Inflation Fears Are Unjustified Despite Continuing Budget Deficits

By Hon. Douglas Dillon,* Secretary of the Treasury

Statement defends the need for an anticipated $3.7 billion Federal deficit in the coming fiscal year of expected economic recovery, and reassuringly denies this combination will set in motion the forces of inflation. Mr. Dillon claims present plans do not call for emergency programs to stimulate the economy; invites those who fear the Administration's fiscal policies to help bring about higher postal rates; and explains what should be done to avoid a period of unmatched prosperity. Average GNP for 1961 is estimated at almost $515 billion and $555 billion in 1962.

The state of our Nation's finances is currently the subject of considerable public debate. So is the fiscal outlook for the future. Perhaps I can make a useful contribution to this discussion by setting forth the Treasury's views on these and related matters.

At the outset, let me say that I believe we have four basic national economic goals. I further believe that they must all be pursued simultaneously.

First, we need a recovery that grows steadily and rapidly.

Second, we need an improvement in the standard of living and an end to the poverty of the past. That is essential to the realization of our second objective, which is full employment for our steadily expanding labor force. We cannot tolerate the levels of unemployment that have characterized the past few years.

Our third goal is reasonable price stability. This has always been important in protecting pensioners and others on fixed incomes. It is doubly important today. For we cannot keep our international payments stable if we are competitive in foreign markets. At the very least, this calls for price stability and the reflection in price cuts of some portion of our annual increases in productivity.

Our fourth goal is a tax system which assesses the tax burden fairly and reasonably in accordance with ability to pay.

The achievement of these goals should, in turn, put a budget surplus that would permit us to reduce our national debt and to provide funds for the expansion of private business and industry. For when the economy is growing steadily and rapidly, with unemployment reduced to acceptable levels, the retirement of our national debt places tax money in the hands of investors—money which they can and will use for further investment in the private sector.

Can't Control the Economy

Unfortunately, as I have said on an earlier occasion, we have not yet mastered the art of maintaining steady growth at full capacity. Our economy is still plagued by ups and downs. Although we have made substantial progress in terms of preventing major depressions, they still suffer periodically from periods of recession when growth slows to a crawl and unemployment mounts rapidly. However, although we still have a great deal to learn on the preventive side, we have learned how to alter a decline and how to inflate recovery by using the "automatic stabilizers" we have built into our economy. It is largely thanks to these "stabilizers" that our recessions of the past decade have been so much more moderate than the wrenching depressions of pre-World War II days.

These "automatic stabilizers" so generally credited with softening our recent economic declines, are:

First, an automatic and rapid decrease in tax yields, as corporate profits and employment decline.

Second, a prompt build-up of unemployment compensation and other benefits as jobs grow harder to find.

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(Continued on page 25)
The Security I Like Best...

A continuous form in which, each week, a different group of exports is the investment and residual field of the country participant and give their reasons for favoring a particular security.

Michael Burke

ANALYST SUGGESTED

Guilts Industries

Guilts Industries, Inc., incorporated in 1942, has been described elsewhere in this issue for a "bead" factor and this appellation is indeed a perfect characterization of the company. It is essentially a scientific personnel, and it has developed a diverse product line ranging from piegnotic ceramics to the "Life Line" recharging and alert flash-light. This wide diversification of products, rather than being a handicap, seems to be a disadvantage to the manufacturer. It gives a wide variety of products and quantities, and is thus able to sell its products. In fact, as a common denominator of the products, "Guilts Industries integrates raw materials and research to give you Products plus Quality with products the variable, but quality is constant." Direct contact with the company and its markets makes it apparent that this is more of a philosophy than a mere slogan.

The company's organization consists of a group of autonomous divisions primarily by wholly-owned subsidiaries which produce automated systems, plastic, electronic components, including thermostat capacitors and insulation materials, transistors, power supplies and vibration and acceleration transducers and equipment. Plants are located at Metuchen, N.J., Albuquerque, N.M., Hartford, Calif., and Canada, Canada.

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GULTS INDUSTRIES

These figures do not include research expenditures of government contract. They are show the figures below:

Bar兴

Bar兴

The company's philosophy is truly outstanding and has resulted in one of the lowest turnover rates of any engineers, scientists and technicians. The Gulp's employee policy is the ratio, rather than the exception. The company offers a program for innovation. The current program is a meaningful and allows a person a feeling of identity in the company. It gives the person a feeling of development and success with the product and awards a personal satisfaction that is not usually substantiated by offers of more money from other firms.

Since the major criteria for employment, the productivity and the aged people who work our society, our products are being developed for the product line.

Highlights of fiscal 1961 included the acquisition of Systems Research Corp., Minolta, N.Y., specialists in data processing and computer programming, and the electronic data processing system of Multivac Division of Electrical Machine of the General Electric Co. (a subsidiary of Worthington Corp.) of Los Angeles. In 1961, products developed last year included: Automatic physical monitoring of the human body; a medical diagnostic aid and use for Air Force space research programs; a light-weight accelerometer and accompanying airframe structure for missile tests; and all new range of digital circuits and computer analyzers, data analyzers for telescopes, scientific research for industry, and military; and a ultra-lightweight ceramic in submarine as well as for municipal water supply systems.

Of the many fatigue features of Guilts, the two I find most interesting are the large sums spent on research and development in relation to sales volume and the highlighted personal policies employed by management which have the highest percentage of non-Dell and highest percent income. The very large R & D. expenditures cannot be shown by the figures below:

Bar兴

Bar兴

The new development program, both new and existing, is a major factor in the company's policy of keeping its product line competitive with the latest advances in technology. The company believes that it has achieved a balance between the cost of developing new products and the need for maintaining existing products at a competitive level.

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Y. Gulton

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New York, N.Y.

DAVID NORR

Analyst, Anchorage & Co.

New York City

Walter E. H. Co.

Walter E. H. Co. has increased its pan share earnings annually for 700 clients. These earnings should increase 10% this year to $3,500 and there is no reason why profits should not continue to prove the trend in the years ahead. The stock is no longer a shill of price at $7. The 2 3/4 times anticipates 1961 re-sale Quality, and a stock minimum, I would recommend the stock to top 10% yearly in value in line with earnings and some further increase in the multiple.

Operations

Heller provides financial services to businesses; the company lends money on the security of accounts receivable or other assets such as inventory or equipment. Clients are generally small businesses, unable to qualify for the bank credit they need. There are a number of factors that influence the ultimate competitiveness of the accounts receivable.

(1) Loans secured by accounts receivable. These loans are primarily made to 90 clients, with an annual payment of 30 days. Each client must be 100% paid, either in full or in part, within 30 days. These clients are generally small businesses, unable to qualify for the bank credit they need. There are a number of factors that influence the ultimate competitiveness of the accounts receivable.

(2) Factored accounts. In this type of Heller purchases the receivables and assumes the burden of any losses.

(3) Installment receivables. These are loans secured by receivables. The payment is due to be paid over 12-36 months. These might arise from the purchase of road building machine, laundry equipment, and vending machines.

(4) In connection with some loans against receivables, inventory and equipment may also be used as security.

(5) Rediscouts. Advances on other finance companies secured against installment paper and small loans.

Activities have recently been expanded — geographically, to include Florida, Canada, and foreign areas, as well as fully to embracing equipment leasing.

It is basic to note that the growth of the field is somewhat as financing as it is called, since the growth in bank loans, personal loans, or automobile loans.

1960 automobile paper increased 8%, personal loans 12%.

Continued on page 26
Today's Speculative Cycle
And Role of Government

By B. K. Thurlow, Vice-President and Treasurer of Winslow, Cohn & Stetson Incorporated, New York City

Answer of speculative cycles uncomfortably views government excesses and distortions he avers are dangerously built into the end of the speculative boom in common stocks; denies government's stimulation of the bull market beyond its life expectancy when it runs into troubles and rejects as "pure moonshine" the doctrine of inevitable stock price and earnings rise in the decade ahead. The author comments on present attempts to talk speculation out of existence, and he was told that the Treasury Department has been considering a scheme whereby the government would grant a forgiveness period from capital gains taxes if the presents are raised in a non-bailable 15% government bond of long—no—or—naturally. Mr. Thurlow deprecates this "Malthusian plan, and the government's control over free economic forces.

I suppose the awareness of stock market cycles has existed more or less vaguely since the collapse of the South Sea Bubble. I doubt that many would have thought of it in just those terms, but Washington Irving, writing a hundred years or so after the event about the Mississippi Bubble, made some shrewd Yankee observations that contain the real substance of much that has been written since on the subject of less gifted and more learned writers. Irving's basic idea came to him as he was watching a long, carefully constructed and designed voyage. He tried out his esthetic enthusiasm, and his ship's captain, who merely shook his head soundly and said this kind of hokum could only be a "weather prophet" or a "weathercock," enough by the middle of that night, all had lost their interest.

Irving drew the analogy between this scene and those "times of unexampled prosperity" which are the sure weather breeders of trafficking. "Every now and then," he writes, "the world is visited by "one of those deflating seasons when the credit system as it is called, expands to full luxuriance; everybody trusts everybody; a bad debt is a thing unheard of; the broad way to credit and golden wealth lies plain and open; and men are tempted to dash forward boldly from the face of honest toil... All, to be sure, as yet exists in promise: but the believer in prosperity calculates the aggregate as solid capital, and falls back in amazement at the amount of public wealth in an unexampled state of public prosperity."

"Could This Delusion Always Last?"

"Now is the time for speculative or dreaming or designing men. They relite their dreams and projects to the ignorant and credulous, dazzle them with golden visions, and set them making after shadows. The example of one stimulates another; speculation raises on speculation; bubble rises on bubble; everyone helps with his breath to swell the windy superstructure of parade and wonders at the magnitude of the inflation he has contributed to reduce. Could this delusion always last, the life of a merchant would indeed be a golden dream; but it is as short as it is brilliant. Let but a doubt occur, and the season of unexampled prosperity is at an end. The coinage of words is suddenly averted; the promissory capital begins to vanish into smoke; a panic succeeds, and the whole superstructure, built upon credit and reared by speculation, crumbles to the ground, leaving scarce a wreck behind: 'It is such stuff as dreams are made on.'"

From Mr. Charles Mackay's excellent "Memoirs of extraordinary popular delusions and Madness in Crowds" written a generation after Irving's time, but still before the 1929-32 debacle, we are all fairly familiar today with the major characteristics of the speculative cycle as it has existed for other people at other times. There is scarcely one of us today, for whom who would expect to be caught in the Florida land boom as of 1928 or long of common stocks as July 1929, but when we turn our attention to the present situation, it suddenly seems quite different. There are many people today who have suspected the imminent top of the great postwar speculative cycle as being here ever since 1966, just as there are many (and among these some highly respected professionals who determine policy for institutions) who believe modern society has made old-fashioned all-encompassing speculative cycle obsolete. The differences in opinion in this question are ably summed up on both sides and many billions of dollars are at stake in the ultimate decisions as to which side is finally proven right.

Intellectually as well as materially many are interested in this question of speculative cycles. They relite their dreams and projects to the ignorant and credulous, dazzle them with golden visions, and set them making after shadows. The example of one stimulates another; speculation raises on speculation; bubble rises on bubble; everyone helps with his breath to swell the windy superstructure of parade and wonders at the magnitude of the inflation he has contributed to reduce. Could this delusion always last, the life of a merchant would indeed be a golden dream; but it is as short as it is brilliant. Let but a doubt occur, and the season of unexampled prosperity is at an end. The coinage of words is suddenly averted; the promissory capital begins to vanish into smoke; a panic succeeds, and the whole superstructure, built upon credit and reared by speculation, crumbles to the ground, leaving scarce a wreck behind: 'It is such stuff as dreams are made on.'"

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On the Front Page

The question of whether the "investment advice" given by investment advisors represents an area of securities regulation that has become a topic of interest.

The first installment of the tightening rules, relating to the practice of "complementary, or manipulative" practice, is now being enforced. Regulation of the SEC's new program, the "Leakage" study—of the cure for the past achievements is now ambiguous. Clarification and change will be made, to permit, particularly in the case of the new data on request.

We observe that the SEC's advertising rules could facilitate the advertisement of the Federal Trade Commission—on at least in the book field, where the SEC's party is not to be found. Meanwhile, what is the market's view toward the "growing" stock option?

The RE-KENNEDY COMMISSION

The Commission seems to be on the way to broadening in both the immediate and long-term perspectives. It is clear that the SEC has been conscious of the problem, and in the midst of the investigations, it has been involved with consideration of the "stock option advice" over the glamorous territory.

We observe that the SEC's party is the only one that would have been needed to make adviser curbs effective.

We observe, however, that the SEC is expected to review these proposals reported by the Advisory Committee, which will be in charge of the special study—of the SEC, and the Commission's new program, the "Leakage" study, is regarded as necessary.

The Mutual Funds, in their various aspects, have been thoroughly going over, from one side of the Commission to the other, now being initiated by the SEC, and in the midst of the investigations, it has been involved with consideration of the "stock option advice" over the glamorous territory.

We observe that the SEC is expected to review these proposals, which will be in charge of the special study—of the SEC, and the Commission's new program, the "Leakage" study, is regarded as necessary.
Oil well activity is now running ahead of last year. Although tank plate shipments continue to lag, this is more a problem of tight inventory control rather than any weakness of basic demand. Can shipments are running ahead of last year, and although steel companies are bearing an added cost of holding large tankplate inventories.

Regional factors are also important in the steel demand, however. The Midwest and West are feeling a much stronger general demand than other areas.

In the important automotive sector, the Iron Age says: "For July delivery are down from June, but still much better than the monthly average for the first quarter. Much of the July tonnage is on a rush basis, as automakers round out their final 1961 model runs.

August is running ahead of both May and June, at comparable advance dates, for almost all sheet products except hot-rolled. Several auto companies have placed good orders for the first two weeks of August. The real automotive pickup will not come until September, or whenever auto labor contracts are signed."

In spite of the good automotive orders, the implications for August, automakers are not likely to launch full production runs until after the August 17th. The reasoning here is simple: Automakers would not want to hold on to inventories of more than 100,000 cars, that have not yet been shown to the public, through out a strike.

The July slump now looks to be less serious than was expected. The magazine bases this on indications from Detroit of strong deliveries, and general orders that have put July in a stronger position than was seemed likely a week ago.

The August upturn is expected to continue through September, assuming automakers and the United Auto Workers settle their contract negotiations without a strike or work disruption. The magazine cautions September orders for steel by automakers will be affected by negotiation at the Aug. 31 deadline approaches.

Although auto steel orders are the strongest single factor in the summer steel trend, there are other elements involved.

Tubular products should remain steady, at least through most of the third quarter, while the possibility of labor disturbances in the third quarter offer forces to temper any over-optimism.

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Our Foreign Aid Program Faces Its Greatest Challenge

By Hon. Jacob J.avis*, United States Senator (R.N.Y.)

Net since World War II we have faced a great foreign aid challenge as we do today. In making this grave warning, Senator at last his problems and efforts to get Congress recommending the "systems management" approach to underdeveloped countries similar to our mixed private enterprise-government projects used to develop private enterprise programs. He also praises the start by consortiums in Brazil, Bolivia and India. The new concept of aid, he concludes, calls for integration of programs of multinational, private and public assistance.

In the Congress and before the people of the United States, the U.S. foreign aid program is facing this year's greatest challenge of its 15-year history.

Our capability for effectively applying the less developed area of the free world is only one instrument we now have to deal more marked superiority in the Communist bloc. In the area where we must mass our means to cause a breakthrough for freedom, we must seize the initiative from the Communist bloc and where we must halt any further deterioration of the free world's position.

Two new principles of action are essential to the successful operation of the foreign aid program:

1. The technical and managerial talents of the private economic system of the donor and recipient nations must be combined with governmental administration in both the donor and recipient nations.

2. The Western European industrialized nations, Canada and Japan, must make a more effective contribution to the development programs, to which U.S. foreign aid is directed.

Favors 15% of GNP Formula

Nationalization of the Federal Republic of Germany and Italy— which were tied to their present stronger economic position by our past Marshall Plan and other aid, and which now, with poorer countries could well join the U.S. in contributing as much as 1% of their combined gross national product a year to this effort. Such

A contribution would add $4 billion a year to the development assistance program—则 the three annual amount of official assistance during recent years. This additional aid might make the difference between success or failure in these activities. And a good deal of this added aid could be promptly utilized, for example, to augment our "Alliances for Progress" program in Latin America.

To accelerate the resources made available for foreign aid in this fashion would be the greatest long-term contribution which could be thrown into the cold war struggle since the Vienna summit conference of President Kennedy and Chairman Khrushchev.

Human and Non-Human Facilities

The full utilization of this accelerated contribution of resources requires the establishment of economic development facilities—large-scale area projects in involving the provision of electric power, drinking water, manufacturing trade and financial institutions, as well as small-scale individual endeavors of this nature. These facilities must be staffed by the technical and managerial talents of individuals from the private economy—including management, labor, agriculture, foundations, educational institutions and voluntary organizations—and public servants of the United States, elite industrialized nations, and also the recipient countries.

This systems management approach to foreign aid has enjoyed such great success in the past 15 years that it is time to make projects to develop many of the same military weapons systems for U.S. and U.S. allies in recent years—must be applied to the economic development problem of the developing nations.

The current challenge to the U.S. foreign aid program should assume its greatest magnitude at a time when the basic concept of the program must undergo a radical and long overdue change, and that the fact that we now have a chance to bear upon the future shr. of the cold war that in the past five years of important years to overshadows to past successes, we cannot achieve the long-term economic advance of Western Europe; we cannot equalize the wage in South Korea with the democratic growth of Indonesia, and cannot utilize the pocketbook of Argentina's most particularly involved in another another equation: $6 billion spent for foreign aid in the U.S. defense budget equals the one-year defense budget of $6 billion for 1961. However, with the United

WESTERN EUROPE

The situation in Western Europe, without the aid of the United States, would be even worse. For example, without the aid of the United States, the economic growth of the United States is peculiarly fortunate because its successful operation and its ideological gesture are no longer alone in this good fortune. Others share it and we must share it with our capability to contribute with theirs.

A Start Made by Commercial Bankers

In Brazil and Bolivia, with U. S. leadership, European and Japanese banks are now providing their governments, are forming a "Brazilian Monetary Fund and the Inter-American Development Bank," in order to support the economic system and develop the economic growth of the Latin American nations. But even this is a partial answer to the need of meeting the economic problems of Latin America as a whole. It has been estimated that the $400 million annual public sector deficit for recent years into Latin America will have to be increased to between $1.5 and $2.5 billion per year over the next five years. However, it was estimated that by 1975 the gap between private economic potential and Latin America's economic growth is expected to go from four billion dollars a year to seven billion dollars a year.

The key to the economic progress of Latin America, of course, in greater productive capacity—An increase of growth in new and normal development in which can only result in a greater increase in the standard of living for all.

Commercial banks in their ability to marshal the nation's financial resources and applicable to into productive use will be of telling importance in achieving this goal.

Billions Depend on Productivity

There is much to be done at home as well as abroad if the several billion people who live on an annual pocketbook of $132 billion, to better themselves. Billions of dollars.

The key to economic progress in Latin America, of course, in greater productive capacity—An increase of growth in new and normal development in which can only result in a greater increase in the standard of living for all.

The need for productive use of foreign aid is more than ever necessary for cooperation and action and how it is beginning to be met can be found in the case of India. There, a consortium of six nations, Canada, France, West Germany, Japan, the United Kingdom and the United States, is performing with the International Bank for Reconstruction and Development (IBRD) and the U.S. Agency for International Development's (AAID) a two-country joint program of assistance amounting to $3.2 billion to help India meet the goals of the its five-year plan which begins this year.

Yet again, all of this represents only a start both for the nations receiving foreign aid, and for the rest of the emerging nations. If we look at one example of a need which we can begin to fill in this manner is the problem of food scarcity. We can help that nation begin on the development of its nation in the process of food production. It is estimated that $150 million a year will be required in the first five years for this purpose, which is the West "invested in" one year alone. This comparison is not helpful where we had to spend the latter sum to prevent widespread de-

The New Challenges Facing Commercial Banking System

By Albert C. Simmons, Jr.* Retiring President, New York State Bankers Association, and Chairman of the Board, New York Bankers Association

Retiring head of New York commercial bankers' associations reports on what is being done so banking can continue to fulfill its function of marshalling the nation's financial resources and channeling them into productive use. Mr. Simmons draws on the history of liquidity, equity capital in the market place for funds and effectively meeting the demands for banking services. He also reports an example of a major commercial project involving automation, personnel education and employee welfare.

Post-War Experience

In recent years, however, the economic growth financed through the commercial banking system has been achieved not primarily through absorbing the liquidity with which banking found itself first at the end of World War II. Between 1945 and 1950 deposits increased at a rate of approximately $100 billion of ad-

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growing commercial banking sys-
tem.

**Public Responsibility**

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isms. We, as bankers, have a re-
sponsibility to the public that is
far greater than that of the funds
entrusted to our care. It is a test of what
these ethics are of the highest
order. We must keep them so.

**Impact of Automation**

Within banking itself there are
certain matters with which we
must deal also. One of them
most is the speed with which
automation is progressing. Ma-
chines that originally reduced a
week's work into a day will
shortly reduce it to hours and
minutes. This development will
have far-reaching effects through-
out the entire banking system.
For one thing, it is going to open
umerous doors for new types of
services. Further, it is no time
Speed the check processing pro-
cedure and perhaps permit a
greater velocity of funds. It
means that many banks may be
called upon to re-train their per-
sonnel for these new activities
and new exciting work chal-
lenge. In this re-training process,
I am sure the Association will
not be found wanting, for when
it comes to education I am
gleamed to say that the Associa-
tion is second to none.

**Educational Pioneers**

The Association has pioneered in
the field of banking education.
The Association's comprehensive
School of Banking now offers
programs for all levels of man-
agement, for supervisors, and for
specialists, be they credit, invest-
ment, trust, operating, or person-
nel administrators. The School of
Banking, in its 13 recent insti-
tutes, has now the most thor-
ough curriculum of its kind in
the banking field.

**Employee Welfare**

Also of major importance to
banking institutions is the exten-
sive benefit insurance program
which the Association has avail-
able for member-bank use. The
program offers comprehensive
coverage from the standpoint of stabiliz-
ing employment and cer-
ting smaller banks to compete for and
keep the highest caliber person-
nel.

These plans are the Associa-
tion's Retirement System, Group
Life Insurance Plan, Disability
Benefits Plan, and
Major Medical Plan. Officers and
directors of smaller institutions may find that the adoption of one or
many of these low cost plans
will be a well worthwhile
vestment in human resources.

If the problem areas that I
can outline can be resolved in the
public interest, I feel confid-
dent that commercial banking
will maintain its leadership in the
financial community and the job
of financing, promoting and for-
thering higher levels of economic
activity will be achieved.

**Ten Million Customers**

It is satisfying to think that
commercial banks in New York
state now service 10 million customers,
from the individual family
to the largest business cor-
poration with savings and check-
ning accounts.

$8 Billion to Stimulate

**Deposits**

As the Association year comes
to a close, member institutions have
$8 billion in funds which are being
used in one form or an-
other to stimulate employment,
consumption and the production
of goods and services for the
betterment of mankind.

*An address by Mr. Simmonds be-
fore the Fall meeting of the New York State Banking Association,

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**First City Secs. Fin. Seminars**

A series of seminars to acquire
industrial and professional man-
agement with the principles of
private and public financing will
set underway June 26 when First
City Securities, Inc., will sponsor
the first question and answer
seminar on Thursday at 4 p.m.
at 37 Wall Street, New York.
Seidman, a specialist in
private and public financing, will
speak on "What advertising and
public relations men should know
about a client who has a public
stock offering."

In the second scheduled seminar
on Thursday at 4 p.m., Edward
Fellman, a consultant to the elec-
tronic industry, will discuss the
same subject with personnel in
the electronics field.

There is no charge and reser-
vations may be made by calling
Bartoe Reichert at 5-5093.
Maxwell J. Mangold, President
of First City Securities Inc., will
be moderator of both seminars.

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**Baxter With Reynolds**

Baxter With Reynolds

*Special to THE FINANCIAL CHRONICLE*

SAN FRANCISCO, Calif.—John F.
Baxter has become associated with
Reynolds & Co. 425 Monta-
gado, New York, Mr. Baxter, who
has recently been with Paine,
Webber, Jackson & Curtiss, in San
Francisco, in the past was with
the Buffalo office of Merrill
Lynch, Pierce, Fenner & Smith
for many years.

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**What's new on the financial horizon?**

Rising 60 stories above New York's
historic financial center, The Chase
Manhattan Bank, in its new head
office, stands ready to meet the
banking needs of a vigorous Ameri-
can economy.

Behind the bright glass and gleam-
ing metal of 1 Chase Manhattan Plaza
is a single banking purpose—great
usefulness to individuals and busi-
inesses in New York, the nation and
the world.

To best serve hundreds of thou-
sands of customers, the new Chase
Manhattan headquarters is staffed by
skilled and experienced bankers
backed by the most modern banking
machines and facilities. Equally im-
portant, its location in the heart of
New York's financial and trade cen-
ter facilitates the efficient handling of
all commercial and personal banking
transactions.

From the windows of 1 Chase
Manhattan Plaza you look out
upon the active center of the nation's
finance. You see the Stock Exchange,
the Federal Reserve, the Clearing
House, numerous Commodity Ex-
changes. You see the throngs and
the activity, and you begin to under-
stand why it is important for
America's leader in bank loans to
business and industry to build bigger
in this important area of American
banking.
DEALER-BROKER
INVESTMENT LITERATURE
AND RECOMMENDATIONS

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

Bank Stocks—Quarterly review, including comparative figures on the 40 largest commercial banks, etc.—M. A. Schpell & Co., 106 S. La Salle St., Chicago, Ill. 60603.


Domestic Truck Airlines—Review—Calvin Bulluck Ltd., 1 Wall Street, New York 5, N. Y.

Fire & Casualty Insurance Company Stocks—Brochure of data on 41 selected companies—Arthur D. Little, Inc., 725 Boylston St., Boston 1, Mass.

Federal Reserve Bank of St. Louis—Digital for FRASER

Insurance Analysis—5, 61 Broadway, New York 6, N. Y.


Tax Sheltered Investments in Oil and Gas—Data—Admiral Oil, Inc., 620 Broadway, Oklahoma City 6, Okla.


American Commercial Barre Line—Review—Birge & Parker, 26 Broadway, New York 4, N. Y.

American Smelting & Refining—Data—Freiheit, Meyerhoff & Co., 120 South La Salle Street, Chicago 3, Ili.

American Steel Foundries—Analysis—Janet Co., Inc., 222 South La Salle Street, Chicago 4, Ili.


Brunner & COMPANY—Memorandum—25 Broadway, New York 4, N. Y.

Ceconomy, Philadelphia Electric & Safety—Memorandum—25 Broadway, New York 4, N. Y.

Boeing—Memorandum—Carl M. Roede, 42 Wall Street, New York 5, N. Y. Also available are memoranda on General Electric, United Air Lines, and the Laundry, Philadelphia Electric & Safety.


Brussell Corp.—Memorandum—25 Broadway, New York 4, N. Y. Also available are memoranda on United Air Lines, Eastern Air Lines, and American Airlines.


N.Y. Inv. Ass'n Tourney Winners

The investment Association held its annual outing at the Sleepy Hollow Country Club on Friday, June 18, 1961. The activities included a golf tournament, tennis tournament and the annual Stock Exchange. The latter was held during cocktails which preceded dinner.

About 223 members of the Association attended the outing. Paul Hahn, trick shot golf entertainer, entertained an hour's show during the afternoon.

The entertainment Committee for the outing consisted of Peter P. Wiley, Chairman, Merrill Lynch, Pierce, Fenner & Smith Inc.

Brownlee O. Currey, Equitable Securities Corporation.

Thomas L. Willkerson, Dean & Newson.

Thomas A. Turley, Harris, Upjohn & Co.

Paul H. White, Bache & Co.

William H. Black, Morgan Stanley & Co.

Norman Davidson, Blyth & Co., Inc.

Donald Wehman, Kidder, Peabody & Co.

John M. Slujo, Van Alstyne, Noel & Co.

Winners of the tennis doubles tournament were:

Arthur B. Treman

Dillon, Read & Co. Inc.

Ellis D. Kiellinger

Dillon, Read & Co. Inc.

Winners of the golf contests were:

Low Gross—

Robert L. Dewar

Eastman Dillon, Union Securities & Co.

Runner-up Low Gross—

L. E. Carpenter, Jr.

Goodbody & Co.

Low Net—

Morgan J. Murray

J. B. Van Ingen & Co., Inc.

Runner-up Low Net—

Peter R. Ehrlich

Merrill Lynch, Pierce, Fenner & Smith Inc.

Net Best Ball (24) —

H. Hanford Smith

DeCoppet & Dorn.ius.

Gordon Leib

DeCoppet & Dornius.

Group Best Ball (12) —

Wm. S. Goedeker

Smith Barney & Co.

Joseph O. Rother

Rutter & Co.

Best Match Play vs. Pars—

Alexander Piper

Paige, Webster, Jackson & Curti.

Fewest Putts (27 Putts)—

John E. Shephard

Goldman, Sachs & Co.

Longest Drive (17th Hole)—

J. E. Osborne

Dominick & Dominick.

Shortest Drive (2nd Hole)—

J. G. Counsellor

Drexel & Co.

Nearest to Pin (17th Hole)—

Wm. J. Roome

Dominick & Dominick.

High Gross—

Richard R. Walker

Villas & Hickey.

With Harriman Ripleys

CHICAGO, Ill—Harriman Ripleys & Co. Inc., underwriters and distributors of investment securities, have announced that Daniel F. Pierce is now associated with the firm in the Chicago office in the Field Building, 125 South La Salle Street. He was formerly with Baxter & Co. and White-Phillips & Co.

The Turnpike Authority of Kentucky

(An agency and instrumentality of the Commonwealth of Kentucky)

Western Kentucky Toll Road Revenue Bonds

(AND WAR BONDS AS HEREBFTTER SET FORTH)

$118,000,000

Notes About These Securities

The Authority, a governmental agency of the Commonwealth of Kentucky, is empowered to issue heretofore mentioned Revenue Bonds in this amount to pay for the construction and operation of the Western Kentucky Toll Road, the proceeds of which shall be used for such purposes as will create revenue sufficient to retire the bonds in the stated periods.

BY AGREEMENT dated June 21, 1961, between the Authority and the Department (as authorized by the Enabling Act), the Department covenants to pay all costs of operating, maintaining and operating the Western Kentucky Toll Road until the final maturity of the bonds.

The LEASE—The initial term of the Lease expires June 30, 1962. The Department shall have the exclusive privilege to renew the Lease for successive ten-year terms, one at a time, until June 30, 2000. This renewal is automatic unless notice to the contrary is served. The renewal lease must specify if, or what is to be maintained during such extensions, will be sufficient to meet all principal and interest requirements on the Bonds.

The DEPARTMENT, under the terms of the Lease, is hereby bonded to pay for each reimbursement for which the Lease is renewed as its general obligation is to be paid from the revenues generated by the Authority. The Department may be required by law to substitute its issue of bonds for the bonding contract to be devoted to other purposes. The Department derives its funds from motor fuel taxes, operated facilities, and other sources of revenue.

(The foregoing information was obtained from the Official Statement of the Authority in which reference is made.)
TAX-EXEMPT BOND MARKET

BY DONALD D. MACKEY

The state and municipal bond market has been very active during the last several weeks. The new issue volume has not been heavy, the calendar has been very crowded and to a large extent stimulating to many of our institutional investors. It has been this underlying basic demand that has maintained the tax-exempt bond market at its relatively high level during the past several weeks of general bond market weakness.

While state and municipal bond dealers have been busy underwriting more than a quarter billion of large new issues in the last few weeks, this has not been accomplished to the street's entire satisfaction. Sizable balances remain in many instances despite the effort at downward price revision designed to broaden the demand. However, the performance has been fairly good to full when all consideration is given to all the market factors involved.

Half Billion Inventory

Dealer inventories continue to be heavy by any traditional measure. For weeks the Blue List total of municipal inventory has listed items tallying half billion dollars and over. As of June 28 the volume of the state bond market was reported as no more than normal in recent months and the calendar is now almost ominously light as we head toward the key July weeks.

However, we emphasize that the state and municipal financing potential remains adequate and subject to upward revision on but brief notice. At present the 30-day announced volume total less than $235,000,000. This alone is a very favorable market factor.

MARKET ON REPRESENTATIVE SERIAL ISSUES

This week's bond market continued to be strong. The total number of new issues listed for underwriting was 168 as of June 26. The representative issues are listed on the opposite page.

The state and municipal bond market faces the surfacing of large bond issues as the summer progresses, and Treasury securities and its more direct bearing on the corporate bond market in the face of the tax-exempt market. It is estimated that about $10 billion of Treasury financing must be accomplished by year's end in order to satisfy cash requirements. Moreover, approximately $20 billion of roll-over financing must also be accomplished. This will at least keep the Treasury and the Fed busy with marketing considerations and it will almost certainly act as a drain on the secondary market for all other bond market considerations.

It is for this simple reason that the aggressive approach to the state and municipal new issue market appears justified. Dealers have very reasonably maintained an orderly and receptive market for all classes of tax-exempt issues. It seems ridiculous that any agency should call upon the hedge funds to lose money on an even more significant underwriting commitment of some $200 billion. If the various funds have progressed in large investments to load with a bid when considerable purchases even though the price level is generally acceptable.

Recent Averages

The market of new issue underwriting picked up considerably this past several weeks, a large number of bond issues are being floated. The weekly underwriting volume was $345,000,000 on June 26. The Comptroller of the Currency list of average yields for large municipal bond issues as of June 26, 1981, is 3.42%.

The Treasury in New York is expected to issue a major Tax Annuity on Thursday, July 2, 1981, totaling $500,000,000.

Larger Issues Scheduled For Sale

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

June 29 (Thursday)

Altoona Sch. Dist., Pa., $2,000,000, 1982-1992, 7:30 p.m.
Atlanta, Ga., 1982-1992, 11:00 a.m.
Pittsburgh, Pa., 1982-1992, 7:30 p.m.
North East Ind. S. D., Texas, 1982-1992, 7:30 p.m.
Salt Lake City, Utah, 1982-1992, 11:00 a.m.
Savannah, Ga., 1982-1992, 11:00 a.m.
Jackson U. S. D., Mich., 4,300,000, 1982-1994, 8:00 a.m.
Washington Twp. Sch. Dist., N. J., 1,400,000, 1982-1994, 8:00 a.m.

July 6 (Friday)

Kingman-Reno Cys, HSD 6, Kan., 1,800,000, 1981-1991, 7:30 p.m.

July 10 (Monday)

Cincinnati Twp. S. D., N. J., 1,200,000, 1981-1991, 8:00 a.m.
Flint, Mich., 1,600,000, 1981-1991, 9:30 a.m.
North Monterey Co. U. S. D., Calif., 1,000,000, 1981-1991, 10:30 a.m.
Port of Portland, Ore., 1,000,000, 1981-1991, 10:00 a.m.

July 11 (Tuesday)

Bentley Co., Richland S. D., Wash., 2,000,000, 1981-1991, 11:00 a.m.
Chattanooga, Tenn., 3,000,000, 1981-1991, 11:15 a.m.
Corpus Christi, Texas, 6,000,000, 1981-1992, 9:00 a.m.
Coral, Fla., 3,000,000, 1981-1992, 9:00 a.m.
Los Angeles, Calif., 10,000,000, 1981-1993, 9:30 a.m.
Memphis, Tenn., 3,500,000, 1981-1992, 2:00 p.m.
Pentice, Mich., 2,500,000, 1981-1997, 7:30 a.m.
University of Texas, 6,000,000, 1981-1992, 10:00 a.m.

July 12 (Wednesday)

Ketchikan, Alaska, 1,450,000, 1981-1992, 8:00 a.m.
New York State Health Financing Agency, 81,065,000, 1981-1994, 9:00 a.m.
(Negotiated offering) Bond Co., Bear, and including Lehman Brothers etc.
Sacramento-Yolo Port Dist., Calif., 7,000,000, 1981-1990, 11:00 a.m.

July 13 (Thursday)

Milwaukee County, Wis., 11,420,000, 1981-1991, 11:00 a.m.
Springfield, Ore., 1,900,000, 1981-1991, 7:30 a.m.
Washington State University, 8,204,000, 1981-2000, 9:00 a.m.

July 17 (Monday)

Florida Development Commission, 2,000,000, 1981-1991, 11:00 a.m.

July 18 (Tuesday)

Glendale Unifed Sch. Dist., Calif., 2,000,000, 1981-1992, 9:00 a.m.
Kentucky (State of), 1981-1992, 1:00 p.m.

July 26 (Wednesday)

Alaska (State of), 1981-1992, 11:00 a.m.
Michigan (State of), 35,000,000, 1981-1992, 10:00 a.m.
Newark, N. J., 8,000,000, 1981-1992, 1:00 p.m.
Stockton Unified Sch. Dist., Calif., 2,074,000, 1981-1992, 9:00 a.m.

July 27 (Thursday)

Charleston, S. C., 2,500,000, 1981-1993 Noon

Mississippi (State of), 1981-1994, 10:00 a.m.

July 21 (Friday)

St. Andrews Presbyterian College, 1,340,000, 1981-2001, 10:00 a.m.
Coldwater, Mich., 1,905,000, 1981-1992, 8:30 a.m.
Eugene, Ore., 1981-2001, 10:00 a.m.
New Mexico State Armory Board, 1,000,000, 1981-1991, 11:00 a.m.
Charleston, West Virginia, 1,600,000, 1981-2001, 10:00 a.m.

Aug. 9 (Monday)

Wichita Sch. Dist. No. 1, Kan., 1,600,000, 1981-1992, 10:00 a.m.

Aug. 22 (Tuesday)

Cook County, Ill., 23,000,000, 1981-1992, 10:30 a.m.

Sept. 5 (Tuesday)

El Paso County, Texas, 1,750,000, 1981-1992, 9:30 a.m.

Sept. 13 (Wednesday)

Harris Co., Houston Munic., Tex., 15,000,000, 1981-1992, 10:00 a.m.

Sept. 29 (Friday)

Minneapolis, Minnesota, 2,400,000, 1981-1992, 10:30 a.m.

Oct. 1 (Tuesday)

Los Angeles City Col. Dist., Calif., 7,500,000, 1981-1992, 10:00 a.m.

Dec. 12 (Tuesday)

Los Angeles Co. Hosp. Dist., Calif., 3,700,000, 1981-1992, 10:00 a.m.

NORTHEASTERN WATER COMPANY

5% Collateral Trust Bonds, due May 1, 1986

Direct placement of these Bonds with institutional investors has been negotiated by the underwriter.

$15,000,000

EQUITABLE Securities Corporation

Nashville New York

June 29, 1981

This announcement appears as a matter of record only. No public offering of these securities is being made.

10 (2342)

The Commercial and Financial Chronicle . . . Thursday, June 29, 1981
This has been slow, with yesterday afternoon's balance being about $11,000,000.

Also on Wednesday, Harris County and Flood Control District, Texas, came to market with $29,000,000 various general obligation limited and unlimited tax bonds. Eighteen million dollars of the bonds will finance construction of an all-weather domed stadium which will be used by both the Houston Oilers, a professional football team in the American League and the new Houston baseball team which will join the National League next year. The teams will rent the stadium from the county.

The $24,500,000 various general obligation limited tax (1962-2001) bonds which were awarded to the account managed by the Harris Trust and Savings Bank were priced to yield from 1.70% to a dollar price of 90 for a 3 1/2% coupon. No balance figures are available at this writing. The remaining $5,000,000 unlimited tax general obligation (1962-2001) bonds were won by the account headed by the Northern Trust Co. and the Morgan Guaranty Trust Co. of New York and were priced to yield 1.30% to 3.35%.

Toll Bonds Strong

The toll bonds continue to show resistance to the bond market's downward tendency. The reason continues to be the intrinsic improvement reflected through better revenues. With record motor travel expected this summer, revenues are likely to break all records for many of these projects. The Smith, Barney & Co. Turnpike Bond Index averaged a 3.79% yield on June 22; it averaged 3.78% the week before.

New Port Authority Projects

It is reported that a special session of the New Jersey Legislature probably will be called in August to approve two large Port of New York Authority projects. These projects include the $335 million World Trade Center to be located in lower Manhattan, and the Hudson and Manhattan Railroad and extension project for New York and New Jersey.

Highway Commissioner Palmer of New Jersey is quoted as follows: "The advantages and the necessity for both projects are so great that both are musts." We hope that this tense generality is a convincing one to investors when and if this deal materializes.

N. Y. Houning Near

The only negotiated issue presently on the calendar involves $31,865,000 New York State Housing Finance Agency (Revenue) bonds scheduled for offering on July 12. This issue, maturing 1964-2004, is to be offered through a group headed by Phelps, Penn & Co., Lehman Brothers, Smith, Barney & Co., and W. H. Morton & Co.
FROM WASHINGTON

...Ahead of the News

BY CARLISLE BARGERON

Congressional Republicans are greatly worried for fear that the Administration intends to give ground in the President's tax issue. They insist that the recent statement by Senate Democratic Leader Mike Mansfield suggesting that Berlin be made "a free city" may have been the beginning of a new ball-

却又 loan yet launched by the New Front¬er.

Despite Senate Mansfield's pro¬tests that his statement reflected no more than a personal opinion, the Republicans say it smashed strongly of what seemed to be a softening Administration stand toward a foreign problem which confronts it.

Senator Mansfield has received an adverse reaction to his state¬ment and the White House and the State Department have said the Senator was voicing his per¬sonal views and that the U. S. position on Berlin has not changed. Senator Mansfield him¬self, with his mail running four to one against the proposal, re¬plied that he had made the "free city" remark to bring the matter out for discus¬sion.

But speculation was high that the Montana Senator, as the Ad¬ministration's No. 2 spokesman in the Senate, would not have spoken out on his own on such a vital issue without consulting with the Administration. Substantiating this view was the fact that similar statements by such leading Demo¬crats as Majority Whip Hubert Humprey and Senator Estes

Kefauver followed Senator Mans¬field on the Senate floor.

Republican leaders immediately demanded a clarification, an ex¬planation from the White House. House GOP Leader Charles A. Halleck and Senate Minority Leader Everett M. Dirks¬en issued a joint statement that they found it difficult to believe all three speeches "came out of the clear blue sky."

"Pointing to President Kennedy's assurance that both on and after his meeting with Khrushchev that the U. S. position in Berlin would remain unchanged, Senator Dirksen asked "If this proposal for a free city is a new change in foreign policy, then what happened to the pledges for reunification of Germany?"

The strongest demand for a Presidential explana¬tion came from Arizona Congressmen John J. Rhodes, who said: "It's incom¬patible to suppose that the Major¬ity Leader of the United States Senate would make any statement proposing a radical change in our foreign policy without at least obtaining prior clearance from the White House. Thus the only re¬asonalional conclusion is that the "trail balloon" speculation is cor¬rect."

Recalling that GOP Na¬tional Chairman Henry G. M. E. Miller had been criticized for warning the President against any "under the table" deal to increase Mr. Kennedy's prestige at the Vienna conference, Representative Rhodes said: "If the President's report to the American people on June 6, in which he discussed the Vienna conference, Mr. Kennedy stated, "No new aims were stated to Russia which had not been stated in public on either side. Neither of us was there to dictate a settlement."

"And yet a scant six days later, Tass released the text of Khrush¬chev's memorandum on Germany handed President Kennedy in Vienna of both 'new aims' were presented that had not been stated in public on either side and a settlement was dictated which took the form of an ultimatum."

Despite Senate Mansfield and House denials of the trial balloon charges, it was obvious that Khrushchev's oft-threatened withdrawal was now being negotiated with East Ger¬many — which would force the West into an ipso facto recogni¬tion of that Soviet satellite to keep the Berlin corridor open — had moved closer to reality because of the Mansfield-Hump¬rey - Kefauver statements. A strong opinion voiced on Capitol Hill was that the separate peace plan would be signed, with tacit New Frontier approval and at the possible expense of our few remaining remnants of prestige.

Certainly the ruckus that the President's announcement of three Senators has stirred up will embolden Khrushchev, but he ought to be influenced by the sharp unfavorable reaction they have got.

Form Diversified Portfolios

Diversified Portfolios Inc. is conducting a second busi¬ness from offices at 201 Broadway, New York City.

Form Trinity Investment Co.

SALEM, III. — Trinity Investment Co. has been formed with offices at 500 North Broadway, to engage in a securities business.

Canadian Devaluation and
The British Dalliance

By Paul Elsög

Disadvantages of Canada's floating exchange rate listed by Dr. Elsög include the problem of resulting uncertainty which is seen likely to counteract the inflationary expansion for which it is more. The for¬eign exchange expert expects the Canadian devaluation to affect sterling adversely but doubts it will awaken the British toward taking effective action against the depreciation of their exchange rate. A new de¬valuation, run next year. The writer favors the use of the Bank rate and credit policy but is not aware that Canada's policy of deliberately underemploying them in 1960 and then bringing monetary policy for not being effective.

LONDON, England — The decision of the Canadian Government to cause a depreciation of the Cana¬dian dollar came almost exactly a week after Mr. Per Jacobson's statement disclaiming knowledge of any intention on the part of members of the International Monetary Fund to change their parities. In fairness to Mr. Per Jacobson it must be admitted that in all probability the Cana¬dian Government did not commu¬nicate to him its intention of this move of its time of his statement. In any case, since Canada has a floating exchange, technically there was no change in its parities.

However, this experience is likely to increase further the existing distrust in official denials and disclaimers in connection with devaluations or revaluations. Even though Mr. Per Jacobson's statement, which served primarily the purpose of reassuring the markets about sterling, was fol¬lowed by a 2.5 per cent revaluation on a 10 per cent basis, it was evident to all that this favorable effect lasted only a day or two. For the market was aware that there was nothing the government or the International Monetary Fund could do to prevent any government from communicating to the International Monetary Fund its intention to change its parities immediately after Mr. Per Jacobson had made his statement.

In order to be really effective, such denials would have had to be repeated at least once every twenty-four hours. To do so would have obvious disadvantages, be¬cause sooner or later one of the governments is bound to decide to change its parity and put an end to the interval that is bound to elapse between notifying the International Monetary Fund and carry¬ing out the change, Mr. Per Jacobson would not be able to prevent his government from repeating the denial to repeal his denial. Yet in the absence of the International Monetary Fund making the assumption of the worst not only concerning the currency directly concerned but concerning other currencies as well.

Disadvantage of a Floating Rate

Another lesson taught by the Canadian experience brings home the idea that the floating exchange has a floating exchange. There is always something dramatic and spectacu¬lar about a change in a partly.

It is bound to produce a strong psychological effect. Provided that it is not "too late and too little," it has an air of finality which is likely to inspire confidence. This is not so with alternations of a floating exchange rate. Uncer¬tainty about the extent of the change continued to prevail after the announcement by the Cana¬dian Government.

It is always tempting to keep down the extent of the deprecia¬tion, precisely because it can be repeated so easily later. If it were the practice to change the Bank rate frequently by raising or lowering it by, one-sixteenth per cent or one-thirty-second per cent at a time, it's changes would not produce the psychological effect which would make the advantages of major Bank rate changes.

It seems doubtful whether the moderate intervention on the Cana¬dian dollar that occurred up to now will be able to produce any real difference in the Canadian economy. It was hardly worth while to make the change for the sake of the extent to which such a change is likely to affect imports and exports. The fact that the Canadian authorities abandoned the relatively rigid defence of its currency made something more enzymate expansion, though the feeling of uncertainty may counteract that effect.

It was inevitable that the change in the Canadian dollar — which incidentally is called "devalua¬tion," since it did not entail a change in the parities — should react unfavorably on sterling. Pressure on sterling is the natural result of increased parity in anticipation of a corresponding change in ster¬ling and a greater protection of the effect on trade between Cana¬dian and the sterling area.

In 1957 it was the decision of a Commonwealth country, India, to devalue the rupee. It is one of the few sterling countries to have a devalue its and to have to take measures to counteract the effect. In 1961 the decision of an¬other Commonwealth Govern¬ment, Canada, seems to have gone some way, though not nearly far enough, towards inducing the

INVESTMENT INSURANCE TK,

Insurance-Against-Capital-Loss

on "paper" life's securities

as conceived, researched, prepared and sponsored by Tyler Kay

IN TOUCH WITH

TYLER KAY, TELEPHONE TL 2-6112 OR 775 MAIN STREET, BUFFALO 3, N.Y.

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$38,799,500

Hunt Foods and Industries, Inc.

4% Subordinated Debentures due July 1, 1986

(Convertible prior to July 1, 1971)

The Company is offering to holders of its Common Stock the right to subscribe for the Debentures. Subscription Warrants expire at 5:30 P.M., Eastern Daylight Saving Time, July 14, 1963.

Subscription Price to Warrant Holders

100% of Principal Amount

Prior to and after the expiration of the Warrants, the several Underwriters may offer Debentures to the public at the prices pursuant to and termed to the several Underwriters.

Goldman, Sachs & Co.
Kuhn, Loeb & Co.
Kuhn, Loeb & Co.
Kuhn, Loeb & Co.
Lazard Frères & Co.
Lazard Frères & Co.
Lazard Frères & Co.
Lazard Frères & Co.
Smith, Barney & Co.
Smith, Barney & Co.
Smith, Barney & Co.
Smith, Barney & Co.
Wertheim & Co.
Wertheim & Co.
Wertheim & Co.
Wertheim & Co.

June 29, 1961.
British Government to give up living in a fool's paradise.

There is, of course, no question of any revolt of the more ardent supporters of the maintenance of the dollar. It is true that the British Treasury has been under pressure to lower the dollar exchange rate, but even the Bank of England seems to have lost its faith in the Bank rate. It is true in official circles that the high Bank rate was ineffective last year, so that there would be no point in reverting to it. What is overlooked is the fact that high Bank rate and credit squeeze was ineffective because its application stopped short from the stage at which it would stand a chance of becoming effective.

Protests British Lack of Action

The official British attitude towards controlling the economy with the aid of high Bank rate and credit squeeze recalls the attitude of the League of Nations in 1935 towards actions against Mussolini. It was clearly understood that in no circumstances must the sanctions be made effective, because it was feared that effective sanctions might mean war. Similarly, high Bank rate and credit squeeze were kept deliberately ineffective in 1939 because, in order to be effective, they would have had to entail tail in unemployment. That being so, it is hardly fair to blame the conventional devices of monetary policy for having been ineffective. They were not given a chance to be effective.

The device announced by Mr. Selwyn Lloyd on June 22, for the defense of sterling, is a curtailment of public expenditure, mostly on capital projects. He also promised administrative economies but, considering that until recently the government had done its utmost to frustrate the efforts of economy-minded Members of Parliament to enforce closer parliamentary control of public expenditure, to prove the sincerity of the change it would require action, not mere words.

It seems certain that the bulk of such cuts as the government will make in expenditure will be in respect of the postponement of much-needed capital projects. This means that in the absence of higher Bank rate and credit squeeze consumer demand will continue to increase as a result of wage increases, while productive capacity which would benefit from the reorganization of the railroads and similar schemes will be kept down. Nor will the balance between consumption and investment be adjusted through the proposed surcharges and the diminutive payroll tax authorized under this year's budget. Their effect will be more than cancelled out by additional wage increases.

It seems, therefore, that it will take more than the moderate depreciation of the Canadian dollar to shake up the British Government from its complacency. It obviously prefers to rely on stand-by credits from the International Monetary Fund and from Central Banks for the defense of sterling, rather than adopt unpopular but effective measures to restore the balance of the economy. These stand-by credits are likely to be sufficient to prevent a deterioration this year, and it is perhaps too much to expect the government to think ahead till 1962 by which time the stand-by credit will be exhausted.

Customers Brokers to Hear

The Association of Customers Brokers on June 29th will hold a stock market forum at the head quarters of the New York Society of Security Analysts, 15 William Street, New York City. Speakers will be Donald H. Bandell, E. F. Hutton & Company, and Alan C. Poole, Hempell, Noyes & Co.

Apache Acquires Behrens Company

MINNEAPOLIS, Minn. — Apache Investment Planning Division has announced the acquisition of E. W. Behrens and Company, Sioux Falls investment dealer and mutual fund distributor. The purchase is part of a four-state Upper Midwest expansion of Apache's mutual fund sales organization, Roger C. LaCroix, vice president of the Minneapolis-based investment and management company, announced.

The firm was acquired from Edward W. Behrens and is leaving private business upon appointment to the post of South Dakota state commissioner of securities. The company, which has 19 registered representatives, will operate under the name of Apache Investment Planning Division, headed by Leslie H. Starr, of Minneapolis, as regional sales director. A divisional manager heading in Sioux Falls will be appointed in the near future, Mr. LaCroix said.

The office will continue in its present location at 218-317 Patton Building, Sioux Falls.

The company, which specialized in investment securities, mutual funds and life insurance, was formed in January of 1929. Previous to that time, Mr. Behrens was with Waddell and Reed, Inc., mutual fund company.

Page, Parsons Formed

Page, Parsons & Co., Incorporated has been formed with offices at 1 East 44th Street, New York City to conduct a securities business.

2,750,000 Shares

Ford Motor Company

Common Stock

(5 Par Value)

Price $80.50 per share

Blyth & Co., Inc.

The First Boston Corporation

Goldman, Sachs & Co.

Kuhn, Loeb & Co. Incorporated

Lehman Brothers

Merrill Lynch, Pierce, Fenner & Smith Incorporated

White, Weld & Co. Incorporated


This is not an offering of these Shares for sale, or an offer to buy, or a solicitation of an offer to buy, any of such Shares. The offering is made only by the Prospectus.

These Shares are being sold to the Underwriters by The Ford Foundation and no part of the proceeds will be received by Ford Motor Company. Copies of the Prospectus may be obtained from any of the several underwriters only in states in which such underwriters are qualified to act as dealers in securities and on which the Prospectus may legally be distributed.
Coming by productivity flow

The fertilized credit expansion.

Gross personal income.

Crop of New High Records

The coming bumper crop of new high records for the next 12 months with a bumper crop of new high records for a number of reasons:

1. There is not much change that business recovery will be fouled up by a dose of disruptive influence. The shifts in new consumer commodities on Western markets is on the rise. Merchants Robert Kennedy and Estates Kefeamin are in the form of high price index. We have over-capacity in agriculture, the excessive inventory in manufacturing. Foreign competition is on the increase. Our people are increasing their savings at the expense of spending. Productivity is up by the computer.

2. New orders have risen briskly and are now above the level of production for a widening list of industries.

3. The phase of inventory liquidation is behind us and before long, instead of producing less than we consume in order to reduce inventories, we shall be producing more than we consume in order to increase inventories.

4. Capital appropriations, orders and spending are about to rise.

5. The soaring stock market has been the leading indicator of optimism and capital gains.

6. While profit conditions may not have been expected, profit prospects have been improved by the highly effective efforts made by business to lower costs and increase profits.

7. A large-scale expansion in our space, military and foreign aid programs is being forced by Communist infiltration.

8. The Kennedy program has the potential for effecting economic stimulation without too much reform. This is clearly the best. But recent actions and statements emanating from Washington justify some misgivings.

Administration’s Business Views

It may just be true that the Administration is not properly understood by the President and his Economic Advisors, the critical element in our short and long-term outlooks is the business confidence of this Administration. Some individuals in this Administration may have an inner urge to be anti-business and anti-bureaucracy.

The white collar segment of our work force is growing fast and in the future, with the addition of workers to the white collar segment of our work force, seen in the past 10 years, it will grow faster than those of the past 10 years, we are going to have a larger percentage of people in their 30's who will be declining during the whole decade.

The leaving rate and reentering rate of our people will be all industries associated with the whole 8.5% of the growth rate of this decade.

Our studies of other and vital internal changes in our society are engaged in a major upgrading of their program at a time of war with ever more emphasis on style, quality and sophistication. And, at the same time, people are being shown in the teen age, senior citizens, recreational and leisure times segments of the footwear market.

“An address by Mr. Shields before the New York Stock Exchange, Tannour’s Council—Joint Meeting, New York City, June 20, 1961.”

$17,500,000

Massachusetts Electric Company

(Formerly Worcester County Electric Company)

First Mortgage Bonds, Series F, 5%, due 1991

Dated July 1, 1961

Price 102.039% and accrued interest

Copies of the Prospectus may be obtained in any State in which this announcement is made to the extent necessary to allow you to review it. Dealers or brokers may lawfully offer these securities in such State.

Merrill Lynch, Pierce, Fenner & Smith

Eastman Dillon, Union Securities & Co.

Francis I. du Pont & Co.

Ladenburg, Thalman & Co.

Salomon Brothers & Hutzler

Dean Witter & Co.

Johnston, Lemon & Co.

McDonnell & Co.

First of Michigan Corporation

H. Hentz & Co.

Butcher & Shererd

Childs Securities Corporation

Elkins, Morris, Stokes & Co.

Newhard, Cook & Co.

Joseph Walker & Sons

Griffinger V.P. of Bank of America

SACRAMENTO, Calif.—Promotion of Theodore A. Griffinger to Vice-President in Bank of America's Municipal Bond Department has been announced by President John S. Clark, Beise.

Healy Joins John Nuveen Co.

C. Lytle Healy, Jr., has become associated with John Nuveen & Co., 25 Broad Street, New York City.

Herbert Edmund Co. Opens

Herbert Edmund & Co., Inc. has been formed with offices at 115 Broadway, New York City, to engage in a securities business.
Lines on Lanes

By Dr. Ira U. Cobleigh, Enterprise Economist

A consideration of the popularity of bowling and the development of bowling centers as a major field of investment.

The new importance of bowling in our society and our economy is not sufficiently appreciated. Only a few years ago bowling alleys were considered merely as YMCA's and in the cellars of buildings. Most had from two to four lanes, were operated by elderly men, and were frequented by young associates. Now bowling alleys are found in every state and in every major city, and the number of bowling centers and the number of bowling lanes has increased dramatically in recent years. In 1956 there were 11,000 bowling centers, with about 20,000 lanes. In 1961 there were 16,000 bowling centers, with about 35,000 lanes.

The popularity of bowling is due to a number of factors. One factor is the social aspect of the game. Bowling provides an opportunity for friends and family to gather and enjoy a common activity. Another factor is the fitness aspect of the game. Bowling is a good form of exercise, and it can be played at any age. A third factor is the competitive aspect of the game. Bowling is a popular sport, and it is enjoyed by people of all ages and all skill levels.

Bowling is a popular sport in the United States, with an estimated 25 million participants in 1961. The popularity of bowling has led to the development of bowling centers, which are large, modern facilities that include bowling lanes, locker rooms, and other amenities.

Bowling Centers

There are about 30,000 bowling centers in the United States, with about 60,000 lanes. The largest bowling center in the United States is the Park Lanes in Chicago, with 70 lanes. The second largest is the Colonial Lanes in New York City, with 60 lanes. The third largest is the Park Lanes in Miami, with 45 lanes.

The bowling center business is a major industry in the United States, with an estimated $2 billion in annual revenue. The bowling center business is divided into two segments: the bowling center operator and the bowling equipment manufacturer.

The bowling center operator is the business that owns and operates the bowling center. The bowling center operator provides the facilities, equipment, and services that allow the customer to bowl. The bowling center operator is responsible for marketing the business, maintaining the facilities, and providing customer service.

The bowling equipment manufacturer is the business that manufactures the equipment used in the bowling center. The bowling equipment manufacturer provides the lanes, balls, and other equipment used in the bowling center.

The bowling center business is a growing industry, with an estimated 5% annual growth rate. The bowling center business is expected to grow to 300,000 lanes by 1970, with an estimated $3 billion in annual revenue.

Bowling Lane Construction

Bowling lanes are constructed using a special type of material called synthetic rubber. The synthetic rubber is poured into the pins and is allowed to cure. The pins are then removed, and the lane is covered with a synthetic rubber surface.

The length of a bowling lane is 60 feet, with a width of 12 feet. The surface of a bowling lane is divided into 100 segments, with each segment representing one point. The pins are placed at the end of the lane, with the ball being thrown from the opposite end of the lane.

The pins are arranged in a semi-circular formation, with the tops of the pins being 6 inches from the center of the lane. The pins are made of a special material that is designed to absorb the impact of the ball. The pins are knocked down by the ball, and the pins are replaced after each game.

The bowling center business is a major industry in the United States, with an estimated 25 million participants in 1961. The popularity of bowling has led to the development of bowling centers, which are large, modern facilities that include bowling lanes, locker rooms, and other amenities.
100 Years of Stock Prices And Lessons for the Future

By Roger W. Babson

Listed are the events that instigated stock market declines in the past century, and the lessons learned from them. Noting that prosperity periods ended with an unexpected event, Mr. Babson抛s out the thought that Space Age may well be the "unexpected event on the optimism" trail.

Business was prosperous during the Civil War due largely to inflation, and started to boom during the presidency of President Lincoln, however, caused by continued shortages and a year of depressed business followed.

Unexpected Events

Again business began to boom with further inflation until the famous "Black Friday" in 1869, followed by another year of depression. Stocks quickly rebounded, and again investors were looking forward to several years of prosperity when, in late 1870, the Chicago Fire occurred. This was followed by the great Boston Fire in 1872. This had just about again recovered when the failure of the great banking house of Jay Cooke & Co. was suddenly announced. For the first time, the leading Stock Exchange closed for several weeks. There followed the failure of bank after bank. By 1873, higher stock prices finally returned as a result of another dose of inflation.

Important Banking Failures

Suddenly, on July 2, 1881, President Garfield was shot. A chain reaction of selling followed. During this period, the banking house of Grant and Ward, and the two leading "bullys," Henry Villard and their failures. Depression followed.

Eighteen years was a year of great prosperity; but suddenly the failure of the Cattell & Co. was announced in May, 1893. This was then one of the 10 biggest "blue chip" corporations.

Labor Strikes Begin

The following year the Pullman Strike — the first serious labor strike — occurred and cast fear and gloom over the stock market. This was accompanied by a series of crop failures and mortgage foreclosures.

Again in 1897 business steadily improved and permanent prosperity was prophesied, accompanied by stock splits, mergers, and larger security offerings. Suddenly, in 1903, there came rumors of great quantities of "undigested" surplus that accompanied the investigation of large life insurance companies. The crash came just following the San Francisco Earthquake.

Supreme Court Decisions

Up to this time the Supreme Court had decided questions only between the states. Suddenly, in the early 1900's, the state's "Northern Securities" decision. This took the New York Stock market until the First World War began. After the closing of the New York Stock Exchange for several months, there followed some 44 days of wild speculation.

Then came the sinking of the G. B. 

ir into World War I. All went well with investment until the market was in 1929. When soaring interest rates and commodity prices brought on such price fluctuations rarely corrected and the stock market steadily declined until it reached an all-time high in 1929.

Speculation and the Crash of 1929

Then came the business collapse in 1929. A series of withdrawals of gold, climaxed by the virtual collapse of the Austra

n Credit — Anstatt. This caused a startling upre

ng the world. There followed several years of real depression.

Beginning in 1938 there was another recovery in business lasti

ng through World War II, but the stock market never made the recovery of 1929—39. The crash came just following the San Francisco Earthquake.

What of the Future?

The preceding 100 years teach two lessons:

(1) There has always been an economic race between infla

tion and production, but the inflation was of different kinds—

stock market, commodity, political, and financial. The... fear and gloom over the stock market.

(2) That when each prosperity period came to an end, it was from an unexpected event—a great fire, an earthquake, or the failure of some banking house or large corporation. In wartime, inflation always has been required. We expect it will occur again to provide funds for the "cold war." This should mean higher prices for stocks, commodities, and real estate. Yet the period of inflation is now beginning. The economy may now be...ing up, including a couple of secondary offerings in Louisville Gas and Electric Company.

What will it take to snap the general list of its lethargy in the market? It is not readily apparent. Steel operations seem to have eased into the summer doldrums on top of some price cutting in the industry that wasn't overly serious. However, the steel market is still important enough to the general economic system to keep a brake on any over-enthusiasm.

Some of the industrial shares, like the utilities, were chilled when large blocks showed up, although the largest of them all, 27,500,000 Ford shares—was sold in considerable difficulty. It was placed speedily and cheaply, and the Ford stock had declined almost half a share of points at the time.

The listless manner of many of the former favorites has also brought attention to the tobacco where dividend yields... And some of these issues were able to make good progress even though they were more or less unhappily underwritten.

The Oil Laggards

Oils, despite good earnings comparisons, have yet to live up to their advance billing as the issues that were apt to make the best showing this year than they have made in several years. Sinclair, in particular, has been definitely laggard, in large part due to the enforced trim in its dividend in recent years.

In short there has been little enthusiasm of the majors. That is, except for the major independent producers despite a 5% yard and a price cut. It is indicative of the earnings for this year, which is expected to be flat, that oil shares have been Hovering lately.

Sinclair's shares have a book value of about 150c per share. They are available for in the open market. To solve its profit-squeeze, the company has stepped up its research program and natural gas production and its earnings took a turn for the better last year. This was more than half between 1956 and 1959. The price of the shares, however, has gained a general improvement continued into 1960. That is, in the general business upturn underway, the rate of improvement could pick up speed.

Neglected Item

The issues that rely on rail customers are among others that have been long neglected by investors, including Poor & Co. These are railroad officers. The market returns run to a high 6%. The company is in a position to benefit from the present high level of the bond market and has a good line of heavy industry machinery.

A large number of rail issues, however, had to pare its dividend last year when they were just about covered the previous payment. But it is a cyclical business that could snap back very well and the business boom builds up and demands for heavy industry items pick up. This company is a case where any demand for the limited supply of shares could be dramatic. Its total capitalization is only $580,000 shares.

Weekend downstream in occasional selling, in part stemming from General Dynamics half to cash dividends as a combination of the heavy expenses of civilian jet plane work. Boeing has been able to show somewhat better results than the other diversified plane companies and offers a 3% 1/2 yield. It was able to boost earnings comfortably and has paid a dividend that indicates that earnings for the full year will cover the dividend commitment over so there aren't much fears about the payment being pared in this case.

Chilled Glamours

Helping to chill some of the glamour stocks were earnings reports that show that "growth" situations aren't completely immune to the effects of a recession.
high development costs and the necessary expensive research. Collins Radio is one that paid the price of a drop in earnings by declining somewhat harshly, in fact to less than half of last year's high.

Some three-fourths of the volume for Collins Radio comes from defense work so the gains are impressive. In the nine months of its fiscal year to the end of April it posted an 18% sales improvement, but profit was less than half of that for the preceding comparable fiscal period. All together, it dropped the price of the shares to where they are selling at only around 11 times last year's earning power; the only problem is to restore its earnings to that level. Against the $1.22 so far reported for nine months, research and development costs are estimated by the company as running around $2 a share more this year than was spent last year. In any event, restoring its profit potential could start the shares, now around $10, to a more worthwhile recovery toward last year's high of 76.

Pinched Profits

International Telephone hasn't been immune to laggard market ways recently and, again, it is a case where sales improvement has been impressive but where earnings have been in a pinch. At least that was the case until two years ago when top management was shifted and the company alignment overhauled. A result of its domestic divisions as a result has been turned from a losing one (a couple of million dollars a year) into a profitable operation. Where in 1960 a sales increase of 8% only added 3% to profits in the first quarter of this year on a 9% sales increase, profits per share were up 11%.

One of the boldest elements behind International Telephone is its work in low-cost-price areas abroad. More than half of its sales last year came from foreign domestic divisions and this contributed about half of its profit. The area for improvement is the domestic manufacturing which accounted for 46% of sales, but only 18% of earnings. Apparently the job of improving this picture is being tackled aggressively.

Waller Prop. Private Note Sale

Harriman Ripley & Co. Inc., New York City, announced on June 23, that it had negotiated the private placement of $10,000,000 Waller Properties Inc., promissory notes due Dec. 1, 1979.

The company, of 12 companies, Bartley, Dallas, Texas, owns and operates numerous office buildings, warehouses, and truck service centers in addition to a mortgage service company, and insurance agencies in California, Arizona and Florida.

TVA Power Bond Sale

On June 28, the Tennessee Valley Authority awarded an issue of $50,000,000 power bonds, due July 1, 1986, to a nationwide underwriting group headed jointly by The Chase Manhattan Bank, Morgan Guaranty Trust Co. of New York, Chemical Bank New York Trust Co., C. J. Devine & Co. and The Continental Illinois National Bank & Trust Co. of Chicago.

The successful bid for the triple-A rated securities was 99.0619 for bonds bearing a 4.581% coupon. This represents an annual net interest cost for TVA of 4.691%.

This was the second public sale of bonds by TVA under Federal legislation authorizing the agency to sell securities up to a maximum of $750,000,000 to help finance its electric power program.

The investing group is offering the 1961 Series A bonds to the public at 99% to yield 4.64% interest.

Proceeds from the bond sale will be used to help finance expansion of the TVA power system. Additional generating capacity of 2,500,000 kilowatts is currently under construction, including steam units at each of the Colbert and Widows Creek steam plants in northern Alabama, and the new plant Paradise Steam Plant under construction in western Kentucky which will house two 650,000-kw units, by far the world's largest.

Principal and interest on the bonds are payable solely from TVA's net power proceeds, consisting essentially of net income plus depreciation. For the 12 months ended March 31, 1961, these proceeds amounted to $101,500,000.

Trading Mgrs. for Lomason, Loving

Lomason, Loving & Co., 87 Broad Street, New York City, have appointed Robert J. Basal and J. F. Scheidicker Co-Managers of the Trading Department.

Mr. Basal has been associated with Lomason, Loving & Co., since September, 1959. He was formerly with Cruttenden, Podesta & Co. for two years as a security trader, and prior to that associated with Bach & Co. He is a member of the Security Traders Association.

Mr. Scheidicker was formerly with Coffin & Burr, incorporated, for four years as a security trader and prior to that with Paine, Webber, Jackson & Curtis for seven years. He is a member of the Security Traders Association of New York, National Security Traders Association and the Corporation Bond Traders Club of New York.

Holbrook With Ernst & Co.

Brown & Company, 120 Broadway, New York City, members of the New York Stock Exchange, has announced the appointment of William B. Holbrook as Director of Research. Mr. Holbrook was formerly with Granger & Co., Inc., and McDonnell & Co. Incorporated.

NOTICE TO STOCK MARKET INVESTORS

With excitement mounting in the stock market — are you aware that it has become possible for you to make a reliable appraisal in just one minute of how good any stock is for you to buy, hold or sell at this time—and for your own personal goals?

Hundreds of hours of research devoted to each of 1000 stocks by one of the country's largest investment advisory organizations is investi-
gated into four index numbers for each stock. A simple weighting of these numbers to the numbers to invest in — for safety, market performance in the next 12 months, appreciation potential over a three-to-five year period, and income — will give you a current appraisal of the stock's desirability at this time, at this price, and for your own purposes. The possible benefits of this unique tested method are so remarkable in terms of your potential profit and avoidance of unnecessary risk that we invite you to receive the special guide described below.

FREE

We will send you, without charge or obliga-
tions, a copy of this guide, how you can apply this method of security analysis with-
out any outside help — even if you are an in-
experienced investor.

(We are not investment dealers or brokers.
No salesman will call.)

To take advantage of this Special Offer, either send postcard bearing your name & address, or ...
I propose to re-examine an older question in the light of modern conditions. I refer to the relationship between life tenant and remainderman in a trust with successor beneficiaries. This relationship, so-called, has been described as splitting up of property ownership. The legal title to the property and all that usually goes with it are put in one corporation or individual while the equitable interest in the property is vested in others. I would like now to examine some cases in which the equitable interest, although in the possession of a trust, is under the control of a fraternal body to which it is subject in the same way as the property itself. The purpose is to explain certain legal principles and to illustrate them in cases of trust, taking for granted that the equitable interest is vested in a trustee and the beneficiary is not the person owning the equitable interest.

The Trustee’s Dilemma
In Growth Stock Investing

By Robert R. Duncan
Chairman of the Board, Harvard Trust Company, New York City

A favorable and toward utility stocks is made by a distinguished trust officer suggesting the type of equity which can most growth and dividends. The present paper sets out a number of principles underlying the investment. Mr. Duncan deals with the “almost intolerable position” of the conscientious trustee seeking impartial treatment between successive beneficiaries in a true trust situation, involving trustees and remaindermen in questions of favoritism and complying with the protection against speculation. The trustee faces the problem of having to pay dividends and still preserve the original trust.

Shift From Safety in Principle
Under these conditions, the law of safe income and value of successor beneficiary equities raised the easy-to-follow system. The trustee was found not to have the final implication. In order to give the life tenant more income at the expense of the principal, the trustee could, for instance, invest the principal in a trust account instead of continuing to invest it in the same way. He could also pay the income to the remainderman. The trustee has for a long time been subject to the rule of law that he cannot expand the value of the trust. If he did, the life tenant would lose income. This rule of law, however, could be ignored if the trustee could find a way of increasing the income of the life tenant without increasing the principal. It has been shown that the trustee can do this by investing the life tenant’s income in a way that will increase the value of the principal, thus increasing the income to the life tenant.

The decision of the courts on this point is not uniform. In some cases, the courts have held that the trustee can increase the value of the principal and thus increase the income to the life tenant. In other cases, the courts have held that the trustee cannot increase the value of the principal and thus increase the income to the life tenant. It is important to note that the courts have not made a clear distinction between the two types of trusts, and that the trustee has been left to decide whether the trust is an income trust or a capital trust. In the income trust, the principal is kept constant and the income is increased. In the capital trust, the principal is increased and the income is kept constant.

In practice, the trustee usually prefers to treat the trust as an income trust. This is because the trustee can then increase the income to the life tenant without increasing the principal. However, the trustee must be careful to follow the rule of law that he cannot expand the value of the trust. If he does, the life tenant will lose income.

The trustee’s dilemma is thus one of choosing between two evils. He can either increase the income to the life tenant at the expense of the principal, or he can keep the principal constant and try to increase the income to the life tenant in some other way. In practice, the trustee usually prefers to increase the income to the life tenant at the expense of the principal. This is because the trustee can then increase the income to the life tenant without increasing the principal.

In conclusion, the trustee’s dilemma is one of choosing between two evils. He can either increase the income to the life tenant at the expense of the principal, or he can keep the principal constant and try to increase the income to the life tenant in some other way. In practice, the trustee usually prefers to increase the income to the life tenant at the expense of the principal. This is because the trustee can then increase the income to the life tenant without increasing the principal.

This article has been prepared for informational purposes only and is not intended to provide legal or tax advice. The information contained herein may be subject to change without notice. The content is for general informational purposes only and does not constitute legal or tax advice.
investors, frankly looking for capital gains only, step into the picture in "on the ground floor" and get out when in the next time when in ordinary course the stock might have escaped from the public's attention. But if there there must be appropriate words giving autho- rity to the fiduciary to pro- cure common stocks eligible for Prudent-Man Rule investment, which has grown in market value than the utilities. Some have had the keen of stock by A. T. & T. & B. & C. & D. & E., be- cause it seems to him that so depression — come boom — the amount of yackety-yack seemed constant on the increase.

Then there are the stocks which have become firmly established on a profitable basis but whose management is open to criticism in the new fields that our scientists and technologists are putting out of the last half of the year. I'm not talk- ing only about the old-line blue-chip stocks, although I certainly wouldn't sell them short in this connection. There are other and smaller companies which have been able to do pretty well for themselves dollar-wise and at the same time found funds to conduct their own R & D programs.

In summary, I would say that the prudent-man would view the whole spectrum of com- mon stocks through glasses which have no rosy tint of speculation. He must know the needs of his beneficiaries, and in the light of those needs he must decide upon an investment program which will stand the test of impartiality if it be questioned. He must never- theless acquire in his common stock portfolio the reasonable expectation of in- creasing in value while they con- tinue to provide a living for the income beneficiaries.

An address by Mr. Duncan before the fourteenth Southern Trust Conference of the American Bankers Association, Jackson, Miss.

Blyth & Co., Inc., Kans. City Branch

KANSAS CITY, Mo. — Blyth & Co., Inc. has announced the open- ing of an office in Kansas City, Missouri. Clay E. Coburn has been named resident manager of the new office in the Dwight Building which will serve the firm's cli- ents in western Missouri.

This brings to 35 the number of Blyth offices throughout the country.

L. J. Fisher Opens

New Roberts Branch

L. J. Fisher is engaging in a securities business from offices at 50 Hilfield Ave., New York City, under the firm name of L. J. Fisher Associates.

New Roberts Branch

LA JOLLA, Calif.—Norman C. Roberts Company has opened a branch office at 1127 Torrey Pines Road under the management of Douglas Owen.

This announcement appears as a matter of record only.

$75,000,000

United Aircraft Corporation

5% Sinking Fund Notes

Due June 15, 1981

These notes have been privately placed and undated.

Harriman Ripley & Co., Inc.

63 Wall Street, New York 5, N.Y.

BOSTON • CHICAGO • PHILADELPHIA • SAN FRANCISCO

CLEVELAND • DETROIT • READING

June 29, 1961.

This announcement appears as a matter of record only.

$10,000,000

Wallace Properties, Inc.

Fromisory Notes due December 1, 1979

These notes have been privately placed and undated.

Harriman Ripley & Co., Inc.

63 Wall Street, New York 5, N.Y.

BOSTON • CHICAGO • PHILADELPHIA • SAN FRANCISCO

CLEVELAND • DETROIT • READING


These notes have been privately placed and undated.
The end of the fiscal year being at hand, it will not be long before the deficit of the Treasury becomes known and shortly thereafter the Government will be in the market again seeking new money. It is expected that the Treasury will do fairly heavy business in the near future for new money purposes between July 1 and the end of 1961. And upon there is a complete change in plans, these new funds will be obtained from the sale of short-term Government issues. Thus the Treasury by making near-term liquid obligations will be able to tap again that big supply of funds which is seeking just such an investment.

The indications are that the business, recovery will not only be a solid one, but it will also set new records in many sectors of the economy. If this should be the case, it appears as though the revenues of the Government in the coming fiscal year will also reach new high levels. This might mean a much smaller deficit than has been predicted.

Short-terms in Demand

The money and capital markets continue to move within a rather limited (price) range because it seems that the demand for short and long-term Government obligations is sufficient in both cases to take care of the supply of these issues which are presently being sold in these markets. In other words, the operations in short-term Government markets, and consequently since the purchases of these securities appears to have been witnessed from time to time in the intermediate and long-term Government market, are not quite as prominent as they have been at times in the past. These have not been removed from the scene, however, for the time being it appears as though there is a way to lay around for these securities to make their appearance in which they have been coming into them.

It appears as though there has been a leniency in the pressure to make exchanges from the more distant Government issues, especially in the intermediate-term area. Most of the swaps from Government obligations that are distant areas have been into short-term Treasuries although there have been purchases of corporate and tax-exempt bonds in many instances.

As against this selling of long Government obligations, there are reports that institutions, both the private and public kinds, are buyers of selected intermediate and long Treasury issues. As long as there is a move or less balanced amount of buying and selling in these securities, the professional operator is pretty much on the sidelines.

Bond Yield Prospects

The new offerings of corporate bonds, according to advisors, will slow down in the not too distant future in spite of reports that a few more sizable new issues are in prospect, and this means that some of the pressure on the capital market will be taken off. On the other hand, the sales of new issues of tax-sheltered obligations are not expected to decrease, whereas most likely means that the yields on bonds in this class will not show much of an upward trend for the foreseeable future. Government bond obligations in the mortgage yields in about the range which has been in effect of late.

Liability Pressured

There is a very strong among many institutional investors that the only place where funds should be put to work during a period of business betterment is in the near-term most liquid Treasury obligations. In this way they believe they are best able to protect against ascending interest rates which have in the past come along with the pickup in business.

Also, the boom in inflation psychology has not had an adverse influence on short-term rates and commitments in these obligations have remained high during the past several months. By the time the mid-year period is reached, it is expected that the Treasury will have reduced the level of these obligations as the yield curve steepens. It is then that some of the funds will probably be moved into long-term obligations.

Less Professional Activities

Some of these activities which have been witnessed from time to time in the intermediate and long-term market through the Government market are not quite as prominent as they have been at times in the past. These have not been removed from the scene, however, for the time being it appears as though there is a way to lay around for these securities to make their appearance in which they have been coming into them.

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Hawaii first enjoyed electricity in July 1886, when six arc lamps were lit on a Palace on King Kalakaua's fifth birthday. Hawaiian Electric was established in the island of Oahu. While there are no other electrical utilities in the islands the company today generates about 87% of all the power in all the islands. The company services the city of Honolulu, sugar and pineapple plantations, Armed Forces establishments, and numerous tourist towns. As the seat of the State Government and as a major center of industry and national defense has 79% of the state's population.

Average residential consumption of electricity in the islands last year was 4,920 kWh., which was 28% above the long-term average despite the fact that there is a minimum of electric space-heating and air-cooling and in 1960 having use of other appliances. Basic factors in the strength of the Hawaiian economy have been military installations, industrialized agriculture and tourist dollars. All branches of the national defense services are concentrated by full-time installations and the importance of military installations are also increased by the high demand for satellite, tracking stations and Nike sites. The nerve center of the Pacific military installations located on Oahu, and Pearl Harbor being the largest area for nuclear submarine, Military installations, have a stabilizing influence because they are unaffected by business fluctuations.

Agriculture is a basic factor in Hawaii, and on Oahu, 14% of the land area is used for sugar and pineapple production. Medication is advanced in both these industries. Together, they are valued at $296 million, which is 4% of Hawaii's largest non-military source of income.

The tourist business increased rapidly in the past wave, the number of tourist dollars spent in 1960 was $15,000 in 1961 to 171,000 in 1965. In the past year, tourists spent almost $38 million. Statehood was a stimulus to hotel development. In 1960 there were 295,000 visitors who spent some $14 million. In the Waikiki renovation, Army Forces, National capacity has been doubled in the past two years. While the Islands have not been noted for industrial activity, there are a variety of diversified products, including a Standard Oil refinery, a steel mill, cement plant, a concrete products company, lumber milling and handling, and an air-conditioning, etc. A 1,200 acre industrial park is under construction. In the past decade manufacturing has grown at a rate of 50% greater than the U. S. average. A 1960 study showed that value of manufactured products such as garments was estimated at $145 million, a gain of 12% over the previous year.

Hawaiian Electric would qualify as a "growth utility" so far as sales of service are concerned. The company (over $30 million) were 2% times the level of 1961. In the past years the rate of gain per annum (compounded) has been 4% with number of customers and 10-11% in kwh and revenues. In a recent report before the Federal Power Company, a study of Security Analysts, President Ralph Johnson. Johnson, has followed immediately by an increase in earnings of $1.25 per share, significant growth of the economic boom experienced in Hawaii during the past two years. Hawaii has achieved a level of development which normally might have taken longer. The company has anticipated that in the past half century American enterprise had already assumed major importance in Hawai i, with a higher standard of living than in 29 other states.

In 1960, 20,000 single-family homes and 3,600 apartment units were built on Oahu during 1960; more than 33% of all homes built and 65% of all apartment units were new. By the year all-electric. Construction was 31% over the previous year. As a result of this burst of activity, electric sales rose 14% in each of the years, compared to an earlier rate of gain of 8 or 9%. It appears likely that the future growth will return to the earlier figures.

The Hawaiian Electric Company, Ltd.

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Richmond, Va., was announced by George R. Dupuy, Vice-President. They are Richard W. Beineke, and Samuel G. Jones.

Robert C. Bespaw, will join in the Trust Department of Central National Bank, Cleveland, Ohio, effective July 1.

Fifth-Third Union Trust Co., Cincinnati, Ohio, has agreed to purchase the Norwood-Hyde Park Bank & Trust Co., Norwood, Ohio. Norwood-Hyde Park had a capital stock of $1,500,000, $42,000, $62,000, $29,000, $10,000, $0, $10.

This is a conversion of the Merchants & Planters Bank, Carlisle, Ark., as effective as of June 15.

The common capital stock of the Central National Bank of McKinney, Tex., McKinney, will be increased from $100,000 to $500,000 by the sale of new stock, effective June 15. The bank has a capital of $500,000, $50,000, $2,000, $100, $0, $10.

The United States National Bank of San Diego, San Diego, Calif., increased its capital stock from $4,100,000 to $4,500,000, by the sale of new stock, effective June 12. (Number of shares outstanding 450,000, price $10.)

The merger of the First National Bank in San Rafael, Calif., is an affiliate, the Bank of San Rafael, into the First National Bank of San Francisco, Calif., become effective on the close of business on June 23. It is announced by Mrs. E. Brown, President of Crocker-Anglo National Bank, and William F. Murray, President of the San Rafael Bank.

Under the merger, Crocker-Anglo's deposits will total approximately $1,750,000,000, its assets will aggregate in the neighborhood of $1,850,000,000, and its capital funds will be about $135,000,000.

The appointment of J. W. Ganann as Assistant General Manager of the head office of the Bank of Canada, Montreal, Canada, was announced. Mr. Ganann was the chairman of the bank's New York office the last eight years.

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The Chase Manhattan Bank, New York, N. Y., has announced the election of Harvey Ackermann, of Hempstead, Long Island, June 28, as a director of the bank. Mr. Ackermann is a member of the Board of Directors of the Chase Manhattan Bank.

The directors of the board of directors of the bank have appointed Joseph A. Land, of Hempstead, Long Island, to a term of 13 years, as a director of the bank, the appointment of Mr. Land to the board of directors of the Chase Manhattan Bank.

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A Loan Officer's Views on Small Business Financing

My business efforts are directed toward the financing of smaller corporate enterprises in America and Canada. I hope to give a clearer picture of how to obtain long-term financing from an insurance company.

There are three types of term financing provided by life insurance companies: the mortgage loan on real estate, purchase loan or sale-lease-back; and the long-term note issue, generally unsecured. It is this last type of financing that I propose to discuss.

In 1965, in order to better serve small business, we created our Commercial and Industrial Loan Department. Since then, this department has made about $450 million in loans to smaller corporations. In 1966, 70% of these loans authorized were for $1 million or less, and one-third were for $500,000 or less.

We are reaped to have done a good job, but we do not feel that we have scratched the surface. We are working to develop this type of business. We have set up staff organizations in our various Regional Home Offices in the United States and Canada to work with banks, investment houses, accountants and businesses on a more systematic basis.

No one factor can be a determinant as to whether long-term loans are available to a company. The business must be located in a broad perspective and a decision made based on sound lending principles, but the following factors are pertinent.

Pertinent Governing Factors

- Life insurance investments are controlled by legal restrictions, and the life company cannot make an unsecured term loan to an unincorporated borrower.
- A term lending is designed for industrial-type companies. In its broad sense, this includes most types of businesses, except public utilities and railroads.
- The company should have a minimum net worth of between $250,000 and $350,000. We believe this amount of capital for the company would be unable to meet the standards of earnings, stability and management we are required to observe.
- There is no floor on the amount of loan we will grant. The smallest authorized has been $94,000, and we have made several for $300,000 or more.
- The minimum term is 10 years, and the maximum, 20 years. The funds can be used for productive purposes: building plant and equipment, expanding markets or introducing new product lines; and funding existing short-term obligations to place the company on a more solid financial basis.
- Our loans represent investment-grade risk capital. They are not designed to finance speculative, high-risk ventures. We do not expect to share in either the losses or the profits accruing to the owner of that type of business.
- A term loan is not suitable for financing the seasonal needs of a business. This is the function of commercial banking.
- The company should have 10 years of favorable operating history. If this is not a clear situation, we have made loans to companies with six years of experience.
- The company should have evidence of market position and shown its ability to maintain it against competition.
- We look for a record of growth and have growth potential.
- The company should have satisfactory financial ratios. One that has proved valuable over the years, both for the lender and the borrower, is that long-term or funded debt should not exceed about 50% of the company's tangible net worth. This means that the owner has about twice as much at stake in the business as a lender. A lender relying solely on an interest revenue should not be expected to have the same amount invested in the business as the owner.
- The company's profit margins must be satisfactory.

Repayment Requirements

A term loan is semi-permanent capital. It is repaid on a specific payment schedule out of future earnings and not out of the liquidation of assets or receivables, as in the case of short-term debt, nor out of the liquidation of any other assets, appearing on the company's balance sheet. Most companies examine a net profit after income tax of about 15% of the total amount of long-term debt outstanding and, also, show historical ability to cover interest and sinking fund payments on such long-term debt one to two times. In a growth situation, with a return on assets of a steady rise, the historical earnings level does not assume the same degree of weight.

Management is by far the most important single ingredient. It should be of good character, well rounded. The dangers of making a loan to one-man management are obvious. Nevertheless, there are a large number of small, successful enterprises where this is done. We believe that, if we make a number of these loans in diversified industries located geographically throughout the United States and Canada and the companies headed by dynamic individuals with an obvious potential, we will not have them all dropping dead or being bought up within the same month. In some instances we will insist upon life insurance being taken, or we will insist upon protecting our interest in the event of his death, and, of course, to make every effort to have management owners recognize the need of building up a rounded organization.

When we are developing a term loan with a company, we attempt to maintain close contact with the company in a short period as its business needs and over a period of many years.

Even though we expect to be paid out of future earnings, we are interested in the past operating record. We want to know if the company has demonstrated an ability to weather economic storms and if it has a record of meeting its obligations on schedule. If the past record is good, we endeavor to ascertain if there are factors in the company's operations, in the industry or in the economy which would affect the company in the years ahead. If the company's past record shows weakness, we want to know if the management feels the business is headed for better times.

We are also interested in the company's product line and its markets. We analyze the profitability of its principal thing worthwhile in the form of goods or services and determine if it is satisfying a temporary or "fad" type need? Does it have a known supplier or one customer? Does it have only one product, which could be replaced through advances in technology?

Study of Plant and Management

A study will be made of plant, equipment and other facilities. Will these facilities provide a desirable degree of flexibility? Is there room for expansion? Are productive facilities set up efficiently to provide for an orderly flow of work and materially? We frequently find it difficult to determine just what to be an indication of the character and potential of investment.

Management is the company's facilities as good or better than others in its line. How good is the prospective customer can be expected to meet reasonable competition in the future and on a sound basis.

If management trained and competent? Is it forward-looking? Is it seeking to improve its product and services in order to obtain and hold its customers and if it is properly marketing its products and services in order to obtain and hold its customers? Is it training replacements for key jobs? Is it following an enlightened personnel policy? Has the business a history of stable and reliable earnings? Are pay scales and benefits comparable to those in the area and in the industry?

Does management employ the important tools of management? Does it have sufficient records and controls to determine the progress of each phase of its business? When I speak of controls I mean not thinking of elaborate records and controls. Small businesses cannot afford to have elaborate controls and maintain elaborate controls. But there must be some controls and we try not to overexercise a company.

Is management planning? Or is it riding on the crest of an economic wave? Is there a multitude of sins and weaknesses? Is the situation and good times and has hidden many weak management practices during the past 20 years. We may not have the same crutch in the years ahead. A 1959 study by Dun & Bradstreet of the nearly 15,000 business failures in 1958 indicated that more than 80% of such failures resulted from inadequate management, incompetence and poor planning.

Financial Projections

We ask for financial projections from all of our prospective borrowers, and we are questioned about them. The answer is- if you do not have any goals set for your business for the foreseeable future, you don't have any goals at all. If you have no goals set, you will not tend to your business in your business. No, I am not referring to 10 or 15-year projections or longer. But we do ask for a reasonable projection for at least the next year or two. Nor should projections be fixed. They should be reviewed periodically to meet changing conditions and, of course, utilized to measure actual performance against objectives. We find that, once having made a projection, management usually recognizes its importance and employs it thereafter as one of its important tools.

Problems Encountered

Now, I would like to discuss some of the problems I have encountered in considering such loans. One of the most important is the prospective borrower's insufficiency on a term loan when the business must need equity to make the combination of term loan and equity. The man who has agreed to a business, and is usually fearful of losing control, or becoming saddled with something he cannot acquire new ones. It is training replacements for key jobs? Is it following an enlightened personnel policy? Has the business a history of stable and reliable earnings? Are pay scales and benefits comparable to those in the area and in the industry?

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Thirteen. The accountant is often a non-class bookkeeper who is not in a position to be capable of, setting up proper corporate
structure. Many times, the financial data submitted is inaccurate, but a mass of figures is not suscep-
tible of control. Management does not know the type of business they are
in full. The accountant does not have knowledge of, how much money is
needed, and what is more important, how much money is earned.

**Pre-enumeration financial information** by certified public accountants can be obtained from three possible directions:

1. The captive accountant whose main source of business is the prospective borrower and who is not widely advertised
    because of fear of a loss of compensation in some instances even a lack of knowledge.
2. An investigation of the force proper financial procedures.
3. Management's desire to have accounting fees through restricting the scope of the audit, particularly as to inventory. If otherwise
    satisfied, we are willing to commit for a loan with an inventory qualification, but we will not un-
    der any circumstances without an unqualified certificate from a certified public account-

**Unadvised statements.** Their unsatisfactory is self-evident.

Dependability upon one eyewitness or a very limited number: What would a loan officer do to be sure that he
    decided to do business with someone who had never been verified.

Inordinate salaries or dividends. Many smaller companies pay salaries or dividends at the level of
    the amount warranted by the capacity of the company. The salaries should be cut
    instead of keeping the funds in the business to help the company grow. We have studied the average
    percentage of earnings paid in dividends in all manufacturing companies in the United States from 1947. The
    amount was 48%, which gives you a good idea of the percentage of earnings that can possibly be re-
    turned to the business. But the average paid to employees was under $10 million was under $10.

Mixing up the personal affairs of management with the business. The lending of money back and forth among affiliated companies as though they were one company is one form of this. Another form that this is to say payments of
    salaries or excessive dividends to members of the family or rela-
    tives who have no real contribution to the company.

Failure to recognize that affiliated companies are not corporate entities as the borrowing company, and that you
    understand that guarantees or cross-guaranties do not attract you to satisfy the lender. In many states the
    guarantors are valid and legal, and certainly it is not good financing.

**Over-aggressive management.** The funds are barely dependable when the management has no
    the next expansion move it has dreamt out of the control of any one. The loan will not
    been. The failure to repay the loan, the company was de-
    cided to go into California because it was not the regular nor the company to withstand the period of
    losses, that were bound to result in an eventual type of grow-

**Loan Ground Rules.** If a loan is requested, a loan agreement will be executed with the bank, setting forth the general condi-
    tions under which the company may borrow the loan is in the force. Although it is commonly
    called restrictive in nature, it is often profitable to the loaner to maximize its freedom of action in its
    working capital, without interference on the part of the lender, and to make sure that sound financial practices will be
    followed by the company. The

    That the company finances its operations by
    its quarterly financial statements and, within a specified time frame, the company's fiscal year, copies of its audited financial statements, prepared
    by independent certified public accountants.

    That the company undertake to maintain its working capital, in amounts which will not fail to
    be an agreed-upon dollar figure, to be determined by the needs of the business.

    That dividends be limited to a certain percentage of the company earnings, and, in some cases, curtailed completely.
    In the event that cash projections indicate a need for funds, the company may declare up to 50% of the
    current dividend amount paid to stockholders and their families owning a per-
    cent ownership of the company, say 5%, will be limited.

    That the company be required to report on liens, pledges, mortgages, and guarantees, or other liabilities.

    That additional funded debt be prohibited.

    That the company is not permitted to sell additional dollar Figure
    with a required bank covenant for a specific 30-day period.

    That the company is not permitted to sell bank borrow-
   ings for a stipulated period of time, there is every indication

    That the company is required to maintain a current loan agreement, and for which the company must provide.

    That mergers or consolidations and the sale or leasing of a sub-
    stantial portion of the assets be prohibited as well as take

**Modifying the Loan.** A loan agreement must be co-
    sidered a living document that should be altered from time to
time as additional conditions are met. However, we never deter-
    mine. Very few requests from a loan agreement are turned down. Indeed, one of the advantages of a private
    bank is that loan agreements are modified, if the need is a sound one.

    If a company has not been a borrower of long-term money the necessity of executing a loan agreement along the lines I have written, there is no substitute for doing business locally. In practically every instance, the attitude of the company counsel has no pre-
    vailed. We have dealt with companies that have been unable to take all trade discounts. In the first full
    year from date of disbursement of a $100,000 loan, sales increased 24% and net income almost 25%. Management,
    wrote us that this would not be possible without our funds. Last year, the company came back to us with a request for ad-

**New York State Bankers Elect George A. Newbury**

Buffalo banker is designated head of N. Y. Bankers Association at 50th annual meeting.

George A. Newbury, President, The Manufacturers & Traders Trust Co., Buffalo, was elected President of the New York State Bankers Asso-

The Bank of New

Clarence M. Brobst, Presi-

Cyril G. Kress, Vice-President, Bankers Trust Co.

Roger D. Siddiford, Senior Vice-

The earnings of less than 10

The resources of ten million customers who maintain checking and savings account balances in New York State commercial banks are produc-

The Association also has as associate members, investment banking houses, savings banks, the Federal Reserve Bank of New

The Prosp:

June 27, 1961

350,000 Shares

- Michael K. Glea

Lieberbaum & Co.

Levien, Greenwald & Co.


Levey & Co.

Levy & Co.

Michael K. Glea, Inc.

Bittmann, Voisin & Co.

F. B. Kesselman & Co., In

D. B. Blair & Company

H. M. Frumkes & Co.

Robinson & Co., Inc.

Sprayregen, Haft & Co.

New Issue

Price $8 per share

Copies of the Prospectus may be obtained from such of the undersigned as may legitimate after these securities in this State.

350,000 Shares

Common Stock

Paul Hardeman, Inc.

In-Company

Bittmann, Voisin & Co.


Levy & Co.

Levey, Greenwald & Co.

Levy & Co.

Michael K. Glea, Inc.

Lieberbaum & Co.

Levey & Co.

Levey, Greenwald & Co.


Levy & Co.

Michael K. Glea, Inc.

Bittmann, Voisin & Co.


Levy & Co.
SECURITY SALESMAN'S CORNER  BY JOHN DUTTON

Sometimes a Good Salesman Is With the Wrong Firm

Several weeks ago I received a letter from a salesman who was faced with the responsibility of making a decision regarding whether or not he should accept a driving position with his present employer in order to seek a new connection. The letter was very concise in nature, but when I went into detail, I answered him and told him that from what I could gather from the facts he gave me, he should refuse to accept the new position with another firm. There are many capable, and ambitious security salesmen, who for one reason or another find themselves stymied in their efforts. Their scope of activity and their production is limited by conditions beyond their control. If this is not corrected they must be willing to work in a frustrating environment, and despite their initial drive and ability, they will suffer a lack of progress.

Not All Firms Are Good for Every Salesman

One case in particular with which I am familiar, concerns a salesman who has a knack for establishing and servicing active accounts. He is also a man of superior intelligence, hard working, and he likes his work. Due to his firm's emphasis on active and investment type securities, especially its underwritings of very institutional character, he did not have the facilities to service trading accounts. He spent too much of his time in digging up his own situations; he needed a better research department. Also, his cashiering department was not geared to servicing margin accounts that were very large and volatile. When a salesman is overburdened with details that should be the proper responsibility of his firm, his efficiency becomes impaired. Worse still, if a salesman is subjected to continuing pressure from fellow salesmen in his own firm, his ability to think creatively and work productively is seriously impaired.

The answer in this case was clearly indicated. This salesman made a connection with another firm that had one of the best research organizations in the country, plus an active and alert technical staff, and a department that could handle active trading accounts. He made a good move in his work by an alert statistical department, and an organization that was staffed to handle active trading accounts. He made a good change and, in addition to that, he gained a large early in his commission business, has also been given an executive post with the new company.

Another friend of mine did not care for active trading clients, nor did he wish to sell new issues, or popular speculative stocks. His main interest was directed toward developing clients among retired people and he wanted to specialize in mutual funds. He finally opened his own firm. He moved his office into a neighborhood where he could meet retired people and he spent several years building an active clientele. Today he employs only a few salesmen, and he relies on his own funds and conservative investment type securities. He is happy in his work and making a very good profit. His repeat business is excellent and he does not have the stress and strain that he did in a busy office of a member firm. He also benefited by making a drastic change—in his case he had to establish his own business with which he now runs to suit his taste and his own idea.

Some Firms Are Not Aggressive

There are investment organizations that do not wish to expand. Often these firms have captive business that is controlled by a few powerful persons, who do not wish to stay in their own groove. Growth, and the ensuing problems, that enroll all business efforts today is not for them. They do not offer a willing young man the scope for his talents that an ambitious salesman would pursue. Unless your firm can offer you a program that is oriented toward servicing a complete clientele, you are going to have to find another outlet for your efforts to the restrictions that surround you and make the best of it; or you will sooner or later be forced to move on to a more＝moving, scientific age.

The investment business today is becoming more competitive. There are firms with hundreds of specially trained men in their research departments; there are skilled advertising and sales promotion men in the companies who we never knew about 20 years ago; there are underwriting departments headed by men who are able to select candidates for public financing who enable their sales force to offer their clients securities that perform well and that are in demand in this fast moving scientific age.

Many of these firms are training their back office staff to become a more efficient job of servicing accounts. Electronic equipment and the latest design is being installed just to have a slight edge on competition, and information is relayed over private wires that is of interest to traders and speculators. Municipal bond department and institutional departments are also actively growing in certain of these well managed and aggressive small firms. A salesman who is with such a firm has a great advantage over his competitors.

Every man must decide for himself what he wishes to do with his life. Sometimes your progress not only depends upon you but upon your opportunity. Unless you are in the right spot, you can never do your best work. A good salesman is always in demand. He can make a living anywhere. The man who keeps his contacts and does a good job for his clients can also move anywhere—and sometimes it is proper to make a change. If you are wondering about your present situation, and believe you can better yourself, there is probably a good reason for it, so don't be afraid to look around. You may be missing a better opportunity for a fuller life, and a more productive career. If you allow stagnation and inertia to become a habit, you will be a victim.

David Wittman
With Mallory

David Wittman has become associated with Mallory Securities, Inc., 120 Wall Street, New York City, as Manager of the trading department. He was formerly associated with Schiff & Co.

Laren Company
Formed in N. Y. C.

Formation of the Laren Company, which will engage in the general securities business, has been announced by Kuno Laren, formerly Manager of the Underwriting Department and Director of Research of Jesup & Lamon. Mr. Laren said the newly-organized firm will concentrate on underwriting medium-sized growth companies. It will be located at 28 Broadway.

Mr. Laren began his career in the investment banking field as an economist with Econometic Institute Inc. of New York City. He joined Shearson, Hammill & Co. in 1933 and in 1957 became senior security analyst and underwriting assistant in that firm. He was educated in Sweden and received his master's degree in public finance from New York University in 1950.

340,000 Shares
Jefferson Construction Co.

Common Stock
(par value $1 per share)

Price $5.50 per Share

Copies of the Prospectus may be obtained from the undersigned only in states in which the undersigned is qualified to act as dealers in securities and in which the Prospectus may legally be distributed.

Pistell, Crow, Inc.

Hill, Darlington & Grimm
Marron, Sloss & Co., Inc.
Hanrahan & Co., Inc.
Rouse, Brewer, Becker & Bryant, Inc.

C. B. Richard & Co.
Willis, Kenny & Ayres, Inc.

J. J. Bruno & Co.

Filor, Bullard & Smyth

The Johnson, Lane, Space Corporation

Kamen & Company

Caborn & Middlebrook

June 27, 1961

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.
Investment Association of New York
Holds Annual Outing

Sam Hunter, Clark, Dodge & Co., Inc.; Thomas Melly, De Coppet & Doremus; Steve Wood, La Branch & Wood & Co.; E. B. de Sololn, Spencer Trask & Co.


Hamilton, Forster, Dominick & Dominick; Summer White, First Boston Corporation; George Richards, Haber, Stuart & Co. Inc.

Paul Hahn (trick shot golfer); Edwin L. Brack, Commercial & Financial Chronicle.

John Hughes, Carlisle & Jacobson; Harold Allen, Kuhn, Loeb & Co.; Bud Thomas, De Coppet & Doremus.


At Sleepy Hollow Country Club

Bob Coleman, Carlisle & Jacquely; Byron A. Allen, Jr., Shields & Company; Sandy Piper, Paine, Webber, Jackson & Curtis; Robert Thomson, Paine, Webber, Jackson & Curtis; Allan Bogardus, Watling, Lechem & Co.

Arthur C. Burns, Dominick & Dominick; Jim Baynes, Dominick & Dominick; Richard Walker, Vilas & Hickey; Larry Carpenter, Goodbody & Co.

Bob Coleman, Carlisle & Jacquely; Byron A. Allen, Jr., Shields & Company; Sandy Piper, Paine, Webber, Jackson & Curtis; Robert Thomson, Paine, Webber, Jackson & Curtis; Allan Bogardus, Watling, Lechem & Co.

Arthur C. Burns, Dominick & Dominick; Jim Baynes, Dominick & Dominick; Richard Walker, Vilas & Hickey; Larry Carpenter, Goodbody & Co.

John E. Friday, Morgan Stanley & Co.; Donald S. Cernie, Smith, Barney & Co.


Don Devine, Freeman & Company; Walter Stern, Burnham and Company

John E. Friday, Morgan Stanley & Co.; Donald S. Cernie, Smith, Barney & Co.


Don Devine, Freeman & Company; Walter Stern, Burnham and Company

John L. Montgomery, Smith, Barney & Co.; Sid Scott, Smith, Barney & Co.; B. V. Merrill, Merrill, Farben & Co., Inc. (Cleveland, Ohio)


John L. Montgomery, Smith, Barney & Co.; Sid Scott, Smith, Barney & Co.; B. V. Merrill, Merrill, Farben & Co., Inc. (Cleveland, Ohio)


Winston E. Wood, Granbery, Marache & Co.; Larry Douglas, Alex, Brown & Sons; Jerry Goldstein, Bear, Stearns & Co.
Continued from page 1
so it might be said, raised on it. They have now made it more or less a profession and have long used it in most quarters of the globe. They are still at it and will without a long time to come. They send highly trained and "disciplined" agents into foreign countries, old to stir up trouble, enlist the discontented, and find such as can throw a make trouble on all occasions and overthrow the existing government whenever opportune to do so. Governments are then replaced not by rulers headed (technically, that is) by a Russian or other foreign trouble maker, but by natives by whom then are fully in the habit of taking orders from the Kremlin, but who can and do appear to the outsiders—and a and doubtless to many residents of the countries themselves—as products of the home soil.

Here is a situation which is quite new to this country, and, for most of the countries of the world. We are not well suited for this sort of warfare (for warfare it is). We unlike the masters of the Kremlin are not by nature schemers and intrigurers. Neither we nor our friends as a rule are much inclined to fish in troubled waters—as the Communists are so fond of doing and do so well. We, all of us, much prefer the direct approach, and straightforward dealing. There is a situation that we must somehow meet and deal with. So far, it would appear, we have not only been unable to play the game of the Communist subservices, but have not always even apparently been keenly aware of what the Kremlin agents were doing and planning. All too often have they been placed in an awkward position as a result. It has all too often been possible for the Communists to make it appear—perhaps it was sometimes true—that the economic aid which we have provided in such abundance was largely used to fill the coffers of privaterafters to support factlessly indefensible governments.

First Tasks
One of the first tasks to which we must apply ourselves is obviously to see to it that aid extended in the order reaches the people we wish to help and is not employed to bolster decadent regimes or corrupt regimes with our aid may prove simply disastrous.

The effectiveness of our foreign aid can not be measured in terms of the number of millions or billions of dollars provided.

Crowe With 1st Nat'l Bank

ST. LOUIS, Mo.—Martin J. Crowe has been appointed a representative of the municipal bond department of First National Bank in St. Louis, 510 Locust Street. It has been announced by Newell S. Night, Vice-President in charge of the department.

Mr. Crowe, who will represent the bank in St. Louis and in the Middle West, was formerly Vice-President and executive with Luce, Thompson and Crowe, Kansas City, Mo.

He has been in the securities business since 1956 when he began his career as an investment analyst.

Commonwealth Of Australia Bonds Offered

Morgan Stanley & Co. headed a nationwide underwriting group composed of 67 investment firms which offered for public sale on June 28 an issue of $25,000,000 Commonwealth of Australia 30-year 5.75% bonds. The bonds, due July 1, 1981, are priced at 97% and accrued interest to yield approximately 5.75% to maturity.

The bonds are direct obligations of the Commonwealth and principal and interest will be payable in U. S. currency.

They will not be redeemable before July 1, 1971 except for the sinking fund, which provides for semi-annual payment of $875,000 from July 1, 1960 to Jan. 1, 1981. Together with a payment of up to $790,000 on July 1, 1981, which are calculated to retire 100% of the issue.

On and after July 1, 1971 the bonds may be redeemed at the option of the Commonwealth and including July 1, 1975 at 101%; thereafter to and including July 1, 1981, 100% and thereafter at 100%.

Application will be made to list Co.
This Week—Insurance Stocks

THE CONNECTICUT GENERAL CASE DECISION

On June 1 the New York Court of Appeals rendered a decision in the suit ruled on a 4-3 basis that an actuarial basis on which any insurance company could acquire controlling interest in a fire and casualty insurance company was void because of the court in New York in its decision rendered by two lower courts, the State Supreme Court and the Appellate Division of the Supreme Court, and earlier opinions by the Commissioner of Insurance and State Attorney General. Their decision appeared to end the controversy except for the possibility of a rehearing in the same court.

The decision resulted from the suit brought by the Connecticut General Life Insurance Company to acquire an interest in the National Fire Insurance Co. in 1953. National Fire has since gone under the name of the Continental Casualty group. Connecticut General originally received permission in Connecticut for the merger, but was blocked by the New York Department of Insurance which threatened not to renew Connecticut fire insurance permits in that state. The denial, which was reversed by the New York Court of Appeals, was based on the New York regulations which provide that it is illegal actively to engage in the fire and casualty business of another state—active violation provisions of the law. Out-of-state life insurance companies have been operating in New York in violation of the New York insurance laws in order to be permitted to sell the New York state's]

Connecticut General contends that its ownership of a subsidiary which writes fire and casualty insurance would not be the same as actually writing the business and would avoid the New York insurance regulations of the state. Connecticut General and the State of New York both claim that both Travelers Insurance Co., and Aetna Insurance Co. of Hartford, which have operated a fire and casualty insurance company in New York have violated the provisions of the New York insurance laws because they were actually writing the business.

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The Global Approach

As noted at the outset, the fund, although not a diversified one, is able to service the needs of an entire country. The result is a large amount of money, which is invested in a diversified way, in a number of countries.

The Funds Report

Allegany Corp. reports net assets of $10,000,000, or 12 shares, at $25 each; total assets, $30,000,000, or 12 shares, at $25 each; total liabilities, $5,000,000, or 12 shares, at $25 each; and a net annual dividend of $1.00 per share.

The fund is divided into three parts: a share for each investor, a share for the manager, and a share for the beneficiary.

The company is managed by John D. Rockefeller, Jr., and the fund is distributed by the company's own agents.

Director of American Mutual Fund, Inc., declared a dividend of six cents per share, payable July 1, 1960, to shareholders of record July 15. The dividend will be paid July 28 to shareholders of record July 19.

Century Fund, Inc. declared a dividend of ten cents per share to shareholders of record July 15, to be paid July 28.

Broad St. Sales Names Coward

Richard L. Coward of Skanastel, N. Y., has been appointed district sales manager of Broad St. Sales Corporation, it was announced by C. F. Reuter, president of the company.

Coward will be responsible for the sales and marketing of the company's products in the New York City area.

Mennis Named by Wellington Mgmt.

PHILADELPHIA, Pa. — Edmund A. Mennis has been appointed chairman of the board of Wellington Management Corp., the company that manages the Wellington Stock Fund, which has over $2 billion in assets. Mennis will also serve as president of the company.

Mennis, who has been with the company for 30 years, will be succeeded by John J. Mullen, Jr., who has been with the company for 25 years.

Form W. T. Emmet Co.

Form W. T. Emmet Co., Inc., has been formed with offices at 375 Park Avenue, New York, to engage in securities business. Officers are William T. Emmet, President; Wm. W. Vicinus, Secretary-Treasurer. Mr. Emmet was formerly associated with the firm of Cayuga & Co., New York.

Affiliated Fund

A Common Stock Investment Fund

Investment objectives of this Fund are to provide long-term income growth for its shareholders.

Prospectus upon request

Lord, Abbott & Co.

New York — Atlanta — Chicago — Los Angeles — San Francisco

H. Gersten With Casper Rogers Co., Inc.

Casper Rogers & Co., Inc., 80 Pine Street, New York City, in Ohio Franklin & Co., Inc.

Stock Offered

Pursuant to a June 6, 1960 prospectus, the Ohio & Co., Columbus, Ohio, publicly offered 1,000,000 common shares of this new fund in exchange for blocks of acceptable securities. The minimum market value of $10,000. The exchange will be made at the discretion of Mr. Horner for each $25 of market value. The fund is being offered to the public for the first time by the company.

Eliot, Senior Vice-President.

Henry B. Gersten, Jr.

Over-the-counter securities, have announced that Henry B. Gersten, Jr., now associated with their firm as managing director of the trading department, Mr. Gersten who has been in the investment business for many years, was formerly with Dreyfus & Co.

Eastern Camera and Photo Corp.

Stock All Sold

Pursuant to a May 8, 1960 offering circular, as amended June 15, 1960, 75,000 common shares of Eastern Camera and Photo Corp., at 84 per share were sold. Net proceeds, estimated at $225,000, will be used for the repayment of debt and for the incorporation of the company.

The company, of 68 W. Columbia St., Hampstead, N. Y., and its predecessor company, engaged primarily in the business of operating a chain of retail camera stores, taking on the name Eastern Camera Exchange, has been in the business of selling educational and scientific supplies, equipment, chiefly in Nassau and Suffolk Counties. The business of the company is conducted under the name Eastern Camera Exchange, 1960, a corporation.

Mennis, formerly with the name Eastern Camera Exchange, had been in the retail sales business for 10 years, and was the principal of the firm, which since 1960 has been owned by Mr. Mennis.

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Today's Speculative Cycle
And Role of Government
Continued from page 3

The idea that it may help shed some light on the problem and perhaps even draw some conclusions.

Speculative Cycles
At the outset I want to put forth
the notion that in my own mind
there is no more fundamental
thing than the idea that specula-
tive cycles are of the essence
since, if that idea is true, it
may be at variance with some of
the conclusions that have been
suggested thus far. I believe
there is no more persistent
phenomenon which even the
most casual observer will un-
hesitatingly agree is with us
all today. The term "specula-
tive cycle" is not a popular
one, and I would be inclined
to think that it is at variance
with the more commonly
used term "business cycle." If
I were to define a business
cycle, I would do it by
saying that there exist some
basic, cyclical elements in
time. I feel that speculation is
equally and perhaps more
closely related to the broad
variations in the economy.

Saying "speculative cycle" is
equivalent to saying that some
of the things which we have
to face, and which trouble
all of us, are due to the way
in which we speculate. And
I feel that this is a rather
natural way of expressing the
idea that it is a very complex
thing that we have to face.

If one accepts this idea,
then one has to ask oneself
what is it that we are specu-
lating about? What is it that
is making these speculative
cycles? I think that one of
the things that we are specu-
lating about is the possibility
that we may have an extra-
curricular cycle.

This is a very important
thing. A cycle is not just
something that we can
look at and say, "This is a
cycle." It is something that
we have to accept as a fact.

The way in which specula-
tive cycles emerge is by
introducing some new elements
into the system. These elements
are not part of the system
itself, but they are introduced
by people who are speculating.

I think that it is very
important to realize that
these speculative cycles are
not just random events. They
are not just the result of some
natural forces. They are
introduced by people who
are speculating.

Saying "speculative cycle"
is not the same as saying
"business cycle." It is a
more fundamental notion.

The speculative cycle is
not just a cycle of business.
It is a cycle of speculation.

It is a cycle of the way
in which we speculate.

I think that this is a very
important thing. It is a thing
that we have to accept as a fact.

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in which we speculate.

I think that this is a very
important thing. It is a thing
that we have to accept as a fact.
Inflation Fears Unjustified Despite Budget Deficits

In a speech before the New York Chapter of the Foundation for the Study of Public Policy on June 30, 1961, Mr. Thorburn addressed the issue of inflation fears, stating that "Inflation is not a problem caused by budget deficits. It is caused by a misallocation of resources, leading to an overreliance on deficit financing." He went on to explain that while budget deficits do contribute to inflation, they are not the sole cause and that other factors, such as monetary policy and supply conditions, play a more significant role. Thorburn's speech was a response to a wave of concern over inflation in the late 1950s and early 1960s, which many attributed to the government's spending policies.
STATE OF TRADE AND INDUSTRY

Compressed from page 5 year, and industry output remained on an even keel despite the week's "Red."

World's set this week's auto assemblies at 128,844 as compared with 129,274 last week and 141,247 in the year. Leasure Packard's assembly line shut-down, closing its Los Angeles factory until end of July for 40 days, and Wiscon, Mixsil sites were idled for a year only. The company's San Jose, Calif., truck factory was closed all week. Ford said the only effect of the shut-down during the period, however, working for

On the week's output, General Motors Corp. (30.9%), Chrysler Corp. (25.4%) and American Motors Corp. plan no changes from the previous week.

Failures involving liabilities in excess of $100,000 included 27 failures declining noticeably to 307 in the weeks ended June 25 from 351 in the preceding week, reported Dan & Bradstreet, Inc. Although the total failure rate has been roughly 6% last August, casualties remained slight heavier than the 3.3% reported last year and exceeded considerably the 2.6% in 1959. However, fewer failures were reported in every week of the first half of the calendar year compared with the second half of 1959. The rate of failures remained uniform through the week.

The toll among manufacturers dropped to 24 from 59, among wholesalers to 27 from 37, among construction contractors to 46 from 55, and among retail and service concerns to 28 from 35. On the other hand, retaining moral remained prac-

Wireless and Gas Rights Offering To Stockholders

Northern Illinois Gas Co. is offering 100,000 shares of its common stock to the stockholders of the company as part of its Gas Rights, which will expire on July 11, 1961, to be submitted by a group headed by the new town of Benton Harbor, Mich., and Glore, Forgan & Co.

Ford Motor Co. Common Offered

Pursuant to a June 27, 1961 prospectus, Ford Motor Co. is being offered through the nation's network of dealer

Garner렀, 62,153 cars, the Association said, was an increase of 19.8% below the corresponding week in 1960, when the first

The loading represented a decrease of 0.7% below the previous week's level, when production reached 423,122 units, the high month of the 1960

Lumber Sales Mfrs. 5.5% Lumber production in the United States in the week ended June 16, according to the Department of Commerce, was 299,336,000 board feet compared with 292,880,000 board feet in the preceding week. The figure was 249,942,000 board feet.

Weekly compared with 1960 outlook, sales of new dwellings has slowed down 5.5%, and orders fell 6.2% from the corresponding period of the previous year. A few hot days in many areas and successful Father's Day pro-

Hot Spell and Father's Day

A few hot days in many areas and successful Father's Day pro-

Northeastern Water Bonds Sold Privately

Northeastern Water Co. of Wil-

Jefferson Const. Common Offered

Pursuant to a June 26, 1961 pres-

Harwyn Publishers, Class A Offered

Public offering of 110,000 class A common shares of Harwyn Publishers Inc., is being offered by the company through the network of dealers and brokers in the area. The offering is subject to the approval of the Securities and Exchange Commission.

Benj. White Branch

CRASTON, R. L.—Benjamin L. Craston has opened a branch office at 1083A Reserve Avenue, New York City, on July 1, 1961.
### Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month only. 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:

#### AMERICAN IRON AND STEEL INSTITUTE

<table>
<thead>
<tr>
<th>Latest</th>
<th>Previous Month</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,133</td>
<td>1,130</td>
<td>1951</td>
</tr>
</tbody>
</table>

#### AMERICAN RAILWAY CAR INSTITUTE—

<table>
<thead>
<tr>
<th>Month of month</th>
<th>Previous Month</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order for new freight cars</td>
<td>3,660</td>
<td>2,540</td>
</tr>
<tr>
<td>New freight cars delivered</td>
<td>3,100</td>
<td>3,053</td>
</tr>
</tbody>
</table>

#### AMERICAN METALLURGICAL ASSOCIATION, INC.—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Interest on freight cars transported by</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,964</td>
<td>13,128</td>
<td>26,166</td>
</tr>
</tbody>
</table>

#### BANK DEPOTS—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—

<table>
<thead>
<tr>
<th>Month of July 30 (in millions of dollars)</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>$6,657,201</td>
<td>7,032,952</td>
</tr>
</tbody>
</table>

#### BUSINESS Failures—DUE TO BRADY & STEELE, Inc.—

<table>
<thead>
<tr>
<th>Month ending April</th>
<th>Number of failures</th>
<th>Total amount of failures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>783</td>
<td>$28,000,000</td>
</tr>
</tbody>
</table>

#### COMMERCIAL PAPER OUTSTANDING—FEDERAL RESERVE BANK OF NEW YORK—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of issues</th>
<th>Total amount of issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,186</td>
<td>1,120</td>
<td>$214,000,000</td>
</tr>
</tbody>
</table>

#### CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS REPORT—

<table>
<thead>
<tr>
<th>Week ended June 16</th>
<th>Previous month</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,697,000</td>
<td>1,694,000</td>
<td>1951</td>
</tr>
</tbody>
</table>

#### COAL OUTPUT (U.S. BUREAU OF MINES)—

<table>
<thead>
<tr>
<th>Month</th>
<th>Total</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 17</td>
<td>8,973,000</td>
<td>8,070,000</td>
</tr>
</tbody>
</table>

#### ELECTRIC RAILWAY INSTITUTE—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of accidents</th>
<th>Total amount of accidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

#### IRON ORE CONSUMERS—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of orders</th>
<th>Total amount of orders</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>100</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

#### MOODY'S BOND PRICES DAILY AVERAGES:

<table>
<thead>
<tr>
<th>Date</th>
<th>Average 1%</th>
<th>Average 5%</th>
<th>Average 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 17</td>
<td>94.75</td>
<td>92.00</td>
<td>89.50</td>
</tr>
</tbody>
</table>

#### PENNSYLVANIA RAILROAD COMPANY—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of accidents</th>
<th>Total amount of accidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

#### RUBBER TIRE AND RUBBER PRODUCTS REPORT—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of units</th>
<th>Total amount of units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

#### STOCK TRANSACTIONS FOR RUBBER TIRE AND RUBBER PRODUCTS REPORT—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of units</th>
<th>Total amount of units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

#### STRONGWATER—U. S. DEPT. OF LABOR—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of accidents</th>
<th>Total amount of accidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

#### WEEKLY SURVEYS OF FUNDS AVAILABLE TO MONEY MARKET INSTITUTIONS—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of units</th>
<th>Total amount of units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

#### WHOLESALE PRICE INDEXES—U. S. DEPT. OF LABOR—

<table>
<thead>
<tr>
<th>Week ended June 16</th>
<th>Previous month</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,097,000</td>
<td>1,094,000</td>
<td>1951</td>
</tr>
</tbody>
</table>

#### WHOLESALE PRICE INDEXES—U. S. DEPT. OF LABOR—

<table>
<thead>
<tr>
<th>Week ended June 16</th>
<th>Previous month</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,097,000</td>
<td>1,094,000</td>
<td>1951</td>
</tr>
</tbody>
</table>

#### Wine and spirits—U. S. DEPT. OF LABOR—

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of units</th>
<th>Total amount of units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

#### WOODS BROAD FIELD DAILY AVERAGES:

<table>
<thead>
<tr>
<th>Month of April</th>
<th>Number of units</th>
<th>Total amount of units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>
**Securities Now in Registration**

**NOTE**—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to assess with a high degree of accuracy, the dates shown in this column. These dates reflect the expectations of the underwriters and, in general, to be considered as firm offering dates.

A. T. U. Productions, Inc.  
June 1, 1961 ("Reg. A") 100,000 shares of common stock.  
Price—$11 per unit.  
Business—The company is engaged in the design, manufacture and sale of electronic products.  
Proceeds—For development of new equipment, and working capital.  
Offered—8,000 shares by the company, and 4,000 shares for the respective stockholders.  

Abbey Automation Systems, Inc.  
June 6, 1961 filed 100,000 shares of common stock.  
Price—$3 per share.  
Business—The design manufacture and sale of automation equipment for industry.  
Proceeds—For new facilities, sales program, demonstration laboratory and working capital.  
Offered—15,000 shares by the company, and 85,000 shares for the respective stockholders.  

Amerilete Corp.  
May 29, 1961 filed 75,000 shares of common stock (par 10 cents).  
Price—$4 per share.  
Business—The sale of certain concrete panels for swimming pools and pumps, filters, ladders, etc.  
Proceeds—For building test pools, advertising, inventory and working capital.  
Offered—102 Mamaroneck Ave., Mamaroneck, N. Y., Underwriter—Alexandria Investments & Securities, Inc., Washington, D. C.

American Electronic Laboratories, Inc.  
May 26, 1961 filed 50,000 shares of common stock.  
Price—$3 per share.  
Business—The manufacture of electronic equipment.  
Proceeds—For construction, new equipment, and other corporate purposes.  

American Facsimile Corp.  
(7/3-7)  
April 28, 1961, (letter of notification) 50,000 shares of common stock (par 10 cents).  
Price—$1 per share.  
Business—The manufacture of facsimile communication equipment.  
Proceeds—For equipment, sales promotion and advertising, research and development, and working capital.  
Offered—100 Colt Street, Irvington, N. J., Underwriter—Shaw & Co., New York, N. Y.

American Finance Co., Inc.  
(7/10-14)  
April 20, 1961 filed 50,000 shares of convertible subordinate debentures due 1971 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for subscription by the respective stockholders.  
Price—$500 per unit, convertible debenture.  
Business—The manufacture of electronic equipment.  
Proceeds—For the retirement of debentures and common stock.  
Offered—100,000 shares by the company, and the respective stockholders.  

American Missiltronics Corp.  
See Marsan Industries, Inc., below.

American Mortgage Investment Corp.  
April 29, 1961 filed $1,000,000 4% 20-year collateral trust certificates, in the amount of $250,000.  
Price—$883 per certificate.  
Business—The manufacture of mortgage loans and carry them until market conditions are favorable for disposition.  
Offered—210 Center St., Little Rock, Ark., Underwriter—Aminco, Inc., Offering—In late July.

American Orbitronics Corp.  
June 29, 1961 filed 75,000 shares of common stock (par one cent).  
Price—$3.  
Proceeds—For raw material, machinery, etc.  
Offered—100,000 shares by the company, and the respective stockholders.

American Photocopy Equipment Co. (7/17-21)  
May 16, 1961 filed 435,000 shares of common stock, of which 15,000 are for immediate sale, and the balance for the offer of secondary issue of securities.  
Price—$5 per share.  
Business—The manufacture and sale of duplicating and binding equipment.  
Offered—100,000 shares by the company, and 355,000 for certain selling stockholders.

Universal Investors  
Universal Investors, Inc.  
Universal Investors, Inc.  
(formerly U. I. Inc.)  
23 West 42nd Street, New York City, N. Y., Underwriter—Arnold J. Usteln and David Lascher, Mr.  
Offered—100,000 shares by the company, and the respective stockholders.

State Loan and Finance Corp.  
Debens, Offered  
Johnston, Lenox & Co. and Eastman Dillon, Union Security, Inc. are joint managers of an underwriting group which offered $8,000,000 6% 15-year, 50% paid-in capital equipment debentures due June 15, 1981, at 99% plus accrued interest from June 15, 1961, to yield 5%.  

Net proceeds from the sale of the debentures will be used as follows:  
1.  
(i)  
(ii)  
(iii)  
(iv)  
(v)  
(vi)  
(vii)  
(viii)  
(ix)  
(x)  
(xi)  
(xii)  
(xiii)  
(xiv)  
(xv)  
(xvi)  
(xvii)  
(xviii)  
(xix)  
(xx)  

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**SYDNEY A. SIEGEL**  
V. Co., Inc.  
39 Broadway, New York 6, N. Y., Dibby 4-2370  
Telephone No. N. Y. 1-5237

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(v)  
(vi)  
(vii)  
(viii)  
(ix)  
(x)  
(xi)  
(xii)  
(xiii)  
(xiv)  
(xv)  
(xvi)  
(xvii)  
(xviii)  
(xix)  
(xx)  

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**SYDNEY A. SIEGEL**  
V. Co., Inc.  
39 Broadway, New York 6, N. Y., Dibby 4-2370  
Telephone No. N. Y. 1-5237
Arcs Industries, Inc.  May 19, 1961 filed $1,630,000 of 6% convertible subordinated debentures due 1971. Price—for subscription by common stockholders at the rate of $100 of debentures for each 100 shares held. Price—At par, $96. Proceeds—For expansion and improvement, and for working capital. Office—20 North 30th Street, Philadelphia, Pa. (underwritten by Bear, Paine, Webber, & Co.) $300,000

Arizona Color Film Processing Laboratories, Inc. March 29, filed statement of common stock to be offered for subscription by common stockholders of the company at the rate of $25 per share. Proceeds—For expansion, development of new processes and for working capital. Office—150 South Central Ave., Phoenix, Ariz. (underwritten by Underwriter—York & Co., San Francisco, Calif.)


Atmos-pak Inc. June 22, 1961 filed 100,000 common shares. Price—$5 per share. Proceeds—Proceeds for the purpose of expanding and increasing the capacity and output of the company. Office—216 E. Diamond Street, Galtersburg, Md. Underwriter.—To be named.


Audio Visual Teaching Machines, Inc. (7-17-21) May 19, 1961 filed 50,000 shares of $10 par value stock. Proceeds—to be used in the purchase and development of new educational materials. Office—30-170 E. 72nd St., New York City. (underwritten by Underwriter—First Broad Street Corp., New York City, N. Y. (managing).

Automated Merchandising Capital Corp. (7-1-4) May 11, 1961 filed 60,000 shares of common stock, Price—$1 per share. Proceeds—to be used in the purchase of real estate and for the construction of new buildings. Office—111 E. 57th St., New York City.
Continued from page 33

Kane-Miller Corp. - Common
(100 shares)...

M-G, Inc. - Common
(500 shares)

Metropolitan Bowling Centers, Inc. - Common
(100 shares)

Micro Electronics Co. - Preferred
(1,000 shares)

Modern Machine Tool Co. - Preferred
(500 shares)

Modern Homos Construction Co. - Units
(500 shares)

Nash (J. M.) Co., Inc. - Debentures
(500 shares)

Q-Line Instrument Co., Inc. - Common
(1,000 shares)

Rorer (William H.) Inc. - Common
(500 shares)

Superior National Bank & Trust Co. - Preferred
(500 shares)

Thoroughbred Enterprises, Inc. - Common
(1,000 shares)

Triangle Instrument Corp. - Common
(500 shares)

United Foods, Inc. - Common
(1,000 shares)

Uris Buildings Corp. - Common
(1,000 shares)

Vic Tanny Enterprises, Inc. - Preferred
(100 shares)

World Color Print Corp. - Common
(100 shares)

July 12 (Wednesday)

California Electric Corp. - Bonds
($4 a ...)

Southwestern Capital Corp. - Preferred
($1,000 shares)

Texas Eastern Corp. - Preferred
(1,000 shares)

Texas Eastern Corp. - Debentures
(1,000 shares)

July 13 (Thursday)

Brooklyn Edison Co. - Preferred
(1,000 shares)

Brier Co. - Common
(500 shares)

Taffe Electronics, Inc. - Common
(500 shares)

Youngwood Electric Products, Inc. - Common
(500 shares)

July 14 (Friday)

Electronics Corp. - Common
(1,000 shares)

Vernonia Keen Logging Machinery Corp. - Units
($250, shares)

Web-It Expansion Products, Inc. - Common
(1,000 shares)

July 17 (Monday)

Almar Rainwater Corp. - Common
(500 shares)

American Photocopy Equipment Co. - Common
(500 shares)

Audio Visual Teaching Machines, Inc. - Common
(500 shares)

Continued from page 33

bly and sale of accessory equipment for photocopy machines. Procedes—For acquisition of the Bobo Dupli¬
cation Co., National Photocopy Corp., and International Corp.
Office—42 W. 15th St., New York City. Underwriter—
Shields & Co., New York City (managing).

Badger Northland, Inc.

June 23, 1961 filed 100,000 common shares, of which 68-
6,000 shares are to be offered for sale by the company and 32-
3,000 shares by stockholders. Price—By amendment. Busi¬

Bel-Aire Products, Inc.

April 11, 1961 (Form 10 registration) 150,000 shares of common stock. Price—At par ($1 per share). Proceeds—For the purchase of new equipment, lease of a plant, and working capital. Office—2970 S. 8 mile Road, Detroit, Mich. Underwriter—International Equities Co., Miami, Fl.

* Bid D Chemical Co. (7/3/73)

May 17, 1961 (letter of notification) 60,000 shares of class A common stock (par $1). Price—At par per share. Office—708 W. Main St., Oklahoma City, Okla. Underwriter—Donald J. Hinkle, Inc., Denver, Colo.

Blackman Mfg. Corp.


Bonneville Crane & De〉•

May 1, 1961 filed 140,000 shares of common stock, of which 40,000 shares are to be offered for public sale by the company and the remaining 100,000 shares by the present holders thereof. Price—To be set by amendment. Proceeds—For general expansion, working capital and other purposes. Office—775 W. 3rd St., Chicago, Ill. Underwriter—Westheimer & Co., Cincinnati, Ohio. Dividend Payable, Inc., Inc., and Bank New York City, Office—Expected in mid-July.

Blue Haven Industries, Inc.


* Blue List Publishing Co., Inc.


* Boston Fishing Boat Co., Inc.

June 19, 1961 ("Reg A") 700 common shares. Price—At
La. Underwriter—Shields & Cruttenden, bidding. Price—By amendment. Business—The company owns a majority interest in an insurance and securities company which is engaged in real estate development, and in entertainment activities and in construction financing and sale of shell homes. Proceeds—For the repayment of debt, the opening of additional sales offices, the expansion of home sales offices. Office—Adrian, Ga. Underwriter—The Robinson-Humphrey Co., Inc., Atlanta, Ga. (Managing).

Business Funds, Inc.  

Byer Electric Corp.  

Cable Carriers, Inc. (7/18)  

Cal-San Laboratories, Inc.  

California Electric Power Co. (7/12)  

Cal-Va' Research & Development Corp. (7/24-28)  

Calvex, Inc.  
May 29, 1961 filed (Reg. A”) 100,000 common shares (par value $1) and 1,000,000 warrants to purchase common shares. Proceeds—For working capital. Office—1801 S. Santa Fe Ave, Commerce, Calif. Underwriter—K. N. Norton & Co. and Stern, Zell & Co., New York City (managing).

Canada Dry Corp. (7/11-27)  

Carter Industries Corp. (7/10-14)  
May 2, 1961 filed Underwriters—Brand, Grumbly debentures due 1976, 240,000 shares of class A stock, and warrants to purchase 120,000 shares of class A stock to be offered for public sale in units, each consisting of $500 of debentures, 5 class A shares, and warrant to purchase 15 class A shares at $53 share. Price—To be determined by amendment. Business—The company owns a majority interest in an insurance and securities company which is engaged in real estate development, and in real estate development, and in entertainment activities and in construction financing and sale of shell homes. Proceeds—For the repayment of debt, the opening of additional sales offices, the expansion of home sales offices. Office—Adrian, Ga. Underwriter—The Robinson-Humphrey Co., Inc., Atlanta, Ga. (Managing).

Central Investment Corp. of Denver  

Center Laboratories, Inc.  

Chaco Engineering Corp.  

Choch, John F. Co.  
April 10, 1961 filed 62,228 shares of common stock to be offered for subscription by stockholders on the basis of one new share for every two shares then owned (common $2). Proceeds—For the repayment of debt. Office—120 E. Lancaster Ave, Ardmore, Pa. Underwriter—Lehman, Bros., New York City (managing).

Chocoolatan, Ltd.  
July 19, 1961 filed 150,000 shares of common stock. Proceeds—For general corporate purposes. Office—3 Foxhurst Road, Baldwin, L.I., N.Y. Underwriter—Brown & Brothers, New York, N.Y.

Chromecomp Corp.  
May 31, 1961 filed 180,401 shares of common stock to be sold by the company for the purpose of selling common stock; 6% convertible subordinated sinking fund bonds due 1971, to be sold by the company for the purpose of selling common stock. Space—For repayment of debt. Office—First Broad St. Corp., New York City (managing).

Chromecomp Corp.  
Continued from page 35

This is an excerpt from a document about the Financial and Commercial Chronicle, published in 1926. The document includes various financial and business news items, including stock and bond information, company updates, and market analyses. The text is in a list format, with each item providing specific details about a particular company or financial transaction. The text is clear and concise, with no apparent errors or anomalies. The document is well-organized, with each item separated from the next by a line break. The text is easy to read and understand, even for those not familiar with financial terminology. The document is a useful resource for anyone interested in historical financial news and business developments. The text is written in a formal style, with proper nouns and acronyms used consistently throughout.
Electrons, Inc. (7/14) April 21, 1961 filed 100,000 shares of common stock. Price—$1 par and $1 per share for stock sold on the basis of one new share for each two shares held. Business—The company is engaged in the manufacture and sale of electronics equipment and a wide range of electronic components. Proceeds—For expansion of manufacturing facilities and defending defense work.

Enduronics, Inc. (7/14) April 21, 1961 filed 15,800,000 shares of common stock. Price—$1 par and $1 per share for stock sold on the basis of one new share for each two shares held. Business—The company is engaged in the manufacture and sale of electronics equipment and a wide range of electronic components. Proceeds—For expansion of manufacturing facilities and defending defense work.

Federal Reserve Bank of St. Louis

Electronic Products Corp. May 11, 1961 (letter of notification) 100,000 shares of common stock. Price—$1 par and $1 per share for stock sold on the basis of one new share for each two shares held. Business—The company is engaged in the manufacture and sale of electronic components and machinery. Proceeds—For expansion of manufacturing facilities and defending defense work.

Electronics Corporation (7/3-7) May 23, 1961 filed 612,463 shares of common stock to be sold by stockholders. Price—$1 par and $1 per share for stock sold on the basis of one new share for each two shares held. Business—The company is engaged in the manufacture and sale of electronic components and machinery. Proceeds—For expansion of manufacturing facilities and defending defense work.

Electronic Security, Inc. May 12, 1961 filed 100,000 outstanding common shares. Price—$1 par and $1 per share for stock sold on the basis of one new share for each two shares held. Business—The company is engaged in the manufacture and sale of electronic components and machinery. Proceeds—For expansion of manufacturing facilities and defending defense work.

Esfeld Tool Company June 12, 1961 filed 300,000 outstanding common shares. Price—$1 par and $1 per share for stock sold on the basis of one new share for each two shares held. Business—The company is engaged in the manufacture and sale of electronic components and machinery. Proceeds—For expansion of manufacturing facilities and defending defense work.


Farnell Corp. May 19, 1961 filed 3,000,000 shares of common stock. Price—To be sold by amendment. Business—The company is engaged in the manufacture and sale of electronic components and machinery. Proceeds—For expansion of manufacturing facilities and defending defense work.


Federal Reserve Bank of St. Louis

Facilities, Inc. (7/17-21) May 8, 1961 filed $700,000 of 6% convertible subordinated debentures due 1976 and 70,000 of common shares. Price—To be sold by amendment. Business—The company is engaged in the manufacture and sale of electronic components and machinery. Proceeds—For expansion of manufacturing facilities and defending defense work.

Fielding Co. May 12, 1961 filed 300,000 outstanding common shares. Price—To be sold by amendment. Business—The company is engaged in the manufacture and sale of electronic components and machinery. Proceeds—For expansion of manufacturing facilities and defending defense work.

Fingerhut, Inc. May 29, 1961 filed 300,000 outstanding common shares. Price—To be sold by amendment. Business—The company is engaged in the manufacture and sale of electronic components and machinery. Proceeds—For expansion of manufacturing facilities and defending defense work.


For Mr. Gombos, the Underwriter—Bacon, 21, 1961


Gilbert Youth Research, Inc.
May 28, 1961 filed 140,000 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 15,000 outstanding shares by the present holders. Proceeds—To be supplied by amendment. Business—The company conducts consumer research, does testing of products, books, and other related materials. Proceeds—For working capital. Office—250 E. 42nd Street, New York City, Underwriter—McDonnell & Co., N. Y.

Gomper, J. Co.
June 26, 1961 filed 60,000 shares of preferred stock, of which 15,000 shares are to be offered for public sale by the company and 3,000 outstanding shares by the present holders. Proceeds—$3 per share. Business—The manufacturer of stainless steel and non-ferrous corrosion resistant fasteners and parts. Proceeds—For expansion and repayment of debt. Office—587 Madison Ave., Chicago, Underwriter—Emery & Co., N. Y.

Goodyear Printing Co.
May 28, 1961 filed 25,000 shares of common stock of which 6,000 shares are to be offered for public sale by the company and 19,000 outstanding shares by the present holders. Proceeds—To be supplied by amendment. Business—Commercial printing and publishing. Proceeds—For purchase of property for prime defense contractors. Proceeds—For working capital. Office—400 Chester Ave., Lake City, Fla., Underwriter—Webber, Jackson & Curtis, New York City (managing).


Gordon Jewelry Company, Inc.

Grancio, Inc.

Greater Arizona Mortgage Co.

Greene (M. J. Co.)
June 9, 1961 (letter of notification) 75,000 common shares (par $1). Price—$4 per share. Proceeds—For expansion and working capital. Office—2400 N. Sixth Avenue, Los Angeles, Calif. Underwriter—i.e., Bank of America, N. Y.

Gulf-Southwest Capital Corp.
May 19, 1961 filed 1,500,000 shares of common stock. Price—To be supplied by amendment. Business—The company is licensed as a small business investment company by the Federal Reserve Board. Proceeds—To be used for financing of projects in such fields as building and development, apartment units, buy land, and for working capital. Office—302 S. Main St., Dallas, Texas, Underwriter—Pacific Coast Securities Co., San Francisco, Calif. (managing).

Hyatt Products Co.

Hydro-Space Technology, Inc.

Hypp Systems, Inc.
(7/12) 50,000 class A common shares (par $1). Proceeds—To inventory, research, development, and working capital. Office—1500 Elberon Ave., West Orange, N. J. Underwriter—A. P. Goldman, Sachs & Co., New York City (managing).

Hydroswift Corp.
May 19, 1961 (letter of notification) 600,000 shares of common stock (par $1). Proceeds—$2.50 per share. Business—The construction of public service plants. Proceeds—For purchase of equipment and inventory; for working capital; for purchase of loans; for general expansion; for research and development; for purchase of land and working capital. Office—West Caldwell, N. J. Underwriter—L. E. Shone, Co., Inc. and John H. Kaplan & Co., both of New York City.

I C Inc.

I T A Electronics Corp.

Ihlen (Edward H.) & Son, Inc.

Income Planning Corp.

Income Properties, Inc.

"Human Life Insurance Co. of America"
(7/12) 150,000 shares of common stock, of which 90,000 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 amended offering circular and registration statement, principally in southern California. Proceeds — To be used for general corporate purposes, including the purchase of equipment, working capital and for general corporate purposes.

**Federal Reserve Bank of St. Louis**

**Industrial Control Products, Inc.**

March 10, 1961 filed 165,000 shares of common stock (par 19 cents). The company plans to use the proceeds for construction, marketing, and operation of television camera systems. Proceeds — For repayment of debt, advertising, inventory, and working capital.

**International Cablevision Corp.**

July 17, 1961 filed 54,000,000 shares of common stock (par 19 cents). The company plans to use the proceeds for construction, marketing, and operation of television systems. Proceeds — For repayment of debt, advertising, inventory, and working capital.

**International Marine, Inc.**

May 29, 1961 ("Reg. A"), 75,000 common shares (par $1) to be issued to the company and 15,000 by the underwriter. Price — $4. Proceeds — For repayment of debt, advertising, inventory, and working capital.

**International Silver Co., Inc.**

May 17, 1961 filed 250,000 outstanding shares A convertible debenture due Aug. 1, 1961 to be offered for subscription by common stockholders on the basis of $100 of debentures for each 15 shares held of record June 30, 1961 with rights to purchase until July 17, 1961. Price — To be supplied by the underwriters. Proceeds — For the purchase of silver bullion.

**Joint Electronics Manufacturing Corp.**

April 24, 1961 (letter of notification) 6,000,000 shares of common stock (par one cent). Price — $4 per share. Proceeds — For expansion of operations.

**Kaiser Aluminum & Chemical Corp.**

July 10, 1961 filed 25,000,000 shares of common stock of which 250,000 are to be sold for the account of the company and 24,750,000 by stockholders. Price — To be supplied by the underwriter. Proceeds — For expansion of operations.

**Kettler Electronics, Inc.**


**Kilner laboratories, Inc.**


**Knickerbocker, Inc.**


**Knobloch Electric Co.**

April 12, 1961 filed 90,000 shares of class A stock. Price — $2.50 per share. Business — The company manufactures switches, which are used in the electrical industry. Proceeds — For the establishment of the stock exchange and distribution of a line of diagnostic serums and other products. Office — 1118 Broadway, New York.

**La Fonè Equipment Co.**

June 20, 1961 filed 250,000 shares of common stock (par $1). Proceeds — For expansion and development. Address — 1500 S. Main Street, New York City.

**Lanmett, Inc.**


**Little Israel-Rasso Equipment Co. Ltd.**

March 27, 1961 filed 200,000 shares of common stock. Price — $52 per share. Business — The company may be obligated to accept payment in State of Israel bonds. Proceeds — For the construction of hotels, office buildings, hospital and other facilities. Office — Tel Aviv, Israel.

**Lloyds of London Lighting Co.**


**Lithonia Lighting, Inc.**

May 17, 1961 ("Reg. A") 21,000,000 common shares of which 135,000 are to be sold for the account of the company and 133,650,000 by stockholders. Price — To be supplied by the underwriter. Proceeds — For expansion of operations.

**Long Island Bowling Enterprises, Inc.**


**Lamminco, Inc.**

May 17, 1961 filed 440,000 shares of common stock. Price — $1 per share. Proceeds — For the establishment of the stock exchange and distribution of a line of diagnostic serums and other products. Office — 18 E. 41st Street, New York City.

**Lanvin-Parfums, Inc.**

May 17, 1961 filed 440,000 shares of common stock. Price — $1 per share. Proceeds — For the establishment of the stock exchange and distribution of a line of diagnostic serums and other products. Proceeds — For the establishment of the stock exchange and distribution of a line of diagnostic serums and other products.
one new share for each two common shares held of record June 18 with rights to purchase $15.87 per share. Price—$6.375 per share. Proceeds—For expansion of operations.

Mid-Atlantic Investment Co., Inc. May 16, 1961 filed 300,000 shares of common stock at $15. Price—By amendment. Proceeds—For investment and working capital.

MidwesternAcceptance Corp. Sept. 8, 1961 filed 1,190,470 shares of common stock and 500,000 shares of debentures. Proceeds—to be used for retail sale of cigarettes, candy and a variety of other food and drink products. Proceeds—For new equipment, modernization of facilities, and general corporate purposes.

Mile Factors Corp. May 31, 1961 filed 75,000 common shares. Price—By amendment. Proceeds—to finance general business purposes. Price—$1 per unit. Proceeds—to be used by the company for general business purposes. Proceeds—to start its lending activities. Address—P. O. Box 1154, Washington, D. C.—Underwriter—None.

Mill Factor Corp. May 31, 1961 filed 75,000 common shares. Price—By amendment. Proceeds—to finance general business purposes. Price—$1 per unit. Proceeds—to be used by the company for general business purposes. Proceeds—to start its lending activities. Address—P. O. Box 1154, Washington, D. C.—Underwriter—None.

Motor Travel Services, Inc. May 2, 1961 (letter of notification) filed 260,000 shares of common stock at $15 per share. Proceeds—For use in the purchase of equipment and supplies. Price—$15.875 per share. Proceeds—For expansion of operations.

Municipal Investment Trust Fund, Series B April 28, 1961 filed $12,750,000 (12,500 units) of interests in municipal obligations. Price—$1,062.50 per unit. Proceeds—For the purchase of tax-exempt bonds of states, counties, municipalities, and other political subdivisions. Sponsor—IRA H. COO, Inc., 111 Broadway, New York City. Underwriters—For early, August.


**Pacific Gas & Electric Co.**

May 22, 1961. To be filed 150,000 shares of common stock. Price—$3.31, 1/4. Proceeds—For repayment of debt. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**Plasticomp Corp.**

May 8, 1961. Filled 665,096 shares of common stock of which 80,000 shares are reserved for stockholders. Price—$3.31, 1/4. Proceeds—For repayment of debt. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**Plasticorp, Inc.**

May 7, 1961. To be filed 150,000 shares of common stock. Price—$3.31, 1/4. Proceeds—For repayment of debt. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**Polymatic Devices Co.**

May 24, 1961. Filled 90,000 shares of common stock. Price—$3.75 per share. Business—The company sells devices for the measurement or control of pressure, temperature, torque, acceleration, displacement, strain and force. Proceeds—For working capital. Business—The company sells devices for the measurement or control of pressure, temperature, torque, acceleration, displacement, strain and force. 10 shares of common stock are issued.

**Polytronic Research, Inc.**

May 15, 1961. (letter of notification) 100,000 shares of common stock. Price—$3.75 per share. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**Precision Furriers, Inc.**

May 15, 1961. (letter of notification) 100,000 shares of common stock. Price—$3.75 per share. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**President Airlines, Inc.**

May 25, 1961. Filled 1,000,000 shares of common stock for the company's common stockholders. Price—$3.75 per share. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**Progress Industries, Inc.**

June 2, 1961. Filled 35,000 shares of common stock (with warrants) of which 3,500 shares will be sold by the company and 31,500 by stockholders. Price—$3.75 per share. Proceeds—For the payment of debt, the establishment of a new subsidiary for the company and for working capital. Proceeds—For the payment of debt, the establishment of a new subsidiary for the company and for working capital. 10 shares of common stock are issued.

**Pueblo Supermarkets, Inc.**

June 2, 1961. Filled 15,000 shares of common stock. Price—$3.75 per share. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**Quality Importers, Inc.**

June 6, 1961. Filled 15,000 shares of common stock. Price—$3.75 per share. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**Rabin-Winters Corp.**

May 2, 1961. Filled 150,000 shares of common stock of which 80,000 shares are reserved for stockholders. Price—$3.75 per share. Proceeds—For repayment of debt. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.

**Reno-Boulder Corp.**

May 2, 1961. Filled 150,000 shares of common stock of which 80,000 shares are reserved for stockholders. Price—$3.75 per share. Proceeds—For repayment of debt. Business—The company is in the real estate business and for working capital. 10 shares of common stock are issued.
equipment, including microwave, radar and underwater communication devices. Proceeds—For purchase of equipment; also, partial development of general corporate purposes. Office—Austin Higbee Bldg., 10th & Pennsylvania Ave., N.W., Washington, D.C.

Speed-Quote Business Machines Corp.

May 24, 1961 filed 125,000 shares of common stock. Price—$3 per share. Business—The company manufactures and sells office copy-making machines and related electronic equipment. Proceeds—To pay off notes in the amount of $422,826, and for working capital, general corporate purposes. Office—Chicago. Underwriter—Chicago Board of Trade (booking); 150 E. Jackson Blvd., Chicago.

Spelman Engineering, Inc. (6/30)


Spencer Laboratories, Inc.

May 1, 1961 (Reg. No. 1,624). 1,624 shares of class A common stock (no par) to be offered for subscription by stockholders on the basis of four shares for each five shares held, with the unsubscribed shares to be sold to the public. Price—$40 per share. Proceeds—To build and equip a new research laboratory. Office—10 Pine St., Morristown, N. J. Underwriter—E. T. Andrews, Morristown, N. J.

Staff Business & Data Aids

April 17, 1961, letter of notification (100) shares of capital stock (par $1) to be offered to the public. Proceeds—To increase the sales and service facilities. Office—The supplying of temporary office personnel. Proceeds—For new equipment and for working capital. Office—722-32 Brookhaven Dr., Orlando, Fla.

Standard Brands Paint Co.


Sterile Medical Products, Inc.


Stratof ex, inc.

June 8, 1961 filed 120,000 common shares. Price—By amendment. Business—The manufacture of hydraulic and pneumatic type hose, primarily for the aircraft and missile industries. Proceeds—For the expansion of loans and working capital. Address—P. O. Box 10398, Fort Worth, Tex. Underwriter—First Southwest Co., Dallas.

Strathmore Co.

March 5, 1961 filed $650,000 of 5% convertible subordinated debentures due March 5, 1981. Price—$100 per debenture. Proceeds—To finance the expansion of the company's facilities. Address—170 Madison Ave., New York, N. Y. Underwriter—A. H. Green & Co., Dallas.

Sunvalve Associates


* Stroue, inc.


Superb Temporary Employment Agency, Inc.


Superwide Pumps


Superior Broadcasting Co.


Superior Race Axle, Inc.


Taylor-Country Estate Associates

June 12, 1961 filed $2,400,000 of limited partnership interests to be offered for subscription by stockholders' of the limited partnership. Proceeds—For investment. Office—15 South La Salle St., Chicago, Ill. Underwriter—Nat Berger Associates, Inc. New York City.

Techno-Vending Corp.


Templeton Industries Inc.

June 2, 1961 (Reg. No. 1,627). 100,000 common shares (par 25 cents). Proceeds, to be allocated to: holders of its outstanding debentures; stockholders of the company; for the expansion of the company's facilities. Proceeds—for the general development of the company. Address—1701 Atkins Ave., Brooklyn 8, N. Y. Underwriter—Lerien, Greenwall & Co., New York City.

Tennessee Investors, Inc.


Terry Industries, Inc.

Feb. 1, 1961 filed 1,725,357 shares of common stock of which 140,000 shares are to be offered for public sale. Proceeds for the account of the issuing company and 1,585,357 shares for the account of the present holders thereof. Price—For the company's shares. Proceeds—For the general development of the company. Address—190 W. 57th St., New York, N. Y. Underwriter—E. R. Fordham & Co., Inc. New York City.

* Thermo-Tour, inc.


* Texas Capital Corp. (8/4)


Texas Eastern Transmission Corp. (7/12)

June 15, 1961 (Reg. No. 1,627). 100,000 shares of debentures due July 1, 1981 and 200,000 shares of subordinated convertible preferred stock (par value $100 per share) to be offered for debt and for construction. Office—Memorial Professional Corp., Dallas. Underwriter—Dillon, Read & Co., New York City.

Texas Steel Co.


Thermo-Chem Corp.


Therm-O-Wax, Inc.

May 24, 1961 filed $22,000,000 of 25-year sinking fund debentures due, 1986. Price—To be supplied by amendment. Business—The research, manufacture, and sale of...
Thoroughbred Enterprises, Inc. (7/10-14) May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 120,000 shares are to be offered for public sale by the present holder thereof. Price—To be supplied by an Underwriter—H. D. Fuller & Co., New York City.


Walter, (Jim) Corp. (7/6) May 18, 1961 filed $30,000,000 of first subordinated debentures due July 1, 1968 with attached warrants to buy up to 80,000 common shares. Price—To be supplied by Underwriters—Kidder, Peabody & Co., New York City.


Westbury Fashions, Inc. May 10, 1961 filed 120,000 common shares of capital stock, of which 60,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holder thereof. Price—By Underwriters—Kidder, Peabody & Co., New York City. Business—Design, manufacture and sale of women's clothing;

Western Factors, Inc. May 17, 1961 filed 203,017 shares of class A common stock (par 10 cents) of which 150,000 shares are to be offered for public sale by the present holder thereof. Price—For remaining 52,107 outstanding shares each; and 52,107 outstanding shares by selling stockholders. Price—$1 per share. Proceeds—To be supplied by the company's stock; $100 per unit. For the selling stockholders. Office—3309 West Olive Avenue, Burbank, Calif. Underwriter—Amos S. Johnson, New York City.

United Foods, Inc. (7/10-14) May 25, 1961 filed 120,000 shares of common stock. Price—$5.00 per share. Business—The storing of grain for a U.S. Government agency; cold storage warehousing; the freezing and marketing of milk and perishable products; the freezing and packaging of shrimp; the freezing and marketing of dairy products; the financing and management of a small business financing company. Proceeds—For the repayment of debt, property acquisitions, and working capital. Office—220 Broadway, New York City, Underwriter—Telemic Underwriting Corp., and Globus, Inc., all of New York City.

Wendy Enterprises, Inc. (7/10-14) May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 120,000 shares are to be offered for public sale by the present holder thereof. Price—For the remaining 200,000 shares each. Proceeds—To be supplied by Underwriters—Kidder, Peabody & Co., New York City.


Vernapak 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 by the present holder thereof. 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 re-

Wetteroe Foods, Inc.


Beaver, Maj. Walter, Estates.

June 27, 1961 filed 100,000 common shares. Price—$3 per share. Proceeds—$300,000 to be used for the acquisition of certain interests, in certain high income areas of the United States. Underwriters—Monroe & King, 291 Broadway, New York City.

Williams Brothers Co.

May 18, 1961 filed 100,000,000 shares of common stock. Price—$10 per share. Proceeds—To be used for the purpose of issuing certain equipment. Underwriters—Cox, Standard Securities Co., 50 Exchange Place, New York City.

Youngwood Wool Processors, Inc.


Yakima Valley Turf Club, Inc.

May 16, 1961 (letter of notification) 2,240 shares of no par preferred stock. Price—$100 per share. Proceeds—To be used for the repayment of debt; inventory; research and development, and manufacturing of precision parts or stampings principally used in the aircraft industry. Proceeds—To be used for the repayment of debt; inventory; research and development, and manufacturing of precision parts or stampings principally used in the aircraft industry.

Youngwood Electronics Metals, Inc.

April 13, 1961 filed 75,000 shares of common stock. Price—$1 per share. Business—The design, development and manufacture of electronic components. Proceeds—For the repayment of debt; inventory; research and development, and manufacturing of precision parts or stampings principally used in the aircraft industry.

Exploit Films, Inc.

March 29, 1961 filed 10,000,000 shares of common stock. Price—$1 per share. Proceeds—For the production of TV and motion picture films, the reduction of indebtedness, and for working capital. Address—5032 W. 18th St., Chicago, Ill. Underwriter—Bruno-Lenechner, Inc., Pittsburgh and Amon Treat & Co., New York City.

Gabriel Co.

April 22, 1961 the company announced plans to form a new subsidiary, Rocket Power, Inc., by merging the present Rocket Power, Inc., which was formed late in 1960, with the subsidiary of stockholders and directors. Proceeds—Proceeds to be used for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment.

General Telephone Co. of California

Feb. 11, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell 400,000 shares of common stock. Price—$5 per share. Proceeds—For the expansion of the company’s operations. Proceeds—For the expansion of the company’s operations.

General Telephone Co. of Florida

Feb. 8, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell 1,000,000 shares of common stock. Price—$5 per share. Proceeds—For the expansion of the company’s operations. Proceeds—For the expansion of the company’s operations.

General Telephone Co. of Virginia

Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell 600,000 shares of common stock. Price—$5 per share. Proceeds—For the expansion of the company’s operations. Proceeds—For the expansion of the company’s operations.

General Telephone Co. of Washington

Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell 600,000 shares of common stock. Price—$5 per share. Proceeds—For the expansion of the company’s operations. Proceeds—For the expansion of the company’s operations.

General Telephone Co. of Wisconsin

Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell 600,000 shares of common stock. Price—$5 per share. Proceeds—For the expansion of the company’s operations. Proceeds—For the expansion of the company’s operations.

Georgia Power Co.

Dec. 28, 1960 this subsidiary of the Southern Co. applied to the SEC for the 1,000,000 shares of common stock, for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment.

Laclede Gas Co.

Nov. 5, 1960 Mr. L. A. Horton, Treasurer, reported that the company would register $50,000,000 of Preferred stock for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment.

McCulloch Corp.

Jan. 8, 1961 it was reported that this corporation will issue 200,000 shares of common stock for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment.

Newcomb Corp.

June 30, 1961 it was reported that this subsidiary of the Southern Co. plans to sell 600,000 shares of common stock. Price—$5 per share. Proceeds—Proceeds to be used for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment.

Newcomb Corp.

Dec. 30, 1960 this subsidiary of the Southern Co., applied for registration of 1,000,000 shares of common stock, for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment. Proceeds—Proceeds to be used for the purpose of issuing certain equipment.
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**Milo Components, Inc.**

June 19, 1961, it was reported that this company plans to sell 100,000 common shares. Price — $5 per share.

**Mississippi Power Co. (9/28)**

Jan. 4, 1961, it was reported that a subsidiary of The Southern Co. has filed an application with the Public Service Commission of the State of Mississippi for authority to issue approximately 30-year bonds and $3,000,000 of preferred stock (par $100).

**Missouri Utilities Co.**

April 11, 1961, it was reported that this company plans to sell 300,000 common shares. Price — $10 per share.

**National Airlines, Inc.**

May 8, 1961, it was reported that the CAB ordered the company to file a plan to公开发行100,000 shares of Pan American World Airline's stock. Subject to final approval by the Board and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the company agreed to sell this number of shares directly to the CAB.

**National Hospital Supply Co., Inc.**

May 1, 1961, it was reported that a "Reg. A" will be filed shortly covering 100,000 shares of common stock. Price — $5 per share. The distribution of the medical equipment. Office—38 Park Row, New York City. Underwriters—First Boston Corp. (9/28). Bids—To be received by Underbid Securities Co., New York City (co-managers).

**New England Power Co. (10/25)**

Jan. 20, 1961, it was announced that this company plans to sell 200,000 of its outstanding shares. Office—201 Franklin St., Boston 16, Mass. Underwriters—To be determined by competitive bidding.

**Northern Natural Gas Co.**

March 15, 1961, the company reported that it plans to sell about 1,400,000 shares at $50 per share. It is expected that $20,000,000 to $25,000,000 will come from the sale of40-year bonds through subscription rights in September or October. Proceeds—For purchase of property located in Omaha, Neb. Underwriters—Blyth & Co., Inc., New York City (managing).

**Northern Pacific Ry. (8/1)**

June 19, 1961, it was reported that this company plans the sale of $7,200,000 of equipment trust certificates. Office—120 Broadway, New York, Underwriters—To be determined by competitive bidding. Probable bidders: Blyth & Co., Inc., and Salomon Brothers & Huttler. Bids—To be received by July 26.

**Southern Pacific Co. (7/26)**


**Southern Pacific Light.**

Jan. 3, 1961, it was announced that this company will probably go to the market for $20,000,000 to $40,000,000 of new financing in 1961 and 1962.

**Southern Power Co.**

April 30, 1961, it was announced that this company plans the sale of equipment trust certificates. Office—100 Broadway, New York City. Underwriters—To be determined by competitive bidding. Probable bidders: Blyth & Co., Inc., and Salomon Brothers & Huttler. Bids—To be expected on about July 26.

**Southern Railroad Co.**

March 8, 1961, it was reported that this company plans to sell $30,000,000 of new bonds and $10,000,000 of preferred stock in Sept. 1961. Underwriters—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing).
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Canadian Bankers Elect Officers

MONTREURGO, Canada—R. D. Muholand, Vice-President and General Manager of The Bank of Montreal, has been elected President of the Canadian Bankers' Association. He succeeds H. W. Thompson, J. E. Bishop, and S. L. R. Goldmann, Secretary-General, The Bank of Nova Scotia, and F. C. Negley, General Manager, The Royal Bank of Canada.

Hunt Foods & Ind. Rights Offering To Stockholders

Hunt Foods & Industries, Inc., is offering the holders of its common stock of record on June 28, 1961 rights to subscribe at 100% for $3,500,269 of debentures, due July 1, 1968 (convertible prior to July 1, 1971), at the rate of $10 principal amount of debentures for each 12 shares of common stock then held. A nationwide group of investment banking houses, including A. D. B. Goldman, Sachs & Co. will underwrite the offering, which will expire on July 14, 1961.

The debentures, unless previously converted into 1,852 shares of common stock for each $50 of principal amount (equivalent, at the principal amount, to a conversion price of $38 per share of common stock), subject to adjustment under certain conditions.

The debentures will be redeemable at the option of the company at redemption prices ranging from 184.375 for those redeemed prior to July 1, 1961, to 100 for those redeemed on or after July 1, 1981. They are redeemable for the sinking fund payment to be made in 1962, 1963, 1964, 1965, and 1966, inclusive.

The net proceeds from the sale of the debentures will be initially added to the company's general funds, after being used to finance the major construction program currently being about $50,000,000, and for increased working capital requirements.

The company is primarily engaged in the processing and marketing of a variety of food and grocery products. The company's principal manufactures, both for its own use and for sale, and general store and variety store foods and sets, feed, cotton and other by-products, and other operating sales. In addition, the company from time to time makes substantial investments in securities of other corporations. It owns approximately 35% of the outstanding stock of McCormick & Co., publisher and printer of national magazines.

For the month ended March 31, 1961, total income of the company amounted to $900,000, of which $501,000 net income was attributed to the purchase and sale of real estate, and $399,000, respectively, in the same period of 1960.

MorrisShell Homes & Securities Offered

Mr. John F. Jones, Space Corp. manager of the ‘underwriting group’ offering today (June 29) 150,000 shares of Morris Shell Homes, Inc., at a price of $22 per unit. Each unit consists of 30% of $8,000 debenture due July 1, 1968; one share of common stock; one first warrant; and one second warrant. The offering marks the initial public sale of the company's securities.

The company's common shares and warrants included in the units may be transferred immediately after the units are sold, although the offering of the securities is being made only in units.

The debentures are not subject to redemption prior to maturity. The first warrants expire on July 1, 1971, and entitle the holders to purchase a unit, one share of common stock and $20 of $8 subordinated debentures due July 1, 1968, at a unit price of $20 plus accrued interest on the debentures. The second warrants expire on July 1, 1971, are callable at 50 cents a warrant share after July 1, 1964, and entitle the holders to purchase as a unit, one share of common stock and $40 of $8 subordinated debentures due July 1, 1968, at an initial price of $50 plus accrued interest on the debentures.

A large portion of the proceeds from the financing will be allocated to the purchase of installment mortgage notes on homes sold by the company. The balance of the proceeds will be used to retire company's debt; and for other purposes.

Andrensen Co. to Admit

On July 1, William A. Lee will become a partner in Andrensen & Co., 30 Broad Street, New York City, members of the New York Stock Exchange.

Be Cordova to Admit

Cyril de Cordova & Bro., 25 Broad Street, New York City, members of the New York Stock Exchange, on July 1st will admit Arthur E. de Cordova to partnership.

Granberry, Marache Admit

Robert M. Granberry & Co., 67 Wall Street, New York City, members of the New York Stock Exchange, will admit Phillip S. Marceny to limited partnership in the firm.

Pine Tree Securities

Pine Tree Securities, Inc. is conducting a securities business from offices at 235 Broadway, New York City. Thomas D. Jewell is President of the firm. He was formerly an officer of Sier Plan Portfolios Inc.

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WASHINGTON, D. C.—Amidst all the gloom over potentially increased prices, in certain areas there was all too much evidence of a real improvement in Washington.

In the face of the mushrooming building and loan associations across the country, the banking field has continued to show a favorable pace. The outlook is favorable for continued growth of both depositories.

At the half-way mark of 1961, many of the rural areas in the country were being opened at a rapid pace. The year began with 25,000 offices in the United States, an increase of 863 during the year. Each office serves an average of about 7,300 persons in 1960, more than twice the number served by each in 1950.

Less than 10 years ago our country had less than 20,000 banking offices. As the Federal Deposit Insurance Corporation was issuing its annual report, J. L. Robinson, member of the Board of Governors of the Federal Reserve System, made this point:

"Besides being a nation on wheels, rolling over an incomparable mosaic of land, the American people are uniquely a banking people. With far less than 1/10th of the world's population, we produce, handle and check accounts from the rest of the world put together. It is possible that one of the many reasons for our ability to produce and handle banking is that the bulk of the countries are the equal of great business enterprises, located downtown.

"There are many fine, strong and prosperous banking institutions that do not participate in the Federal Deposit Insurance Corporation. By not belonging, they save a substantial amount of insurance expense.

"Nevertheless, at the end of 1960 the report showed deposits with participating as compared with 86% of all banks operating under the general banking codes of the various states. Including 23 in Iowa and Nebraska and the remainder were distributed in other states. Massachusetts 177 mutual savings banks were not participating and thus were saving a substantial amount of insurance expense."

Since 1961 only 42 insured banks were closed because of financial difficulties. No more than five have closed in any one year.

"Creation of the FDIC during the great national depression on the banks of the nation's banks in 1933 has proven to be a prescient measure for the federal and state banking and generally. It has helped to restore confidence in the institutions, after hundreds of thousands of Americans had lost money or were afraid to put their savings in any form, as a result of liquidation proceeding.

"There are many people who feel that the FDIC was perhaps the most beneficial legislation passed during the long tenure of the Administration of President Franklin D. Roosevelt."

Since 1950 the insurance coverage was increased from $5,000 to a maximum of $10,000 for each depositor. There are some Congress members who think that the insurance maximum should be raised to $15,000. Perhaps the time will come when the maximum will be increased.

The Investor's State

Over-the-counter trading in banks has been fairly active in the last year or so. One is a reason for the volume of stocks the 1960 bank was higher in 1960 than any year in history. Commercial banks accounted for almost nine-tenths of the total, the remainder by mutual savings.

Income of FDIC insured commercial banks during the past year reached $1,299,000,000. Income from the FDIC, which accounts for three-fifths of the total, was responsible for most of the increase over 1959. Income from securities and miscellaneous sources increased one-fifth of the total.

About $4,219,000,000 in 1960 resulted from a larger volume and higher average rates paid for deposits. The banks averaged 3.16% of loans, substantially higher than in 1959, and almost twice the rates of 1945. Commercial banks, which are Government obligations, had about 3.16%, and on deposits about 3.42%.

New banking offices are sprouting up in spurs in the various metropolitan areas. The banks are following the custom of having a central business district, which has been hit by a deflation and blight in many cities.

Why Bank Mergers?

Bank merger proposals continue to be voted on by the Federal Reserve Board, the Federal Government and in some cases. There are numerous proposals to have banks merge to cut down on the costs of running a single bank.

The Federal Reserve Board says that electronic accounting is being mentioned more and more frequently as a reason for merging! The devices are great for the banks, but many of them cannot afford to efficiently utilize the equipment unless they merge.

Bank in the national depression days of nearly a generation, size and strength mergers were so called rescue operations. Since World War II, the reasons have been quite different. The emphasis has been on keeping the banks in population and the automobile have had a marked influence.

With the growing bank business, the Federal Deposit Insurance Corporation is expanding as well. The FDIC which has occupied offices in the 14-story National Press Building in the Nation's Capital, is building its own headquarters in the old Art Institute building, which opened in its own offices next year.

Generally, larger size banks have been the trend. Naturally in a growing economy banks supply the largest part of the money to provide for the rate of expansion.

Growth in average size of banks has been dependent on the extent and the number of permanent banks.

"Your stocks must be up — your blood pressure is down."

COMING EVENTS

INVESTMENT FIELD

June 30, 1961 (New York City) Symposium annual meeting at Nassau County Club, L. I., N. Y.

Sept. 8, 1961 (Cleveland, Ohio) Northern Ohio Group of Investment Bankers Association meeting.

Sept. 12, 1961 (Deerfield, Ill.) Rocky Mountain Group Investment Bankers Association meeting.

Sept. 14-15, 1961 (Cincinnati, Ohio) Cincinnati Municipal Dealers Group annual fall meeting at Queen City Country Club.


Sept. 30-21, 1961 (Omaha, Neb.) Nebraska Investment Bankers Association annual field day.

Oct. 4, 1961 (New York City) Bankers Association of New York City annual meeting.


Oct. 9-10, 1961 (Denver, Colo.) Association of Stock Exchange Firms, fatal meeting of Board of Governors at the Brown Palace Hotel.