. and Williamson Securities Corp., 92 Liberty Street, New York 6, N. Y.

● **Sealectro Corp. (5/2-5)**
March 24, 1961 filed 231,600 shares of common stock (par 25 cents) of which 100,000 shares are to be offered for public sale by the company and 131,600 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The production of electronic components and sub-assemblies for use in electronic and electrical equipment, aircraft, missile, communications and data-processing industries. **Proceeds** —For the repayment of loans; new equipment; expansion, and working capital. **Office**—139 Hoyt Street, Mamaroneck, N. Y. **Underwriter**—Bache & Co., New York City (managing).

Search Investments Corp.
Jan. 4, 1961 filed 1,000,000 shares of common stock. **Price** —$1 per share. **Business**—A non-diversified closed-end investment company. **Proceeds**—For working capital and for investments. **Office**—1620 Rand Tower, Minneapolis, Minn. **Underwriter**—None.

Securities Credit Corp.
Jan. 27, 1961 filed $3,000,000 of 6% series A subordinated debentures. **Price**—100% of principal amount. **Business**—The company and its subsidiaries are engaged in the retail financing of new and used automobiles, mobile homes, appliances, furniture and farm equipment for purchasers, and the wholesale financing of dealers' inventories of such automobiles and direct lending to consumers, and the writing of automobile, credit life, and other types of insurance. **Proceeds**—For working capital. **Office**—1100 Bannock St., Denver, Colo. **Underwriter**—None.

Security Acceptance Corp.
March 7, 1961 filed 100,000 shares of class A common stock and $400,000 of 7½% 10-year debenture bonds, to be offered in units consisting of $100 of debentures and 25 shares of stock. **Price**—$200 per unit. **Business**—The purchase of conditional sales contracts on home appliances. **Proceeds** — For working capital and expansion. **Office**—724 9th St., N. W., Washington, D. C. **Underwriter**—None.

Selmer (H.& A.), Inc.
March 16, 1961 filed 40,000 shares of common stock (par $2). **Price**—To be supplied by amendment. **Business**—The importation, manufacture and distribution of wind band instruments and accessories. **Proceeds**—For working capital and expansion. **Office**—1119 North Main St., Elkhart, Ind. **Underwriter**—Clark, Dodge & Co., New York City (managing). **Offering**—Expected in early May.

★ **Shasta Mineral & Chemical Co.**
April 24, 1961 filed 500,000 shares of common stock. **Price**—$2.50 per share. **Business**—Acquisition, development, and exploration of mining companies. **Proceeds**—For general corporate purposes. **Office**—Salt Lake City, Utah. **Underwriter**—None.

Sherman Co.
March 29, 1961 filed 1,096 of limited partnership shares. **Price** — $5,000 per unit. **Business** — The company was formed on March 15, 1961 to acquire the Hotel Sherman in Chicago. **Proceeds**—To purchase the above property. **Office**—10 E. 40th Street, New York City. **Underwriter** —None.

★ **Sica Skiffs, Inc.**
April 19, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of "sea skiffs" a type of inboard motor boat. **Proceeds**—For the repayment of debt, the development of retail outlets, property improvement, and working capital. **Office**—Toms River, N. J. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia (managing).

Sierra Pacific Power Co. (5/2)
April 10, 1961 filed 132,570 shares of common stock (par $3.75) to be offered for subscription by common stockholders on the basis of one new share for each 12 shares held of record May 2, with rights to expire May 22. **Price**—To be supplied by amendment. **Proceeds**—For the repayment of bank loans and for construction. **Office** —220 South Virginia Street, Reno, Nev. **Underwriter**—None.

Sierra Pacific Power Co. (5/11)
April 10, 1961 filed $6,500,000 of first mortgage bonds, due 1991. **Proceeds** — For construction. **Office** — 220 South Virginia Street, Reno, Nev. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Dean Witter & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—To be received on May 11, at 11 a.m. (DST) at 49 Federal Street (8th floor), Boston, Mass. **Information Meeting**—Scheduled for May 9 at 3 p.m. (DST) at One Chase Manhattan Plaza (23rd Floor), New York City.

Silver Pacific Co.
March 15, 1961 (letter of notification) 200,000 shares of common stock (par $1). **Price**—$1.50 per share. **Proceeds**—For development of property; repayment of loans and real estate investments. **Office**—1325 Sunset Highway, Issaquah, Wash. **Underwriter** — Rowley Agency, Inc., Issaquah, Wash.

Simulatics Corp.
March 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—$2 per share. **Business**—The investigation of probable human behavior by use of computer technology. **Proceeds** — To repay a short-term bank loan; and for working capital and general corporate purposes. **Office**—501 Madison Avenue, New York 22, N. Y. **Underwriter**—Russell & Saxe, New York, N. Y.

Southern States Investment & Mortgage Corp.
Feb. 8, 1961 (letter of notification) 100,000 shares of common stock (par $1). **Price**—$1.50 per share. **Proceeds** —For advances to subsidiaries and working capital. **Office**—424 Mark Bldg., Atlanta, Ga. **Underwriter**—First Fidelity Securities Corp., Atlanta, Ga.

Southland Life Insurance Co. (6/5-9)
March 28, 1961 filed 80,000 shares of common stock, to be offered to holders of the outstanding common on the basis of one new share for each five shares held. **Price** —To be supplied by amendment. **Proceeds**—To purchase the 55% of the outstanding common stock of Carolina Life Insurance Co. not heretofore owned by the issuer. **Office**—Dallas, Texas. **Underwriter**—Equitable Securities Corp., Nashville, Tenn. (managing).

Southwestern Capital Corp.
April 4, 1961 filed 500,000 shares of common stock. **Price** —$3 per share. **Business**—A small business investment company and a closed-end, non-diversified management investment company. **Proceeds**—For investment. **Office** —1328 Garnet Avenue, San Diego, Calif. **Underwriter** —None.

Southwestern Oil Producers, Inc.
April 13, 1961 filed 250,000 shares of common stock. **Price**—$2 per share. **Business**—The company has obtained the right to drill for oil and gas on 720 acres near Artesia, N. M. **Proceeds**—To drill a test well on the property. **Office**—2720 West Mockingbird Lane, Dallas, Texas. **Underwriter**—Elmer K. Aagaard, Salt Lake City, Utah.

● **Spartans Industries, Inc.**
March 23, 1961 filed 200,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business** —The manufacture of apparel for men, women and children, and the operation of self-service discount department stores. **Proceeds**—For the repayment of loans and for expansion. **Office**—One W. 34th St., New York 1, N. Y. **Underwriters**—Shearson, Hammill & Co., New York City and J. C. Bradford & Co., Nashville, Tenn. **Offering**—Imminent.

Standard-American Leasing Corp.
Feb. 14, 1961 (letter of notification) 240,000 shares of common stock (par $1). **Price**—$1.25 per share. **Proceeds** —For working capital. **Office**—2855 Highland Drive, Salt Lake City, Utah. **Underwriter** — E. H. Coltharp & Co., Salt Lake City, Utah.

Standard Security Life Insurance Co. of N. Y.
March 27, 1961 filed 162,000 shares of common stock to be offered for subscription by holders of common and class A stock on the basis of two new shares for each five shares held. **Price** — To be supplied by amendment. **Business**—The writing of life, accident and health insurance. **Proceeds**—For general corporate purposes. **Office**—111 Fifth Avenue, New York City. **Underwriter**—None.

Stein, Hall & Co. Inc. (5/8-12)
March 30, 1961 filed 250,000 outstanding shares of common stock (par $1), to be offered for public sale by the holders thereof. **Price**—To be supplied by amendment. **Business**—The company manufactures a wide variety of chemical specialty products, including specialized adhesives, synthetic resins, natural gum derivatives, food stabilizers and similar items. **Proceeds**—For the selling stockholders. **Office**—285 Madison Avenue, New York City. **Underwriter**—F. Eberstadt & Co., New York City (managing).

Stocker & Yale, Inc.
March 30, 1961 (letter of notification) 100,000 shares of no-par common stock. **Price**—$3 per share. **Business**—Manufacturers of precision dimensional measuring devices and developers of optical and audio-visual equipment. **Proceeds**—New product development, expansion of marketing program, and working capital. **Office** — 40 Green St., Marblehead, Mass. **Underwriter** — First Weber Securities Corp., 79 Wall Street, New York City. **Offering**—Expected in early May.

Stone Mountain Scenic Railroad, Inc.
March 20, 1961 (letter of notification) 150,000 shares of common stock (par $1). **Price**—$2 per share. **Proceeds** —For purchase of land and materials, right of way preparation, and working capital. **Office** — 710 Peachtree Street, N. E., Atlanta 8, Ga. **Underwriter**—First Fidelity Securities Corp., Atlanta, Ga.

● **Stratton Corp. (5/8-12)**
March 3, 1961 filed $650,000 of 5% convertible subordinated debentures, due Dec. 1, 1981. **Price**—At 100% of principal amount. **Business**—The development and operation of a winter and summer recreational resort on Stratton Mountain in southern Vermont. **Proceeds**—For construction. **Office**—South Londonderry, Vt. **Underwriter**—Cooley & Co., Hartford, Conn.

Straus-Duparquet Inc.
Sept. 28, 1960 filed $1,000,000 of 7% convertible subordinated debentures, due 1975. **Price**—At par. **Office**—New York City. **Underwriters**—John R. Boland & Co., New York City and Paul C. Kimball & Co. (Chicago). **Offering**—Expected in late April to early May.

Sunnyside Telephone Co.
April 13, 1961 (letter of notification) 87,664 shares of common stock (par $1). **Price**—$1.50 per share. **Proceeds** —For a new building and equipment. **Address**—Clackamas, Oreg. **Underwriter**—June S. Jones Co., Portland, Oreg.

Sun Valley Associates
March 30, 1961 (letter of notification) $205,000 of limited partnership interests to be offered in units of $5,000, or fractional units of not less than $2,500. **Proceeds**—For working capital. **Address** — Harlingen, Texas. **Underwriter**—First Realty Syndicators, 11 E. 44th Street, New York, N. Y.

● **Super Food Services, Inc.**
April 14, 1961 filed 60,000 shares of common stock (par one cent), of which 30,000 shares are to be offered for public sale by the company and 30,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries distribute food products to about 643 independently owned IGA retail grocery stores in Ohio, Florida, New York, New Jersey and Michigan. **Proceeds**—For working capital. **Office**—105 South LaSalle St., Chicago, Ill. **Underwriter** — Shearson, Hammill & Co., New York City (managing). **Offering**—Expected in late May.

Superstition Mountain Enterprises, Inc.
Jan. 30, 1961 filed 2,000,000 shares of common stock. **Price** — $2.50 per share. **Business** — The company was formed in March, 1959 to develop real property at the foot of Superstition Mountain near Apache Junction, Ariz. It has developed part of the property to form the Apacheland Sound Stage and Western Street, architecturally designed for the 1870 period, which is used for the shooting of the motion picture and television productions. **Proceeds**—To purchase and develop additional property. **Office**—Apache Junction, Ariz. **Underwriter** —None.

Survivors' Benefit Insurance Co.
March 30, 1961 filed 50,000 shares of common stock to be offered initially to stockholders and thereafter to policyholders, employees and company representatives. **Price**—$21.70 per share. **Business** — The company is qualified to write life insurance in the state of Missouri, **Proceeds**—For expansion of the business into other states and for reserves. **Office** — 4725 Wyandotte St., Kansas City, Mo. **Underwriter**—None.

Taddeo Bowling & Leasing Corp.
March 31, 1961 filed $600,000 of 8% convertible subordinated debentures due 1971, 125,000 shares of common stock and 50,000 class A warrants to purchase common stock to be offered for public sale in units consisting of $240 of debentures, 50 common shares and 20 warrants. **Price** — $640 per unit. **Business** — The construction of bowling centers. **Proceeds**—For construction and working capital. **Office**—873 Merchants Road, Rochester, N. Y. **Underwriter** — Myron A. Lomasney & Co., New York City (managing). **Offering**—Expected in late May.

● **Tassette, Inc. (5/8-12)**
Feb. 15, 1961 filed 200,000 shares of class A stock. **Price** —To be supplied by amendment. **Business**—The company was organized under Delaware law in 1959 to finance the exploitation and sale of "Tassette," a patented feminine hygiene aid. **Proceeds**—For advertising and promotion, market development, medical research and administrative expenses. **Office**—170 Atlantic St., Stamford, Conn. **Underwriter**—Amos Treat & Co., Inc., New York City (managing).

Tax-Exempt Public Bond Trust Fund
Jan. 16, 1961 filed $5,000,000 of interests (5,000 units). **Price**—To be computed on the basis of the trustees evaluation of the underlying public bonds, plus a stated percentage (to be supplied by amendment) and dividing the sum thereof by 5,000. **Business** — The trust was formed by John Nuveen & Co., Chicago, Ill., to invest in tax-exempt obligations of states, counties, municipalities and territories of the United States. **Sponsor** — John Nuveen & Co., 135 South La Salle Street, Chicago, Ill.

Tax-Exempt Public Bond Trust Fund, Series 2
Feb. 23, 1961 filed $10,000,000 (10,000 units) ownership certificates. **Price**—To be filed by amendment. **Business** —The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds** — For investment. **Office** — 135 South La Salle Street, Chicago, Ill. **Sponsor**—John Nuveen & Co., Chicago, Ill.

Tele-Film Electronics Engineering Corp.
March 10, 1961 (letter of notification) 300,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Proceeds**—For repayment of loans; product development; expansion; and working capital. **Office**—818-17th St., Suite 610, Denver 2, Colo. **Underwriter**—Amos C. Sudler & Co., Denver, Colo.

Telephone Employees Insurance Co.
March 22, 1961 filed 43,117 shares of capital stock to be offered for subscription by stockholders on the basis of two new shares for each three shares held. **Price**—$27.50 per share. **Business**—The company writes automobile casualty insurance, principally to employees of telephone companies who are considered preferred risks. **Office**—Pedwood and Light Sts., Baltimore, Md. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing).

Templeton, Damroth Corp.
March 30, 1961 filed $1,500,000 of 5½% convertible debentures, due 1969, with 120,000 shares of class A common stock (non-voting) and 12,000 shares of class B common (voting) stock, into which the debentures are convertible. Of the $1,500,000 of debentures, $1,260,000 are presently outstanding. **Price**—100% of the principal amount. **Business** — The management and distribution of shares of four investment companies, and also private investment counselling. **Proceeds**—To increase the sales efforts of subsidiaries, to establish a new finance company, and for general corporate purposes. **Office**—630 Third Avenue, New York City. **Underwriter**—Hecker & Co., Philadelphia is underwriting $445,000 of the debentures.

● **Tennessee Gas Transmission Co. (5/16)**
April 14, 1961 filed $75,000,000 of debentures due May 1, 1981. **Price**—To be supplied by amendment. **Proceeds**—For the repayment of debt, expansion and advances to subsidiaries. **Office**—Tennessee Building, Houston, Texas. **Underwriters**—Stone &Webster Securities Corp.; White, Weld & Co., and Halsey, Stuart & Co. Inc., (managing).

Terry Industries, Inc.
Feb. 28, 1961 filed 1,728,337 shares of common stock of which 557,333 shares are to be offered for the account of the issuing company and 1,171,004 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—For the company's shares, to be related to A.S.E. prices at time of the offering. For the stockholders' shares, the price will be supplied by amendment. **Business** — The company, formerly Sentry Corp., is primarily a general contractor for heavy construction projects. **Proceeds**—The proceeds of the first 12,000 shares will go to Netherlands Trading Co. The balance of the proceeds will be used to pay past due legal and accounting bills, to reduce current indebtedness, and for working capital. **Office**—11-11 34th Ave., Long Island City, L. I., N. Y. **Underwriter** — (For the company's shares only) Greenfield & Co., Inc., New York City.

Therm-Air Mfg. Co., Inc.
April 11, 1961 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business**—Manufacturers of self-contained packaged temperature and humidity control equipment. **Proceeds**—For general corporate purposes. **Address** — Peekskill, N. Y. **Underwriter**—Harry Odzer Co., New York, N. Y.

Thompson-Starrett Co., Inc.
March 29, 1961 filed 1,000 outstanding shares of $0.70 cumulative convertible preferred stock (par $10) and 1,172,243 outstanding shares of common stock to be offered for public sale by the holders thereof. **Price**—At the market. **Business**—The design, engineering and construction of an office building and research laboratory; and the assembling and distribution of radios, television sets and electric organs. **Proceeds**—For the selling stockholders. **Office** — 745 Fifth Avenue, New York City. **Underwriter**—None.

● **Thor Power Tool Co.**
April 19, 1961 filed $4,000,000 of subordinated convertible debentures due June 1, 1981. **Price**—To be supplied by amendment. **Business**—The manufacture of portable tools and other industrial products. **Proceeds**—To retire short-term bank loans. **Office** — 175 North State St., Aurora, Ill. **Underwriter**—Hornblower & Weeks, New York City (managing).

● **Thrift Courts of America, Inc. (5/1-5)**
Feb. 28, 1961 filed $800,000 of 10-year 8% convertible subordinated debentures, 100,000 shares of common stock and 50,000 warrants to purchase a like number of common shares, to be offered in units of $400 of debentures, 50 common shares, and 25 warrants. **Price** — $800 per unit. **Business** — The manufacture and sale of mobile homes, and the pre-construction of motel units. **Proceeds**—To repay bank loans, provide funds for the issuer's subsidiary, and add to working capital. **Office** — 1630 West Bristol St., Elkhart, Ind. **Underwriter** — Myron A. Lomasney & Co., New York City (managing).

● **Time Finance Corp.**
Dec. 30, 1960 registered $1,000,000 of 6% convertible subordinated debentures due Jan. 1, 1976 and 150,000 underlying common shares. **Price**—At 100% of principal amount. The debentures will be convertible at prices ranging from $7.50 per share in January 1961 to $15 per share in January 1970. **Proceeds**—$96,560 to increase volume of accounts receivable financing; $24,145 to increase volume of direct industrial loans and dealer contracts; $24,145 to increase volume of small loans; and $700,000 for the reduction of notes payable. **Office**—Salt Lake City, Utah. **Underwriter**—Whitney & Co., Salt Lake City, Utah. **Note**—This statement was withdrawn April 21.

Toledo Plaza Limited Partnership
April 7, 1961 filed $522,500 of interests in the partnership to be offered for public sale in 209 units. **Price**—$2,500 per unit. **Business**—The partnership was organized under Maryland law in April 1961 to acquire, develop and operate the Toledo Plaza apartment project in Prince George County, Md., scheduled for occupancy in May, 1961. **Proceeds**—For the purchase of the above property. **Office**—1411 K St., N. W., Washington, D. C. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Tourist Industry Development Corp. Ltd.
March 29, 1961 filed $2,000,000 of 7% subordinated debenture stock due 1981, convertible into class B ordinary stock. **Price**—100% of principal amount. **Business**—The company was organized in 1957 for the purpose of financing tourist enterprises in Israel. **Proceeds**—To repay advances from the State of Israel and to make loans to various enterprises such as hotels, restaurants and transport industries. **Office**—Jerusalem, Israel. **Underwriter**—None.

Trans World Airlines, Inc.
March 30, 1961 filed $111,235,900 of 6½% subordinated income debentures, due 1978, with warrants, to be offered for subscription by stockholders on the basis of $100 principal amount of debentures for each 6 common shares held. **Price**—To be supplied by amendment. **Proceeds** — For repayment of debt and general corporate purposes. **Office** — 380 Madison Ave., New York City. **Underwriter**—None. Hughes Tool Co., which owns voting trust certificates representing 78.23% of the company's outstanding stock, has agreed to purchase enough of the unsubscribed for debentures, if any, to provide the company with at least $100,000,000. **Offering**—Expected in late May.

Transcontinental Investment Co.
March 15, 1961 (letter of notification) 120,000 shares of common stock (par $1). **Price**—$2.50 per share. **Proceeds**—For advances to subsidiaries. **Office**—278 S. Main Street, Salt Lake City, Utah. **Underwriter**—Continental Securities Corp., 627 Continental Bank Building, Salt Lake City, Utah.

★ **Transition Systems, Inc.**
April 25, 1961 filed 72,200 shares of common stock. **Price**—$4.50 per share. **Proceeds** — For working capital, research and development, leasehold improvements, the purchase of engineering and drafting materials, and the rental of computers. **Office** — New York City. **Underwriter**—Richard Bruce & Co., Inc., New York City.

Transistor Applications, Inc.
March 29, 1961 (letter of notification) 100,000 shares of no-par common stock. **Price**—$3 per share. **Business**—Manufacturers of transistorized test equipment and electronic medical equipment, and the development of advanced semi-conductor circuits and systems. **Proceeds**—For new product development, expansion of sales effort, and working capital. **Office**—103 Broad Street, Boston, Mass. **Underwriter**—First Weber Securities Corp., 79 Wall Street, New York City. **Offering** — Expected in early May.

Triangle Instrument Co.
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business** — The manufacture of precision instruments and components. **Proceeds**—For equipment, inventory, the repayment of debt, and working capital. **Office**—Oak Drive and Cedar Place, Syosset, L. I., N. Y. **Underwriter**—Armstrong & Co., Inc., New York City.

Tungsten Mountain Mining Co.
April 7, 1961 (letter of notification) 400,000 shares of common stock (par 25 cents). **Price** — 62½ cents per share. **Proceeds**—For mining expenses. **Office**—511 Securities Bldg., Seattle, Wash. **Underwriter**—H. P. Pratt & Co., Inc., Seattle, Wash.

● **United States Freight Co.**
March 15, 1961 filed $15,393,900 of convertible subordinated debentures, due April 1, 1981 to be offered for subscription by holders of its outstanding capital stock on the basis of $100 principal amount of debentures for each seven shares held of record April 20 with rights to expire May 8. **Price** — At par. **Business** — Furnishes freight transportation services. **Proceeds**—For new equipment, expansion and working capital. **Office**—711 Third Ave., New York City. **Underwriter** — Merrill Lynch, Pierce, Fenner & Simth Inc. (managing).

● **U. S. Mfg. & Galvanizing Corp. (5/15-19)**
Jan. 3, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds** — To reduce current liabilities, sales promotion, purchase inventory, and for working capital. **Office**—5165 E. 11th Avenue, Hialeah, Fla. **Underwriter**—Armstrong & Co., Inc., 15 William St., New York, N. Y.

U. S. Realty Investment Trust (5/24)
March 30, 1961 filed 386,975 shares of beneficial interest in the Trust. **Price**—$10 per share. **Business**—The ownership of diversified real estate properties. **Proceeds**—For investment. **Office**—720 Euclid Ave., Cleveland, O. **Underwriter** — Hornblower & Weeks, New York City (managing).

● **United Variable Annuities Fund, Inc.**
April 11, 1961 filed 2,500,000 shares of stock. **Price**—$10 per share. **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—20 W. 9th Street, Kansas City, Mo. **Underwriter**—Waddell & Reed, Inc., Kansas City, Mo. **Offering**—Expected in the fall of 1961.

Universal Manufacturing Co.
Feb. 23, 1961 (letter of notification) 135,000 shares of common stock (par 10 cents) of which 35,000 shares are to be offered for the account of the company and 100,000 outstanding shares, stock, by the selling stockholders. **Price** — $2 per share. **Proceeds** — For working capital. **Office**—516 W. 4th Street, Winona, Minn. **Underwriter**—Naftalin & Co., Inc., Minneapolis, Minn.

● **Upper Peninsula Power Co. (5/17)**
April 14, 1961 filed 26,000 shares of common stock (par $9). **Price**—To be supplied by amendment. **Proceeds**—To repay debt and for construction. **Office**—616 Shelden Avenue, Houghton, Mich. **Underwriters**—Kidder, Peabody & Co.; Paine, Webber, Jackson & Curtis and Stone & Webster Securities Corp.

Vagabond Motor Hotels, Inc.
Feb. 14, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—To construct additional motor hotels, and for working capital. **Office**—3555 Fifth Avenue, Suite B, San Diego, Calif. **Underwriter**—Norman C. Roberts Co., San Diego, Calif.

★ **Vahlsing, Inc.**
April 24, 1961 filed 300,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The company plans to acquire the business of F. H. Vahlsing, Inc., a Maine grower and shipper of potatoes and to operate a plant now being constructed for the processing of potatoes. **Proceeds**—For the repayment of debt and working capital. **Office** — Easton, Maine. **Underwriter**—Pistell, Crow, Inc., New York City (managing).

Vector Engineering, Inc.
March 3, 1961 (letter of notification) 50,000 shares of common stock (par 10 cents). **Price**—$6 per share. **Business** — Provides engineering and design services. **Proceeds** — For general corporate purposes. **Office** — 155 Washington Street, Newark, N. J. **Underwriter**—Omega Securities Corp., New York, N. Y. **Offering**—Expected in early May.

Versapak Film & Packaging Machinery Corp.
March 30, 1961 filed 150,000 shares of common stock and 150,000 five-year warrants, to be offered for public sale in units of one share of stock and one warrant. **Price**—$3.125 per unit. **Business**—The design, development and sale of versatile automatic equipment for packaging items in special heat-shrinkable film. **Proceeds**—To repay loans, for additional equipment and inventory; and for working capital. **Office**—928 Broadway, New York City. **Underwriters**—Hill, Thompson & Co. (managing); Hampstead Investing Corp., and Globus, Inc., all of New York City.

● **Virginia Chemicals & Smelting Co. (6/6)**
April 18, 1961 filed 135,000 shares of common stock, of which 50,000 shares will be offered for the account of the company and 85,000 outstanding shares for the selling stockholders. **Price** — To be supplied by amendment. **Business**—The manufacture of industrial chemicals, refrigerants and aerosol insecticides. **Proceeds**—For expansion. **Office**—Norfolk, Va. **Underwriter**—White, Weld & Co., New York City (managing).

Visual Dynamics Corp.
Jan. 12, 1961 (letter of notification) 100,000 shares of common stock (par five cents). **Price**—$3 per share. **Business**—Manufacturers of an audio-visual device for educational and entertainment purposes. **Proceeds**—For general corporate purposes. **Office**—42 S. 15th Street, Suite 204, Philadelphia, Pa. **Underwriter**—Best & Garey Co., Inc., 2520 L St., N. W., Washington, D. C.

● **Vitamix Pharmaceutical, Inc. (4/28)**
March 3, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The issuer compounds, makes, packages and sells ethical and proprietary drugs and vitamins throughout the country. **Proceeds**—For working capital. **Office**—50 51 Lancaster Ave., Philadelphia, Pa. **Underwriter**—Bache & Co., New York City (managing).

Waldorf Auto Leasing, Inc.
March 23, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The rental of automobiles. **Proceeds**—For purchase of automobiles, advertising and sales promotion, and working capital. **Office**—1712 E. 9th Street, Brooklyn 23, N. Y. **Underwriters**—Martinelli & Co., Inc.; First Atlantic Securities Co. and V. K. Osborne & Sons, Inc., all of New York City. **Offering**—Expected in late May.

Walter Sign Corp.
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business** — The manufacture and installation of highway signs. **Proceeds**—For the reduction of debt, sales promotion, inventory and reserves. **Office**—4700 76th St., Elmhurst, L. I., N. Y. **Underwriter**—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

Waltham Watch Co.
March 9, 1961 refiled 100,000 shares of common stock (par $2.50) and $600,000 of 16-year convertible bonds (convertible into common at $6 per share), to be sold initially to stockholders in units of 25 shares of stock and $150 of debentures. **Price**—For the stock: about $8 per share; for the debentures: at par. **Business** — The importing, assembling, manufacturing and selling of watches and jewelry. **Proceeds** — For working capital. **Office**—231 South Jefferson St., Chicago, Ill. **Underwriter**—P. J. Gruber & Co., Inc., New York City (managing). **Offering**—Expected in late April to early May.

● **Warner Brothers Co. (5/15)**
March 29, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of women's foundation garments, men's and women's shirts, sleepwear and paperboard packaging. **Proceeds**—To repay loans incurred for recent acquisitions. **Office**—325 Lafayette St., Bridgeport, Conn. **Underwriter**—Lehman Brothers, New York City (managing).

Washington Gas Light Co. (5/3)
March 29, 1961 filed $15,000,000 of refunding mortgage bonds, due 1986. **Proceeds**—To repay debt and for construction. **Office**—1100 H Street, N. W., Washington 5, D. C. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Equitable Securities Corp.; First Boston Corp.; Eastman Dillon, Union Securities & Co.; Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc., and

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Stone & Webster Securities Corp. (jointly). **Bids**—To be received in room 1106, 1100 H Street, N. W., Washington, D. C., on May 3 at 11 a.m. (DST).

Washington Natural Gas Co. (5/1-22)
March 30, 1961 filed 118,384 shares of common stock and warrants to purchase 3,500 shares. The company plans to offer 114,884 shares for subscription by common stockholders on the basis of one new share for each 10 shares held of record May 1, with rights to expire May 22. **Price**—To be supplied by amendment. **Business**—The distribution of natural gas at retail in the Puget Sound area of Washington state. **Proceeds**—For the repayment of bank loans and for construction. **Office**—1507 Fourth Avenue, Seattle, Wash. **Underwriters**—Dean Witter & Co., San Francisco; Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc., both of New York City.

Washington Real Estate Investment Trust
March 31, 1961 filed 600,000 shares of beneficial interest in the Trust. **Price**—$5 per share. **Business**—For investment in income producing real estate in the metropolitan Washington, D. C. area. **Proceeds**—For investment. **Office**—919 18th St., N. W., Washington, D. C. **Underwriters** — Ferris & Co., Washington, D. C. (managing). **Offering**—Expected in late June.

Watsco, Inc.
April 13, 1961 filed 155,000 shares of common stock, of which 135,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present stockholder. **Price**—To be supplied by amendment. **Business**—The manufacture of valves, strainers and other products for the refrigeration and air conditioning industry. **Proceeds**—For construction; new equipment; advertising; salaries; the repayment of debt, and working capital. **Office**—1020 E. 15th St., Hialeah, Fla. **Underwriter**—Aetna Securities Corp., New York City (managing).

Wayne-George Corp. (5/15-19)
March 22, 1961 filed 80,000 shares of common stock (no par), of which 60,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The design, development and manufacture of digital transducers. **Proceeds**—For repayment of debt, new equipment, research and development, and working capital. **Office**—588 Commonwealth Ave., Boston, Mass. **Underwriter**—Hayden, Stone & Co., New York City.

Webster Publishing Co., Inc.
March 13, 1961 filed 131,960 shares of common stock, of which 80,000 shares are to be offered for public sale by the company and 51,960 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—Publishes textbooks for elementary and high school students. **Proceeds** — To develop program materials designed for use in teaching machines and in other formats, and for working capital. **Office**—1154 Reco Ave., St. Louis, Mo. **Underwriter**—Newhard, Cook & Co., St. Louis (managing).

Welch Scientific Co.
March 20, 1961 filed 545,000 shares of common stoc (par $1), of which 176,000 are to be offered for public sale by the company and 369,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The manufacture and sale of scientific instruments, laboratory apparatus and supplies. **Proceeds** — For working capital. **Office** — 1515 North Sedgwick Street, Chicago, Ill. **Underwriter**—Hornblower & Weeks, New York City (managing). **Offering**—Expected in mid-May.

Western Factors, Inc.
June 29, 1960 filed 700,000 shares of common stock. **Price**—$1.50 per share. **Proceeds**—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. **Office** — 1201 Continental Bank Bldg., Salt Lake City, Utah. **Business**—Factoring. **Underwriter**—Elmer K. Aagaard, Newhouse Bldg., Salt Lake City, Utah.

Western Growth Corp.
March 17, 1961 filed 202,107 shares of class A common stock (par 10 cents), of which 150,000 shares are to be offered for public sale by the company in units of 10 shares each; and 52,107 outstanding shares by selling stockholders after trading commences. **Price**—For the company's stock: $100 per unit. For the selling stockholder: At-the-Market. **Business**—The development of property in California for single-family homes, the investment in notes or contracts secured by single-family homes, and other phases of the real estate business. **Proceeds**—For ordinary expenses, repayment of loans and working capital. **Office**—636 North La Brea Ave., Los Angeles, Calif. **Underwriter**—Reese, Scheftel & Co., Inc., New York City. **Offering**—Expected in late May.

Western Land Trust Fund
March 30, 1961 filed 200,000 shares of beneficial interest in the Fund. **Price** — $10 per share. **Business** — A closed-end real estate investment trust. **Proceeds**—For investment. **Office**—1031 First Western Bldg., Oakland, Calif. **Underwriter**—To be named.

• **Western Reserve Life Assurance Co. of Ohio**
March 1, 1961 filed 120,000 shares of common stock to be offered for subscription by stockholders on the basis of three new shares for each five shares held of record April 18 with rights to expire May 3. **Business** — The company issues and sells life insurance policies in the State of Ohio. **Proceeds**—For expansion. **Office**—1 Union Commerce Annex, Cleveland 14, Ohio. **Underwriters**—McDonald & Co. and Ball, Burge & Kraus, Cleveland. **Note**—This statement was effective April 20.

Williamhouse, Inc.
March 27, 1961 filed 106,000 shares of common stock. **Price** — $6 per share. **Business** — The manufacture and sale of paper products including envelopes, announcements and advertising materials. **Proceeds**—To repay debt and for working capital. **Office**—185 Kent Avenue, Brooklyn, N. Y. **Underwriter**—Robert L. Ferman & Co., Miami, Fla.

Willer Color Television System, Inc.
Jan. 29, 1961 (letter of notification) 80,890 shares of common stock (par $1). **Price**—$3 per share. **Proceeds**—For general corporate purposes. **Office**—151 Odell Avenue, Yonkers, N. Y. **Underwriter**—Equity Securities Co., 39 Broadway, New York City. **Offering**—Indefinite.

Wilshire Insurance Co.
Feb. 17, 1961 filed 313,000 shares of common stock, of which 187,000 will be offered for subscription to stockholders on a share for share basis and the remaining 126,000 shares, together with any of the 187,000 shares not purchased by stockholders, to be offered publicly. **Price**—$5 per share to stockholders and $5.50 per share to the public. **Business**—The writing of workmen's compensation, common carrier liability and automobile (physical damage) insurance. **Proceeds** — To increase capital funds to provide for the writing of additional policies in all lines of its business and to expand its coverage into other classes of insurance. **Office**—5413 West Washington Boulevard, Los Angeles, Calif. **Underwriter**—None. **Note**—This statement was effective on April 18.

• **Wolf Corp. (5/16)**
Feb. 15, 1961 filed 30,000 shares of class A stock. **Price**—$10 per share. **Business**—The company was organized under Delaware law in January 1961 and proposes to engage in the construction, investment and operation of real estate properties. **Proceeds**—For investment and working capital. **Office** — 10 East 40th St., New York City. **Underwriter**—None.

Wonderbowl, Inc.
Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. **Price**—At par ($2 per share). **Proceeds**—To discharge a contract payable, accounts payable, and notes payable and the balance for working capital. **Office**—7805 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Standard Securities Corp., Los Angeles, Calif.

Work Wear Corp.
March 31, 1961 filed 310,604 shares of common stock (par $1), of which 141,925 shares are to be offered for public sale by the company and 168,679 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The manufacture and sale of work clothing, and industrial laundering and garment rental. **Proceeds**—For the repayment of debt and working capital. **Office**—1768 East 25th St., Cleveland, O. **Underwriter** — Hornblower & Weeks, New York City (managing). **Offering**—Expected in late May.

Wrather Corp.
March 29, 1961 filed 350,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The company manufactures and sells Stephens power and sail boats, and various marine and sporting goods manufactured by others. It also plans to acquire the stock of Muzak Corp., Wrather Hotels, Inc., Wrather Realty Corp., Stephens Marine, Inc., and various television film properties. **Proceeds** — For construction, repayment of debt and working capital. **Office** — 270 North Canon Drive., Beverly Hills, Calif. **Underwriter**—Lee Higginson Corp., New York City (managing). **Offering**—Expected in early June.

Youngwood Electronic Metals, Inc.
April 13, 1961 filed 75,000 shares of common stock. **Price**—$4 per share. **Business**—The design, development and manufacture of precision parts or stampings principally used in the semi-conductor industry. **Proceeds**—For the repayment of debt; inventory; research and development, and working capital. **Office**—204 North Fifth Street, Youngwood, Pa. **Underwriters** — Bruno-Lenchner, Inc., Pittsburgh and Amos Treat & Co., New York City.

Yuscaran Mining Co.
May 6, 1960 filed 1,000,000 shares of com. stock. **Price**—$1 per share. **Proceeds**—It is expected that some $100,000 will be used to purchase and install a mill for the processing of ore; $60,000 for rails, ties, rail cars and related equipment; $10,000 for rebuilding roads; $30,000 for transportation equipment; and $655,000 for working capital. **Office**—6815 Tordera St., Coral Gables, Fla. **Underwriter**—None. **Note**—The SEC has challenged the accuracy and adequacy of this statement. On Jan. 5, 1961, the company reported that it is negotiating a merger with another company and that financing plans have been indefinitely postponed.

Prospective Offerings

A. T. U. Productions, Inc.
March 15, 1961, it was reported that this company plans a "Reg. A" filing covering 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds**—To finance production of TV films. **Office** — 130 W. 57th Street, New York City. **Underwriter**—Marshall Co., 40 Exchange Place, New York City. **Registration**—Expected in May.

Acoustica Associates, Inc.
April 11, 1961, it was stated that this company is seeking to acquire other firms with compatible product lines and that equity financing may be needed to finance current expansion program. **Business** — The company manufactures ultrasonic cleaning systems for missile equipment, hospital surgical instruments and the metals industry. It also makes fluorescent lighting fixtures and a product for gauging the level of liquids. **Office**—First National Bldg., Birmingham, Ala. **Underwriter**—Lehman Brothers, New York City.

Alamo Gas Supply Co.
Jan. 24, 1961 it was reported that this company is negotiating for the sale of about $18,000,000 to $20,000,000 of bonds. **Proceeds**—For expansion of facilities. **Office**—San Antonio, Tex. **Underwriters** — White, Weld & Co., New York City and Underwood, Neuhaus & Co., Inc., Houston, Tex.

Alberta Gas Trunk Line Co., Ltd.
Sept. 1, 1960 A. G. Bailey, President, announced that new financing of approximately $65,000,000 mostly in the form of first mortgage bonds, is expected in 1961. **Office**—502-2nd St., S. W., Calgary, Alberta, Canada.

American Export Lines, Inc.
April 11, 1961 it was stated in the 1960 annual report that the company plans to sell about $18,750,000 of FMA insured mortgage bonds to cover 75% of the cost of four new vessels now under construction. **Business**—The company operates passenger and cargo vessels between New York City and the Great Lakes to the Mediterranean and Red Sea Ports, India and Burma. **Office**—39 Broadway, New York City.

American Playlands Corp.
Dec. 21, 1960 it was reported that this company plans to refile a registration statement covering 300,000 shares of common stock. This will be a full filing. **Business**—The company intends to operate an amusement and recreation park on 196 acres of land near Liberty, N. Y. **Proceeds**—For development of the land. **Office**—55 South Main St., Liberty, N. Y. **Underwriter**— M. W. Janis & Co., Inc., New York City.

American Telephone & Telegraph Co. (6/6)
March 15, 1961, the company announced plans to issue $250,000,000 of debenture bonds. **Proceeds**—For refunding a like amount of 5⅜% debentures due Nov. 1, 1986, on or about July 10. **Office**—195 Broadway, New York 7, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Morgan Stanley & Co.; Halsey, Stuart & Co.; First Boston Corp. **Bids**—To be received at the office of the company on June 6.

Appalachian Power Co.
Feb. 1, 1961 it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell $35,000,000 to $40,000,000 of bonds late in 1961 or early in 1962. **Office**—2 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co. and Eastman Dillon, Union Securities & Co. (jointly).

Approved Finance Inc.
Nov. 11, 1960 it was reported by Paul O. Sebastian, Vice-President-Treasurer, that the company is considering a rights offering to stockholders of additional common stock via a Regulation "A" filing, possibly to occur in mid-1961. **Office**—39 E. Chestnut St., Columbus, Ohio **Underwriter**—Vercoe & Co., Columbus, Ohio.

Arizona Public Service Co.
Feb. 8, 1961 it was reported that this company plans to issue about $38,000,000 of bonds in May and some preferred or common stocks in the fourth quarter. The company expects to spend about $320,000,000 on construction in the period 1961 to 1965 of which some $230,000,000 will come from outside sources. **Office**—501 South Third Ave., Phoenix, Ariz. **Underwriters**—To be determined. The last sale of bonds was made privately on March 26, 1959 through Blyth & Co., Inc., and The First Boston Corp. The last sale of preferred stock on June 18, 1958 and the last sale of common (to stockholders on May 24, 1959) was also handled by Blyth & Co. and The First Boston Corp.

Baltimore Gas & Electric Co.
Feb. 21, 1961, F. E. Rugemer, Treasurer, stated that the company is considering the issuance of $15,000,000 to $20,000,000 of non-convertible debentures or preferred stock in the second quarter of 1961 and about $20,000,000 of bonds in late 1961 or early 1962. **Office**—Lexington and Liberty Streets, Baltimore 3, Md. **Underwriters** — (Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co. and First Boston Corp. (jointly); Harriman Ripley & Co., Inc. and Alex. Brown & Sons (jointly). The last sale of debentures was made to stockholders on May 8, 1959 through subscription rights and was underwritten by First Boston Corp., and associates. The last sale of preferred stock on Aug. 13, 1940 was handled by White, Weld & Co., and associates.

Brooklyn Union Gas Co. (6/8)
March 3, 1961 it was reported that this company plans to sell about $20,000,000 of mortgage bonds. **Office**—176 Remsen St., Brooklyn 1, N. Y. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp., and Harriman Ripley & Co., Inc. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; White, Weld & Co.; Blyth & Co., Inc., and F. S. Moseley & Co. (jointly). **Bids**—To be received on June 8.

● Caldor, Inc.
March 15, 1961 it was reported that a full filing will be made soon covering an undisclosed number of common shares. **Price**—$5 per share. **Business**—Operates a chain of discount stores in Northern Westchester and Connecticut. **Office**—Riverside, Conn. **Underwriter**—Ira Haupt & Co., New York City (managing). **Registration**—Temporarily postponed.

California Electric Power Co.
Jan. 18, 1961 it was reported that this company's plans to offer $8,000,000 of bonds will be governed more by the conditions of the money market than by the company's early need for long-term financing. With its 1961 construction program tentatively scheduled at $20,000,000, the company can wait at least until fall before it needs financing. **Proceeds** — For construction. **Office**—2885 Foothill Boulevard, San Bernardino, Calif. **Underwriters**—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Halsey, Stuart & Co. Inc.; First Boston Corp.; Merrill Lynch, Pierce, Fenner & Smith Inc.

Canandaigua Enterprises, Inc.
March 22, 1961 it was reported that this company plans to sell publicly about 40,000 units, each unit to consist of one 7% debenture, 6 common shares and three warrants. **Underwriter**—S. D. Fuller & Co., New York City (managing).

Carbonic Equipment Corp.
Dec. 8, 1960 it was reported that a full filing of about $300,000 of units, consisting of common stock, bonds and warrants will be made. **Proceeds**—For expansion of the business. **Office**—97-02 Jamaica Ave., Woodhaven, N. Y. **Underwriter**—R. F. Dowd & Co., Inc.

Caxton House Corp.
Jan. 24, 1960 it was reported that a full filing of this company's stock, constituting its first public offering, will be made. **Price**—Approximately $3 per share. **Business**—Book publishing. **Office**—9 Rockefeller Plaza, New York City. **Underwriter**—To be named.

Central Hudson Gas & Electric Co.
March 14, 1961 it was reported that the company plans to sell $6,000,000 of preferred stock possibly in the second quarter. **Proceeds** — For expansion. **Office** — South Road, Poughkeepsie, N. Y. **Underwriter**—To be named. The last public sale of preferred in April 1949 was made through Kidder, Peabody & Co., and Estabrook & Co. (jointly).

Central Louisiana Electric Co., Inc.
Feb. 21, 1961 it was reported that the company is considering the issuance of $6,000,000 of bonds or debentures in the latter part of 1961. **Office** — 415 Main St., Pineville, La. **Underwriters**—To be named. The last issue of bonds on April 21, 1959 was bid on by Kidder, Peabody & Co. and Rauscher, Pierce & Co., Inc. (jointly); Salomon Bros. & Hutzler, and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.

● Chicago, Burlington & Quincy RR. (5/4)
April 4, 1961 it was reported that this road plans to sell $4,800,000 of equipment trust certificates. **Offices**—547 W. Jackson Blvd., Chicago, Ill., and 39 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Salomon Bros. & Hutzler and Halsey, Stuart & Co. Inc. **Bids**—To be received on May 4 at 12 noon (CDST) in Chicago.

Cincinnati Gas & Electric Co.
Feb. 16, 1961 it was stated in the company's 1960 annual report that this utility plans to sell both first mortgage bonds and common stock in 1962 to finance its $45,000,000 construction program. **Office**—Fourtin & Main Sts., Cincinnati, O. **Underwriter**—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. and Lehman Brothers (jointly); Morgan Stanley & Co. and W. E. Hutton & Co. (jointly); Blyth & Co., Inc., and First Boston Corp. (jointly); Eastman Dillon, Union Securities & Co., and White, Weld & Co. (jointly). The last issue of common stock (81,510 shares) was sold privately to employees in August, 1960.

Colorado Interstate Gas Co.
Oct. 17, 1960 it was reported by Mr. A. N. Porter of the company's treasury department that the company is awaiting a hearing before the full FPC with reference to approval of its application for expansion of its system, which will require about $70,000,000 of debt financing which is expected in the latter part of 1961. **Proceeds**—For expansion. **Office**—P. O. Box 1087, Colorado Springs, Colo.

★ Columbia Gas System, Inc.
April 24, 1961 it was reported that this company is considering the sale of either $20,000,000 of debentures, or $25,000,000 of common stock in the fall. **Office**—120 East 41st Street, New York 17, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders on the debentures: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly). The last sale of common stock on May 4, 1960 was handled by a group headed by Merrill Lynch, Pierce, Fenner & Smith Inc.; Shields & Co.; R. W. Pressprich & Co., and Carl M. Loeb, Rhoades & Co.

Columbus & Southern Ohio Electric Co.
March 13, 1961 it was reported the company will sell about $10,000,000 additional common stock in late 1961. **Proceeds**—For expansion purposes. **Office**—215 N. Front St., Columbus 15, Ohio. **Underwriter**—Dillon, Read & Co.

Commonwealth Edison Co.
Jan. 10, 1961 it was reported that this company plans to sell $30,000,000 of bonds in the second quarter of 1961. **Office**—72 W. Adams Street, Chicago, Ill. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Kidder, Peabody & Co.; White, Weld & Co.; Blyth & Co., Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc.

Community Public Service Co. (6/7)
Feb. 6, 1961 it was reported that this company plans to sell $5,000,000 of first mortgage bonds. **Office**—408 W. 7th Street, Fort Worth 2, Texas. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Paine, Webber, Jackson & Curtis; First Southwest Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—To be received on June 7. **Information Meeting** — Scheduled for June 5 in the forenoon at 90 Broad St., New York City.

Consolidated Edison Co. of New York, Inc. (6/20)
March 22, 1961 it was reported that this company plans to sell $50,000,000 of 30-year first mortgage bonds. **Office**—4 Irving Place, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Morgan Stanley & Co. **Bids**—To be received at the company's office on June 20 at 11 a.m. **Information Meeting** — Scheduled for June 13 at 10 a.m.

Consumers Power Co.
Feb. 15, 1961 it was reported that this company may sell $20,000,000 of preferred and $30,000,000 of bonds about mid-year. **Office**—212 West Michigan Ave., Jackson, Mich. **Underwriter**—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co. and Shields & Co. (jointly); Harriman Ripley & Co., and First Boston Corp. (jointly); Morgan Stanley & Co. The last sale of preferred stock, on July 21, 1955, was handled by Morgan Stanley & Co.

Delaware Power & Light Co.
Feb. 7, 1961 it was reported that the company has postponed until early 1962 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Sept. 30, 1960, the sale would involve about 418,536 shares valued at about $14,600,000. The last offering of common to stockholders in June, 1956, consisted of 232,520 shares offered at $35 a share to holders of record June 6, on the basis of one share for each eight shares held. **Proceeds**—For construction. **Office**—600 Market Street, Wilmington, Del. **Underwriter**—To be determined by competitive bidding. Probable bidders: Carl M. Loeb, Rhoades & Co., New York; W. C. Langley & Co., and Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co., and Shields & Co. (jointly); Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Diversified Automated Sales Corp.
Nov. 16, 1960 it was reported by Frazier N. James, President, that a "substantial" issue of common stock, constituting the firm's first public offering, is under discussion. **Business** — The company makes a film and flashbulb vending machine called DASCO, which will sell as many as 18 products of various sizes and prices, and will also accept exposed film for processing. **Office**—223 8th Ave., South, Nashville, Tenn. **Underwriter**—Negotiations are in progress with several major underwriters.

Dixie Pipeline Co.
April 17, 1961 it was reported that this firm, recently formed by eight major oil companies, plans to build a 1,100 mile liquified petroleum gas pipeline from Texas and Louisiana to Mississippi, Alabama, Georgia and the Carolinas. It is expected that the multi-million dollar pipeline will be financed in part by the sale of bonds and that it will be in operation by late 1961. **Office**—Tulsa, Okla. **Underwriters**—First Boston Corp.; Morgan Stanley & Co.; Carl M. Loeb, Rhoades & Co.

Dynamic Center Engineering Co., Inc.
Oct. 3, 1960 it was reported that the company plans a full filing of its $1 par common stock. **Proceeds**—To promote the sale of new products, purchase new equipment, and for working capital. **Office** — Norcross, Ga. **Underwriter**—To be named.

Edo Corp.
March 21, 1961 it was reported that this company plans the issuance and sale of $2,000,000 of bonds. **Business**—The manufacturer of electronic equipment, particularly marine, airborne and underwater devices. **Proceeds**—For expansion. **Office**—1404 111 Street, College Point, N. Y. **Underwriter**—To be named.

Empire Fund, Inc.
March 8, 1961 it was reported that the Federal Internal Revenue Service had granted this fund's application for approval of a tax free exchange of shares for Corporate Securities. It is expected that a registration statement covering this "centennial-type" fund will be filed with the SEC shortly. **Office**—Pittsburgh, Pa.

Epoderm Inc.
Jan. 27, 1961 it was reported that the company plans its first public offering of 40,000 shares of common stock. **Price** — $10 per share. **Business** — The manufacture of drugs. **Proceeds**—The research and synthesis of certain hormones that may be helpful in revitalizing dormant hair growth. **Office**—New Jersey. **Underwriter**—M. H. Meyerson & Co., Ltd., 15 William St., New York City (managing).

Exploit Films, Inc.
March 8, 1961 it was reported that this company plans a full filing covering 100,000 common shares. **Price**—$5 per share. **Proceeds**—For the production of TV and motion picture films, the reduction of indebtedness, and for working capital. **Office**—619 W. 54th Street, New York City. **Underwriter**—McClane & Co., Inc., 26 Broadway, New York City (managing). **Registration**—Expected on or about April 1. **Offering**—Expected in late May.

★ Fashion Flair Stores, Inc.
April 27, 1961 it was reported that this company plans to refile on May 1 a "Reg. A" covering 86,350 shares of common stock. **Price**—$3 per share. **Business**—The discount sale to consumers of women's dresses and sportswear. **Proceeds**—For general corporate purposes. **Office**—53 West 36th Street, New York City. **Underwriters**—Ronwin Securities Corp., Staten Island, N. Y., and Security Options Corp., New York City.

Fawcett Publications, Inc.
Jan. 20, 1961 it was reported that this family-owned publishing business is contemplating its first public offering. **Office**—Greenwich, Conn. **Underwriter**—To be named.

First Continental Real Estate Trust
Jan. 6, 1961 it was reported that this company plans to file, at some future date, an SEC registration statement covering 1,500,000 trust shares to be offered for public sale. **Business**—General real estate. **Proceeds**—For general corporate purposes. **Office**—105 West Adams Street, Chicago 3, Ill.

First National Bank of Toms River (N. J.)
March 22, 1961 it was reported that stockholders voted on this date to increase the authorized stock to provide for payment of a 66⅔% stock dividend and sale of 20,000 new shares of common (par $5) to stockholders on the basis of one new share for each 20 shares held of record July 17, with rights to expire Aug. 17. **Price**—About $22 per share. **Proceeds**—To increase capital. **Office**—Toms River, N. J. **Underwriter**—None.

Florida Power & Light Co.
Oct. 24, 1960 it was reported that an undetermined amount of bonds may be offered in the Spring of 1961. **Office**—25 S. E. 2nd Ave., Miami, Fla. **Underwriter**—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc.

Gas Service Co.
April 19, 1961, the company reported that on April 18 stockholders voted to authorize a new issue of 150,000 shares of preferred stock (par $100). The company is considering the sale of between $5,000,000 to $7,500,000 of preferred and may issue some bonds at the same time. **Office** — 700 Scarritt Bldg., Kansas City, Mo. **Underwriters**—To be named. The company has never issued preferred stock, but the last sale of common on April 19, 1954 was handled by Kuhn, Loeb & Co.; Eastman Dillon, Union Securities & Co., Reynolds & Co., and Allen & Co. The last sale of bonds on July 6, 1958 was made privately through Eastman Dillon, Union Securities & Co., New York City and Stern Brothers & Co., Kansas City, Mo.

General Public Utilities Corp.
March 14, 1961 it was stated in the company's 1960 annual report that the utility expects to sell additional common stock to stockholders in 1962 through subscription rights on the basis of one share for each 20 shares held. Based on the 22,838,454 common shares outstanding on Dec. 31, 1960, the offering will involve a minimum of 1,141,922 additional shares. **Office**—67 Broad St., New York 4, N. Y. **Underwriter**—None.

General Telephone Co. of California
Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell about $20,000,000 of bonds in the first half of 1961. **Office**—2020 Santa Monica Blvd., Santa Monica, Calif. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp. and Equitable Securities Corp. (jointly); White, Weld & Co. and Kidder, Peabody & Co. (jointly); Paine, Webber, Jackson & Curtis, and Stone & Webster Securities Corp.

General Telephone Co. of Florida
Feb. 8, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp., expects to offer about $15,000,000 of bonds in November. **Office** — 610 Morgan St., Tampa, Fla. **Underwriters**—Stone & Webster Securities Corp., and Paine, Webber, Jackson & Curtis, both of New York City.

General Telephone & Electronics Corp.
April 19, 1961 stockholders voted to authorize the company to issue up to $100,000,000 of convertible debentures. A spokesman stated that no financing is planned at present, but that the debentures will be available if needed at some future time. **Office**—730 Third Ave., New York 17, N. Y. **Underwriter**—To be named. The last issue of debentures on May 16, 1957 was offered for subscription by common stockholders and was underwritten by Paine, Webber, Jackson & Curtis, New York City, and associates.

Georgia Bonded Fibers, Inc.
Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and New York City.

Georgia Power Co. (10/18)
Dec. 29, 1960 this subsidiary of the Southern Co., applied to the Georgia Public Service Commission for permission to issue $15,500,000 of 30-year first mortgage bonds, and $8,000,000 of new preferred stock. **Proceeds**—For construction, plant modernization or refunding of outstanding debt. **Office**—Electric Bldg., Atlanta 3, Ga. **Underwriters** — To be determined by competitive bidding. Previous bidders for bonds included Harriman Ripley & Co., Inc.; Lehman Brothers; Blyth & Co., Inc., Kidder, Peabody & Co., and Shields & Co. (jointly);

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First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc.; Equitable Securities Corp., Eastman Dillon, Union Securities & Co. (jointly). Previous bidders for preferred were First Boston Corp., Lehman Brothers, Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; and Equitable Securities Corp. **Bids**—Expected to be received on Oct. 18.

● Gluckin (Wm.) & Co., Inc.
April 19, 1961 it was reported that this subsidiary of Essex-Universal Corp., plans to sell about 200,000 common shares. **Business**—Manufactures and sells women's foundation garments. **Underwriter**—To be named.

Gulf Power Co. (12/7)
Jan. 4, 1960 it was reported that this subsidiary of The Southern Co., plans to sell $5,000,000 of 30-year bonds. **Office**—75 North Pace Blvd., Pensacola, Fla. **Underwriter**—To be determined by competitive bidding. Previous bidders included Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Salomon Bros. & Hutzler and Drexel & Co. (jointly); Equitable Securities Corp.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected to be received on Dec. 7, 1961.

Hardeman (Paul), Inc.
April 4, 1961 it was reported that this company plans to sell about 350,000 shares of common stock. **Business**—Electronics. **Office**—Los Angeles, Calif. **Underwriter**—Michael G. Kletz & Co., New York City.

Hawaiian Telephone Co.
March 8, 1961 it was reported that this company plans to sell about $5,000,000 of common stock to stockholders through subscription rights later this year. **Office**—1130 Alakea Street, Honolulu 13, Hawaii. **Underwriter**—None.

Houston Fearless Corp.
Feb. 27, 1961, Barry J. Shillito, President, stated that the company plans to expand its Western Surgical and Westlab divisions into a new national medical and hospital supply concern. He added that 80% of the new firm's stock would be retained by Houston and the remaining 20% sold to the public. **Office** — 11801 W. Olympic Blvd., Los Angeles 64, Calif.

Houston Lighting & Power Co.
Oct. 17, 1960 Mr. T. H. Wharton, President, stated that between $25-$35 million dollars is expected to be raised publicly sometime in 1961, probably in the form of preferred and debt securities, with the precise timing depending on market conditions. **Proceeds**—For construction and repayment of bank loans. **Office** — Electric Building, Houston, Texas. **Underwriter** — Previous financing was headed by Lehman Brothers, Eastman Dillon, Union Securities & Co. and Salomon Bros. & Hutzler.

Idaho Power Co.
Jan. 10, 1961 it was reported that this company plans to sell $10,000,000 of bonds and about $5,000,000 of common in the third quarter of 1961. **Proceeds**—To repay loans and for construction. **Underwriters**—To be determined by competitive bidding. Probable bidders on the bonds: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc.; Lazard Freres & Co., and First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly); Salomon Bros. & Hutzler, and Eastman Dillon, Union Securities & Co. (jointly); Equitable Securities Corp. Probable bidders on the common: Blyth & Co., Inc.; Lazard Freres & Co.; Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith, Inc.

Illinois Bell Telephone Co.
March 31, 1961 it was reported that this subsidiary of A. T. & T., plans to offer stockholders in June the right to subscribe to additional common stock on the basis of one new share for each eight shares held. Based on the 33,525,217 shares outstanding on Dec. 31, 1960 this would amount to about 4,190,652 additional shares valued at approximately $84,000,000. **Office** — 212 West Washington St., Chicago 6, Ill. **Underwriter**—None.

Illinois Terminal RR.
Jan. 16, 1961 it was reported that this company plans the sale later this year of about $8,500,000 of first mortgage bonds. **Office**—710 North Twelfth Blvd., St. Louis, Mo. **Underwriter**—Halsey, Stuart & Co. Inc., Chicago.

Indianapolis Power & Light Co.
According to a prospectus filed with the SEC on Aug. 25, 1960, the company plans the sale of about $14,000,000 of additional securities in 1963. **Office** — 25 Monument Circle, Indianapolis, Ind.

Industrial Gauge & Instrument Co.
Oct. 5, 1960 it was reported that 100,000 shares of common stock will be filed. **Proceeds** — Expansion of the business, and for the manufacture of a new product by a subsidiary. **Office**—1947 Broadway, Bronx, N. Y. **Underwriter**—R. F. Dowd & Co. Inc.

International Parts Corp.
April 17, 1961 it was reported that a registration will be filed shortly covering an undisclosed number of outstanding common shares. **Business**—Manufactures automobile equipment and parts. **Office**—Chicago, Ill. **Underwriter**—H. M. Byllesby & Co., Chicago (managing).

★ Interstate Department Stores, Inc.
April 24, 1961 it was reported that stockholders are to vote May 24 on increasing the authorized common to provide for a 3-for-1 stock split of outstanding shares. The additional shares would be distributed June 23 to holders of record May 29. It was also stated that the company is considering financing to provide additional funds to expand discount store operations. **Office** — 111 Eighth Ave., New York City.

Kansas Power & Light Co.
March 15, 1961 it was reported that this company is considering the issuance of $10,000,000 to $15,000,000 of bonds in the third or fourth qarter of 1961. **Proceeds**—For construction. **Office**—800 Kansas Ave., Topeka, Kan. **Underwriter**—First Boston Corp., New York City (managing).

Laclede Gas Co.
Nov. 15, 1960 Mr. L. A. Horton, Treasurer, reported that the utility will need to raise $33,000,000 externally for its 1961-65 construction program, but the current feeling is that it will not be necessary to turn to long-term securities until May 1962. **Office** — 1017 Olive St., St. Louis, Mo.

Long Island Lighting Co.
Jan. 25, 1961 it was reported by Fred C. Eggerstedt, Jr., Assistant Vice-President, that the utility contemplates the issuance of $25,000,000 of 30-year first mortgage bonds probably in the second or third quarter of 1961. **Office**—250 Old Country Road, Mineola, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp., and Blyth & Co., Inc. (jointly); W. C. Langley & Co. and Smith, Barney & Co. (jointly).

★ Louisville & Nashville RR
April 25, 1961 it was reported that this company plans to sell about $5,300,000 of equipment trust certificates. **Office**—71 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—To be received on May 25 at noon (DST).

Macrose Lumber & Trim Co., Inc.
Dec. 20, 1960, it was reported that this company plans a public offering of about 500,000 common shares (par $1) in early 1961. **Office**—2060 Jericho Turnpike, New Hyde Park, L. I., N. Y.

Masters Inc.
Jan. 6, 1961 it was reported that this corporation is contemplating its first public financing. **Business**—The operation of a chain of discount houses. **Office**—135-21 38th Avenue, Flushing 54, L. I., N. Y.

McCulloch Corp.
Jan. 9, 1961 it was reported that this corporation will schedule its initial public financing for late 1961 or some time in 1962. **Business**—The corporation manufactures Scott outboard motors and McCulloch chain saws. **Office**—6101 West Century Boulevard, Los Angeles 45, Calif.

Metropolis Bowling Centers Inc.
March 13, 1961 it was reported that this company is planning to sell 192,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business**—The company has three bowling alleys in operation in New York City. **Proceeds** — To maintain present properties and acquire other bowling centers. **Office**—72 Park Row, New York City. **Underwriters**—Thomas, Williams & Lee, Inc., and Russell & Saxe, Inc., New York City (managing).

Metropolitan Edison Co.
Feb. 1, 1961 it was reported that this subsidiary of General Public Utilities Corp., plans to sell about $10,000,000 of first mortgage bonds and $5,000,000 of debentures in August or September. **Office** — 2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.

● Metropolitan Food Co.
April 12, 1961 it was reported that this company plans to sell 100,000 common shares. **Price** — $5 per share. **Business** — Food distribution. **Proceeds** — For working capital. **Office** — 45-10 Second Ave., Brooklyn, N. Y. **Underwriters**—Brand, Grumet & Siegel, and Kesselman & Co., Inc., New York City (managing).

Mississippi Power Co. (9/28)
Jan. 4, 1961 it was reported that this subsidiary of The Southern Co., plans to sell publicly $5,000,000 of 30-year bonds and $5,000,000 of preferred stock (par $100). **Proceeds**—For construction and expansion. **Office**—2500 14th St., Gulfport, Miss. **Underwriter**—To be determined by competitive bidding. Previous bidders for bonds were Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. Previous bidders for preferred stock included Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly). **Bids**—Expected to be received on Sept. 28.

Mississippi River Transmission Corp.
Feb. 27, 1961, it was reported that this subsidiary of Mississippi River Fuel Corp., plans to sell about $6,500,000 of debentures or bonds in late 1961. **Proceeds**—For the repayment of bank debt. **Office**—9900 Clayton Road, St. Louis, Mo. **Underwriter**—To be named. The last issue of debentures by Mississippi River Fuel Corp., parent, in March 1958 was underwritten by Eastman Dillon, Union Securities & Co., and associates.

Missouri Edison Co. (6/12)
April 19, 1961 it was reported that this subsidiary of Union Electric Co., plans to sell $2,000,000 of bonds. **Office**—123½ North Fourth St., Louisiana, Mo. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly). **Bids**—To be received on June 12.

Missouri Utilities Co.
April 11, 1961 it was reported that this company plans to sell about 50,000 additional common shares to stockholders in September or October on a 1-for-10 rights basis. **Office**—400 Broadway, Cape Girardeau, Mo. **Underwriter**—To be named. The last five rights offerings to stockholders were underwritten by Edward D. Jones & Co., St. Louis.

★ Mite Corp.
April 27, 1961 it was reported that this company, recently formed through a merger of Teleprinter Co., and Grist Manufacturing Co., plans to sell about 400,000 shares of common stock to raise approximately $5,000,000. **Office**—446 Blake St., New Haven, Conn.. **Underwriter**—Charles W. Scranton & Co., New Haven. **Registration**—Expected about May 15.

Modern Home Construction Co.
April 18, 1961 it was reported that this company is considering a public offering of securities, but the details have not yet been decided upon. **Office**—Valdosta, Ga. **Underwriter**—Harriman Ripley & Co., New York City.

Monroe Mortgage & Investment Corp.
Dec. 12, 1960, Cecil Carbonell, Chairman, announced that this company is preparing a "Reg. A" filing covering 150,000 shares of common stock. **Price** — $2 per share. **Business**—The company is engaged in first mortgage financing of residential and business properties in the Florida Keys. **Proceeds**—To expand company's business. **Office**—700 Duval Street, Key West. Fla. **Underwriter**—None. **Registration**—Expected in May.

★ Monterey Gas Transmission Co.
April 24, 1961 it was reported that Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, and Lehman Brothers, had formed this new company to transport natural gas from southwest Texas to Alexandria, La., for sale to United Fuel Gas Co., principal supplier to other Columbia Gas System companies. It is expected that the pipeline will be financed in part by public sale of bonds. **Underwriter** — Lehman Brothers, New York City (managing).

★ Municipal Investment Trust Fund, Series B and Pa. Series
April 27, 1961 it was reported that a registration will be filed shortly covering $10,000,000 units of Series B and $5,000,000 of the Pa. Series. **Business**—The Series B Trust will invest in tax-exempt state and local bonds in the same manner as Series A. The Pa. Series will invest in tax-exempt bonds of Pennsylvania corporations. **Office**—111 Broadway, New York City. **Sponsor**—Ira Haupt & Co., New York City. **Offering** — Expected about mid-June.

National Airlines, Inc.
April 3, 1961, G. T. Baker, President, stated that the company plans to sell publicly 400,000 shares of Pan American World Airways, Inc., subject to the approval of the CAB and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Price** — About $20 per share. **Proceeds**—To repay a $4,500,000 demand loan, and other corporate purposes. **Office**—Miami International Airport, Miami 59, Fla. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

National Radiac, Inc.
April 11, 1961 it was reported that a "Reg. A" will be filed shortly covering 75,000 shares of common stock. **Price**—$4 per share. **Business** — Manufactures radiation detection equipment. **Office**—Newark, N. J. **Underwriter**—Hardy & Hardy, New York City (managing).

National Semi-Conductor Co.
April 18, 1961 it was reported that this company plans to file a registration statement shortly covering an undisclosed number of common shares. **Office**—Danbury, Conn. **Underwriters**—Lee Higginson Corp., New York City and Piper, Jaffray & Hopwood, Minneapolis, Minn.

New England Power Co.
Jan 24, 1961 it was reported that this subsidiary of New England Electric System plans to sell $20,000,000 of first mortgage bonds. **Office**—441 Stuart St., Boston 16, Mass. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp., and Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc., Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. **Offering**—Expected in October.

New York Central RR. (5/10)
April 4, 1961 it was reported that this road plans to sell about $4,155,000 of equipment trust certificates. **Office**—466 Lexington Ave., New York 17, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc., and Salomon Brothers & Hutzler. **Bids**—To be received on or about May 10.

Northern Illinois Gas Co.
March 22, 1961 it was reported that this company plans to sell about $20,000,000 of common stock through a rights offering to stockholders. **Office**—50 Fox Street, Aurora, Ill. **Underwriters**—To be named. The last rights offering in April, 1954, was underwritten by First Boston Corp., and Glore, Forgan & Co., both of New York City. **Offering**—Expected in June.

Northern Natural Gas Co.
March 15, 1961, the company reported that it expects to raise about $80,000,000 of new money in 1961. Present plans are for issuance of about $30,000,000 of debentures by mid-year and an additional $30,000,000 to $35,000,000 of debentures by year-end. It is also expected that some $12,000,000 to $15,000,000 of common stock will be sold to stockholders through subscription rights in September or October. **Proceeds**—For construction. **Office**—2223 Dodge St., Omaha 1, Neb. **Underwriter** — Blyth & Co., New York City (managing).

Northern States Power Co. (8/8)
Jan. 10, 1961 it was reported that this company plans to sell $20,000,000 of bonds in the third quarter of 1961. **Offices**—15 So. La Salle Street, Chicago 4, Ill.; 15 So. Fifth Street, Minneapolis 2, Minn.; 111 Broadway, New York 6, N. Y. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp. and Blyth & Co., Inc. (jointly). **Bids**—Expected to be received on Aug. 8.

Northwestern Public Service So.
April 3, 1961 the company applied to the FPC for permisison to issue up to $4,000,000 of first mortgage bonds. The company stated that it would sell the full amount if it concurrently redeemed all outstanding $1,500,000 of 5⅞% bonds, otherwise only $2,500,000 of the new bonds would be issued. **Office**—Huron, S. D. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc., and Kidder, Peabody & Co. **Offering**—Expected in September.

Pacific Gas & Electric Co.
March 28, 1961 it was reported that this company plans to offer additional common stock to stockholders on the basis of one share for each 20 shares held. Based on the 17,929,305 shares outstanding on Dec. 31, 1961 this would amount to about 896,465 common shares. **Office**—245 Market Street, San Francisco 6, Calif. **Underwriter**—To be named. The last rights offering on June 17, 1958 was underwritten by Blyth & Co., Inc., New York City.

Pacific Lighting Corp.
Jan. 3, 1961 it was reported by Paul A. Miller, Treasurer that the company will probably go to the market for $30,000,000 to $50,000,000 of new financing in 1961 and that it probably would not be a common stock offering. **Office**—600 California Street, San Francisco 8, Calif.

Pacific Telephone & Telegraph Co.
March 24, 1961 stockholders of this A. T. & T. subsidiary approved a plan to form a new company to be known as the Pacific Northwest Bell Telephone Co. The new concern will acquire the business and properties of the Pacific Telephone-Northwest division which operates in Washington, Oregon, and Idaho. All of the stock of the new company will be owned by Pacific Telephone but "as soon as practicable" it will be offered for sale to Pacific Telephone stockholders at a price to be fixed by the Board of Directors. **Office**—140 New Montgomery Street, San Francisco, Calif. **Underwriter**—The last offering of common stock to shareholders on Feb. 25, 1960 was not underwritten. However, A. T. & T., which owns over 90% of the outstanding shares, exercised its rights to subscribe to its pro rata share of the offering.

Panhandle Eastern Pipe Line Co.
March 8, 1961 it was reported that this company expects to sell about $72,000,000 of debentures in September, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

Pennsylvania Power & Light Co.
April 11, 1961 it was stated in the 1960 annual report that this utility expects to spend $140,000,000 on new construction in the 1961 to 1965 period, of which about $56,000,000 will have to be raised through the sale of securities. However, the company now sees no necessity for the sale of equity securities, but expects to convert its present $35,000,000 of bank loans to long-term debt when securities market conditions are favorable. **Office**—9th and Hamilton Streets, Allentown, Pa. **Underwriters**—To be named. The last four bond issues were sold privately. The last public offering of bonds on Oct. 4, 1945 was underwritten by Smith, Barney & Co.; First Boston Corp.; Dillon, Read & Co., Inc., and associates.

Public Service Co. of Colorado
Dec. 2, 1960, W. D. Virtue, treasurer, stated that company plans the sale of about $20,000,000 of common stock to be offered stockholders through subscription rights in mid-1961. **Proceeds**—For expansion. **Office**—900 15th St., Denver, Colo. **Underwriter** — Last equity financing handled on a negotiated basis by First Boston Corp.

Public Service Electric & Gas Co. (6/6)
March 22, 1961 it was reported that this company plans to sell about 900,000 shares of common stock, subject to the approval of the New Jersey Public Service Commission. **Proceeds** — For construction. **Office** — 80 Park Place, Newark, N. J. **Underwriter** — Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

Rochester Gas & Electric Corp.
Jan. 24, 1961 the company stated it plans to issue about $15,000,000 of 30-year bonds in September. **Proceeds**—For construction. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Bros. & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc.; The First Boston Corp

Science Capital Corp.
April 18, 1961 it was reported that a full filing will be made within a few weeks covering an undisclosed number of common shares. **Business**—A small business investment company. **Office**—Philadelphia, Pa. **Underwriters**—Blair & Co., New York City (managing); Stroud & Co., and Woodcock, Moyer, Fricke & French, Philadelphia.

Shepard Airtronics, Inc.
April 18, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The manufacture of high altitude breathing and ventilation equipment. **Proceeds**—For new product development and expansion. **Office**—787 Bruckner Blvd., Bronx, N. Y. **Underwriter**—L. C. Wegard & Co., Trenton, N. J. (managing).

Silo's Discount House
Jan. 9, 1961 it was reported that this retail chain is contemplating its first public financing. **Office**—Philadelphia, Pa.

Sony Corp.
Feb. 21, 1961 it was reported that this company plans to sell 2,000,000 common shares in the U. S., this summer. A registration statement covering the proposed offering will be filed with the SEC. **Business**—The company is a major producer of electronic consumer goods such as tape recorders, transistor radios and television sets. **Office**—Tokyo, Japan. **Underwriter**—To be named.

Southern Electric Generating Co. (6/15)
Jan. 4, 1961 it was reported that this company, jointly owned by Alabama Power Co., and Georgia Power Co. both in turn controlled by The Southern Co., plans the public sale of $25,000,000 first mortgage bonds due June 1, 1992. **Proceeds**—For expansion. **Office**—600 North Eighteenth St., Birmingham 3, Ala. **Underwriters**—To be determined by competitive bidding. Previous bidders included Merrill Lynch, Pierce, Fenner & Smith Inc., and Blyth & Co., Inc., (jointly); Morgan Stanley & Co., White, Weld & Co., and Kidder, Peabody & Co. (jointly); Eastman Dillon, Union Securities & Co., Equitable Securities Corp. and Drexel & Co. (jointly); First Boston Corp.; and Halsey, Stuart & Co. Inc. **Registration**—Expected about May 8. **Bids**—To be received at 11 a.m. on June 15.

Southern Natural Gas Co.
Oct. 28, 1960 it was reported by Mr. Loren Fitch, company comptroller, that the utility is contemplating the sale of $35,000,000 of 20-year first mortgage bonds sometime in 1961, with the precise timing depending on market conditions. **Proceeds** — To retire bank loans. **Office**—Watts Building, Birmingham, Ala. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co. and Kidder, Peabody & Co. (jointly).

Southern Railway Co.
Nov. 21, 1960 stockholders approved the issuance of $33,000,000 of new bonds. The issuance of an unspecified amount of additional bonds for other purchases was also approved. **Proceeds** — For general corporate purposes, including the possible acquisition of Central of Georgia Ry. **Office**—Washington, D. C. **Underwriter**—Halsey, Stuart & Co. Inc., will head a group that will bid on the bonds.

★ Texas Eastern Transmission Corp.
April 26, 1961 it was stated in the 1960 annual report that this company expects to sell about $85,000,000 of new securities in 1961. Approximately $45,000,000 of this amount was raised on Jan. 17, 1961 through the sale of $30,000,000 of first mortgage bonds and 150,000 shares of 5.52% preferred stock, leaving a balance of $40,000,000 to be obtained later in the year. **Office**—Texas Eastern Bldg., Houston, Tex. **Underwriters**—To be named. The last sale of securities was handled by a group headed by Dillon, Read & Co. Inc., First Boston Corp., and Kuhn, Loeb & Co.

Texas Gas Transmission Corp.
Jan. 11, 1961 it was reported that this company plans to sell $10,000,000 to $15,000,000 of bonds in the third quarter of 1961. **Office**—416 West Third Street, Owensboro, Ky. **Underwriter**—Dillon, Read & Co., New York City.

Thorough-Bred Enterprises, Inc.
March 16, 1961 it was reported that this company plans to sell 85,000 shares of common stock (par 10 cents). **Price** — $4 per share. **Business** — Operates a breeding farm for thoroughbred horses. **Proceeds**—For building a barn, purchasing land and acquiring additional horses. **Office**—Biscayne Boulevard, Miami, Fla. **Underwriter**—Sandkuhl Company, Inc., Newark, N. J., and New York City.

Traid Corp.
Jan. 4, 1961 it was reported that this company is contemplating some new financing. No confirmation was available. **Business**—The company specializes in airborne photo instrumentation and manufactures aircraft motion picture cameras and accessory items. **Office** — Encino, Calif. **Underwriter**—Previous financing was handled by D. A. Lomasney & Co., New York City.

Trunkline Gas Co.
March 8, 1961 it was reported that this subsidiary of Panhandle Eastern Pipe Line Co., expects to sell about $50,000,000 of bonds or preferred stock in September. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing).

Union Electric Co.
Jan. 19, 1961 it was reported that this company plans to sell $20,000,000 to $30,000,000 of preferred in late 1961 **Proceeds**—For expansion of facilities. **Office** — 315 N. 12th Blvd., St. Louis, Mo. **Underwriter** — To be determined by competitive bidding. The last sale of preferred in November 1949 was underwritten by First Boston Corp.; Dillon, Read & Co., Lehman Brothers; White, Weld & Co. and Shields & Co. (jointly); and Blyth & Co.

United Aircraft Corp.
Feb. 15, 1961 it was reported that this company is considering issuance of $50,000,000 of bonds to replace a seven-year term loan. **Office**—400 Main St., East Hartford, Conn. **Underwriter**—To be named. The company has never issued bonds, but its last offering of preferred stock on Sept. 17, 1956 was underwritten by Harriman Ripley & Co., Inc., New York and associates.

Dividend Advertising Notices Appear on Page 24.

Vinco Corp.
Feb. 20, 1961 it was reported that this company plans to sell $2,000,000 of convertible bonds. **Business**—The manufacture of precision parts and subassemblies for aircraft, missile and other industries. The company also produces guages and measuring instruments. **Proceeds**—For expansion and acquisition. **Office** — 9111 Schaefer Highway, Detroit, Mich. **Underwriter**—S. D. Fuller & Co., New York City.

Virginia Electric & Power Co. (6/13)
Jan. 17, 1961 the company announced plans to sell $30,000,000 of first mortgage bonds. **Office**—Richmond 9, Va. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Bros. & Hutzler; Goldman, Sachs & Co. **Bids**—Scheduled for June 13 at 11 a.m. (DST). **Information Meeting**—Scheduled for June 8 at 11 a.m. (DST) at the Chase Manhattan Bank, One Chase Plaza, New York City.

Virginia Electric & Power Co. (12/5)
March 23, 1961, the company announced plans to sell $15,000,000 of securities, possibly bonds or debentures. **Office** — Richmond 9, Va. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Brothers & Hutzler; Goldman, Sachs & Co. **Bids**—To be received on Dec. 5, 1961.

Walter (Jim) Corp.
April 17, 1961 it was reported that this company plans to sell a minimum of $20,000,000 of debentures. **Business**—The company constructs shell homes, provides credit life insurance on home mortgages and operates a chain of small loan companies. **Office**—1500 North Dale Mabry Highway, Tampa, Fla. **Underwriters**—To be named.

West Coast Telephone Co.
April 11, 1961 it was stated in the 1960 annual report that the company plans to spend $12,000,000 for new construction in 1961, most of which is expected to be raised by the sale of securities. **Office**—1714 California St., Everett, Wash. **Underwriter**—To be named. The last sale of bonds and preferred stock in May and July 1960 was done privately. The last sale of common on Sept. 16, 1960 was underwritten by Blyth & Co., Inc., New York City.

West Penn Power Co.
Feb. 10, 1961, J. Lee Rice, Jr., President of Allegheny Power System, Inc., parent company, stated that West Penn expects to sell about $25,000,000 of bonds in 1962. **Office** — 800 Cabin Hill Dr., Hempfield Township, Westmoreland County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co.; Lehman Brothers, Eastman Dillon, Union Securities & Co. and First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly).

Western Union Telegraph Co.
Feb. 28, 1961 it was reported that the FCC has approved the company's plan to transfer its Atlantic cable system to a newly organized company, Western Union International, Inc. The plan provides for the issuance by Western Union International of about $4,000,000 of subordinated debentures and 400,000 shares of class A stock to be offered to stockholders of Western Union Telegraph Co. in units of $100 of debentures and ten shares of stock. In addition, American Securities Corp., New York City, would purchase from Western Union International about 133,000 additional shares of class A stock giving American Securities ownership of approximately 25% of the outstanding class A stock of WUI. Then Western Union Telegraph would purchase 250,000 shares of class B stock for $100,000 and WUI would sell $4,500,000 of debentures or bonds. **Office**—60 Hudson St., New York City. **Underwriter**—American Securities Corp. (managing).

Wisconsin Power & Light Co.
Jan. 19, 1961 it was reported that this company plans to sell about $6,500,000 of preferred stock in the third quarter of 1961. **Proceeds**—For expansion. **Underwriters**—The last sale of preferred stock in May, 1958 was handled by Smith, Barney & Co., New York and Robert W. Baird & Co., Inc., Milwaukee (jointly).

Wisconsin Southern Gas Co.
Dec. 12, 1960 it was reported in a company prospectus that an undetermined amount of capital stock or bonds will be sold in 1961-1962. **Proceeds**—For the repayment of short-term bank loans incurred for property additions. **Office**—Sheridan Springs Road, Lake Geneva, Wis. **Underwriter** — The Milwaukee Co., Milwaukee, Wis. (managing).

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL

WASHINGTON, D. C. — The United States Government today is the biggest business in all the world. It spends about $100 billion a year. This represents the budget expenditures, plus social security and some other things not incorporated in the budget.

This brings up a question that is being asked more and more: Why is there a wave of conservatism sweeping across the nation's campuses of higher learning?

Certainly it is not because the professors and instructors of the colleges and universities have started teaching conservatism. Perhaps most of them, regardless of the school where they teach, are liberal in their academic philosophies.

The real reason for the wave of conservatism probably comes from the homes of the college and university students. The mothers and the fathers of these students have begun to realize that their sons and daughters are being shouldered with the biggest debt the world has ever known.

Realism Ignored

Unfortunately for the United States Government, particularly since the Administration of President Franklin Delano Roosevelt, there have been too many starry-eyed college professors scattered through the executive branches of the government.

President Kennedy has augmented the ranks by the dozen for policy-making positions. Of course some of them come to Washington and do a splendid job for their government, but too many of them have plans—on paper—that will solve our problems, only on paper.

The hypothetical plans look good from a distance, but they fail to measure up many times from a practical standpoint.

Perhaps it is superfluous to point it out, but parents of this country want their children and grandchildren to have the best advantages possible. For this reason many sacrifices are made down through the years.

It is because the debt of our governments—local, state and Federal—is getting bigger and bigger, that many parents are pointing out to their children that they will have to make substantial sacrifices to help pay the mounting costs of operating governments at all in the future.

Washington Calls the Tune

Why is the United States Government the biggest business in the world? It employs 2,400,000 civilian employees, and has 2,500,000 service men under arms. It has 2,283 agencies of various kinds, and owns millions and millions of acres of land.

Unfortunately, as it has been emphasized here before, the lives of the American people are being controlled more and more from Washington. The advocates of centralization of power are getting more control over the people through grant-in-aid programs.

There are about 100 grant programs already in effect. One of the biggest and most influential programs under consideration is the Federal-aid-to education legislation. Certainly, the Federal Government already contributes a great deal in Federal funds for educational programs of various kinds.

However, the pending proposal for teachers' salaries and for classrooms construction is a foot-in-the-door proposition that would have far-reaching effect.

More to Come

Some of the other pending measures that would affect millions of Americans are proposals to create a Department of Transportation, Department of Housing and Urban Renewal, a new Civilian Conservation Corps, a GI bill of rights for peacetime veterans, a new minimum wage law, increased foreign assistance, and a depressed areas measure which has passed both houses.

While American parents are pointing out to their children the colossal public debt hung around their necks, a small percentage of them apparently are beginning to point up this debt to their Congressmen.

A South Carolinian, Senator Strom Thurmond, said recently that the public debt currently stands at about $358 billion, or more than $10,000 for every family in the United States. The major portion of the debt is that of the Federal Government, which is in excess of $288 billion or about $8,745 per family unit and about $1,598 per man, woman and child in this country.

Some of the spending advocates in the Federal Government, and some of the liberals in Congress, lightly dismiss the public debt, by saying: "We owe the debt to ourselves."

But that is not altogether accurate. There are a number of foreign governments and agents of foreign governments who have been buying United States Government bonds for years.

A substantial part of every dollar earned by the workers of this country goes to paying the interest and retirement of the debt owed by the local, state and national governments.

The breakdown on who loaned the $288 billion to the national government recently showed: commercial banks, $55.6 billion; insurance companies, $11.8 billion; mutual savings banks, $6.6 billion; other corporations, $20.9 billion; state and local governments, $17.7 billion; United States investment accounts, $55.3 billion, and miscellaneous investors, $22 billion. The balance is in unpaid obligations.

Defense Costs Not the Sole Answer

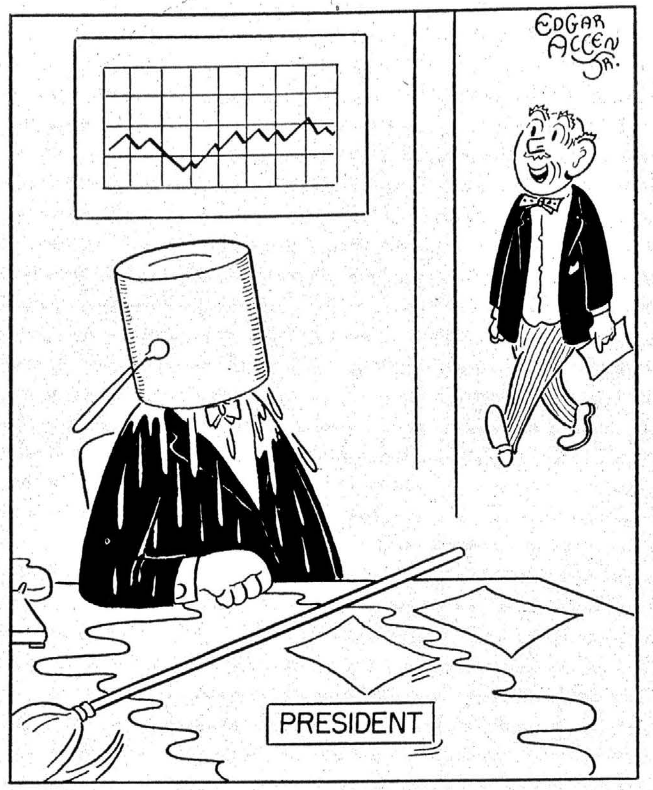
Senator Thurmond, who is a member of the Senate Armed Services Committee and the Senate Interstate & Foreign Commerce Committee, has made a broad study of our national debt. He points out that while a large part of the national debt was rolled up in World War II and the Korean War, we have made no headway in reducing the debt. During the past decade, personal income in this country increased about 83%, while the population rose less than 20%.

Despite the increased personal income per capita, however, the national debt not only has not been decreased, but it has actually risen by 14%.

"Many try to excuse our failure to at least pay-as-we-go, on the grounds . . . we must spend whatever is necessary to maintain our defense forces in these tense times," said the South Carolinian. "Indeed we must keep strong at all costs, but we can't blame the increased debt on defense. Between 1954 and 1960, annual major national defense expenditures declined $1.3 billion, while total expenditures of the national government increased $19.4 billion.

"Do we Americans, as Mark Twain charged, have two sets of morals, one for private lives and conduct, and another for public conduct? Individually we would not sell our child or grandchild into bondage for a few years of his life to pay for our daily wants. Indeed, the thought is revolting to us. Is it less of a moral outrage when we do it collectively through the agency of government?"

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



"Hear about the porter making a killing in the market, J. C.?"

Hayden, Stone Co. To Admit Two

The investment banking firm of Hayden, Stone & Co., members of the New York Stock Exchange, has announced that Joseph A. Field, Jr. and Lloyd C. Young will join the firm as general partners, effective May 1. Mr. Field has been associated with Hayden, Stone & Co. since February, 1960, and Mr. Young has been a partner with Lester, Ryons & Co.

Mr. Young is a former Governor of the New York Stock Exchange and the Pacific Coast Stock Exchange. He is a former Governor, Vice-President and committee member of the Association of Stock Exchange Firms.

Mr. Young will be located in a new Hayden, Stone office expected to be opened in the downtown metropolitan area of Los Angeles and will work with the Regional Manager in the over-all supervision of the six Southern California Hayden, Stone & Co. offices.

Mr. Field was formerly associated with Hemphill, Noyes and will be a Resident Partner in the Sherman Oaks, Calif. office of Hayden, Stone & Co.

Mr. Young entered the securities business in 1927 with E. F. Hutton & Co. Mr. Field started in the financial business in 1946 in Beverly Hills.

New Putnam Branch

WEST HARTFORD, Conn.—Putnam & Co. has opened a branch office at 1000 Farmington Ave., under the management of Kenneth M. White.

A. G. Tate Opens

(Special to THE FINANCIAL CHRONICLE)

MENLO PARK, Calif.—Allan G. Tate is engaging in a securities business from offices at 460 Claremont Way.

Woodcock, Moyer Branch

ARDMORE, Pa. — Woodcock, Moyer, Fricke & French, Inc. have opened a branch office at 105 Coulter Avenue, under the management of Charles A. J. Gachot, Jr. Mr. Gachot was formerly local manager for Spear, Leeds & Kellogg.

COMING EVENTS

IN INVESTMENT FIELD

April 29-May 3, 1961 (Richmond, Va.)
National Federation of Financial Analysts Societies 14th annual convention at the John Marshall Hotel.

May 1-3, 1961 (Philadelphia, Pa.)
National Association of Mutual Savings Banks 41st annual conference at the Penn-Sheraton Hotel.

May 4-5, 1961 (Nashville, Tenn.)
Security Dealers of Nashville Annual Spring party—dinner May 4 at the Hillwood Country Club, outing May 5 at the Belle Meade Country Club.

May 8-9, 1961 (St. Louis, Mo.)
Association of Stock Exchange Firms — Spring meeting of the Board of Governors.

May 19, 1961 (Baltimore, Md.)
Baltimore Security Traders Association 26th annual spring outing at the Country Club of Maryland.

May 19, 1961 (New York, N. Y.)
STANY Glee Club 7th annual dinner dance at the Waldorf-Astoria Hotel.

June 2, 1961 (New York City)
Bond Club of New York annual outing at Sleepy Hollow Country Club.

June 8, 1961 (Cedar Rapids, Iowa)
Iowa Investment Bankers Association annual Field Day at the Cedar Rapids Country Club (preceded June 7 by a cocktail party and dinner reception at the Roosevelt Hotel).

June 15, 1961 (New York City)
Investment Association of New York annual outing at Sleepy Hollow Country Club.

June 22-25, 1961 (Canada)
Investment Dealers Association of Canada annual meeting at Jasper Park Lodge, Jasper, Alta.

Oct. 9-10, 1961 (Denver, Colo.)
Association of Stock Exchange Firms, Fall meeting of Board of Governors at the Brown Palace Hotel.

Oct. 15-18, 1961 (San Francisco, Calif.)
American Bankers Association annual convention.

Oct. 16-20, 1961 (Palm Springs, Calif.)
National Security Traders Association Annual Convention at the Palm Springs Riviera Hotel.

Nov. 26-Dec. 1, 1961 (Hollywood, Fla.)
Investment Bankers Association Annual Convention at Hollywood Beach Hotel and the Diplomat Hotel.

Dec. 4-5, 1961 (New York City)
National Association of Mutual Savings Banks 15th annual mid-year meeting.