

The COMMERCIAL and FINANCIAL CHRONICLE

ESTABLISHED 1839

Reg. U. S. Pat. Office

Volume 194 Number 6074

New York 7, N. Y., Thursday, July 20, 1961

Price 50 Cents a Copy

Editorial AS WE SEE IT

In his recent address before a joint session of Congress the President of Pakistan took occasion to make a plea for economic aid from the United States (we had almost said beg alms). What he had to say on the subject is of special interest because it well expresses the arguments advanced by so many countries at the present moment—expresses them more directly and more explicitly than is usual. Here is in part what he had to say on the subject, according to the daily press:

"Today, we want you to assist us to develop. We need foreign capital, we need machine tools, we need machines, we need this and we need that. You might say that we heard this before, too. You are getting a bit tired of the story.

"I would suggest to you that you had better not get tired at this point.

"I sometimes read American papers and one impression one gets is this—that foreign aid is a thing that is a real whipping horse—it gets wet and hard.

"I can understand the reason: it is a slogan which does not catch votes; it has no particular lobby; we fellows live a long way off, and so on and so forth. And it is not easy, really to part with your money in a hurry. It is not a pleasant thing to do.

"But I may put it to you like this: that we are pressing against you today as friends, and if we make good I think you will in some fashion get it back, in many ways you will get it back.

"If we do not make good and if, heaven forbid, we go under communism, then we shall still press against you but not as friends."

In Different Words

Put all this in somewhat different words and we have a statement that if we are to defend ourselves successfully against the spread of communism (more accurately, according to our view, defend ourselves against the imperialism of the Kremlin, or possibly of Peiping) we must extend a liberal hand to those who (Continued on page 19)

Influences Likely to Shape the Business Trend in Current Decade

By Paul I. Wren,* Executive Vice-President, Old Colony Trust Co., Boston, Mass.; former Assistant Secretary of the Treasury

A leading Boston trustman surveys principal problems bound to influence the 1960's business environment. In so doing, he alerts trust committees to be prepared for the effects of: "new orthodoxy" of the present Administration; miscalculations in fiscal policies and budgetary surplus-deficit predictions; greater Federal spending; balance of payments discipline exerting even a restraint over unsound Government fiscal and monetary experiments; the new "nudging" policy wherein the Fed may find itself in a dilemma; severe tests facing corporate managers; and foreign investments.

The present position of business reminds me of one of the major crises that faces a family at least once each generation. The young man of the family at a tender age is all dressed up in his finest suit, and his parents are bursting with pride at their progeny. His assignment is to walk out on the stage and deliver an oration. As he steps out, full of enthusiasm (just as business was at the beginning of 1960), he falls flat on his face.

The next scene is one where the family has changed doctors and has the young man in the hands of new experts. In general they consider that the old principles were too restrictive and definitely were too old-fashioned. The psychiatrists are convinced that the boy has not grown as rapidly as he should have. While each of the experts urges his pet remedy, they all agree that the former team of advisers and consultant did not see the "big picture."

Turning away from the whimsical, all of our

institutions have to be agile to adjust their thinking to the "new orthodoxy" which is being molded by the individuals who have moved into Washington since January. These individuals are drawn from university campuses, and many are not restricted in their thinking by the practical side of many programs. Recent speeches of most of the officials appointed by this Administration have indicated that the target, with top priority, is an economy that grows steadily and rapidly. The second, which goes hand-in-hand, is full employment or at least a level of unemployment below 4% of the working force. The existence and size of the deficits in the budget of the Federal Government are of secondary importance to these goals.

A recent analysis of the budget by Secretary Dillon showed that in the fiscal year ended 12 days ago, revenues of the Federal Government were around \$78.2 billion including $\frac{1}{2}$ billion advance payment of the postwar debt by the Germans. This prepayment had not been anticipated in the original figures submitted in January, 1960, when total receipts (adjusted to new book-keeping procedures) were estimated at \$82.9 billion. This decline in revenues was caused by the failure of Congress to enact legislation to increase certain taxes and postal rates, as well as the side effects of the decline in business during the first year of the Sixties.

In perspective it is interesting to note that the decline in revenues from the previous fiscal year of 1960 is actually less than during the 1957-1958 setback in business. The stumbling block is that revenues failed to increase to the advanced levels hoped for in the budget. Turning to actual revenues by fiscal years, the net receipts of \$70.6 billion in 1957 dropped to \$68.5 billion in the following year and to \$67.9 billion in 1959, a decline of \$2.7 billion in the two-year period. Using the Secretary's figures, the total for 1961 was about \$77.7 billion (not allowing (Continued on page 14)



Paul I. Wren

SECURITIES NOW IN REGISTRATION—Underwriters, dealers and investors in corporate securities are afforded a complete picture of issues now registered with the SEC and potential undertakings in our "Securities in Registration" Section, starting on page 28.

U. S. Government,
Public Housing,
State and Municipal
Securities

TELEPHONE: HANover 2-3700

Chemical Bank
New York Trust Company

BOND DEPARTMENT
30 Broad Street
New York 15

JAPANESE SECURITIES

The Nikko
Securities Co., Ltd.
25 BROAD STREET
New York 4, N. Y.



Telephone: Digby 4-7710
Teletype: NY 1-2759 U
Head Office: TOKYO

Affiliate: Nikko Kasai Securities Co.
SAN FRANCISCO LOS ANGELES

STATE AND MUNICIPAL BONDS

THE FIRST NATIONAL CITY BANK
OF NEW YORK

Bond Dept. Teletype: NY 1-708

LESTER, RYONS & Co.

623 So. Hope Street, Los Angeles 17,
California

Members New York Stock Exchange
Associate Member American Stock Exchange
Members Pacific Coast Exchange

Offices in Claremont, Corona del Mar,
Encino, Glendale, Hollywood, Long Beach,
Oceanside, Pasadena, Pomona, Redlands,
Riverside, San Diego, Santa Ana,
Santa Monica, Whittier

Inquiries Invited on Southern
California Securities

New York Correspondent — Pershing & Co.

State,
Municipal
and Public
Housing
Agency
Bonds and
Notes



Municipal Bond Division

THE CHASE
MANHATTAN
BANK

UNDERWRITER
DISTRIBUTOR
DEALER

FIRST
Southwest
COMPANY
DALLAS

T. L. WATSON & Co.

ESTABLISHED 1832

Members

New York Stock Exchange
American Stock Exchange

25 BROAD STREET
NEW YORK 4, N. Y.

BRIDGEPORT • PERTH AMBOY

Net Active Markets Maintained
To Dealers, Banks and Brokers

LOBLAW, INC.

Block Inquiries Invited

Commission Orders Executed On All
Canadian Exchanges

CANADIAN DEPARTMENT
Teletype NY 1-2270

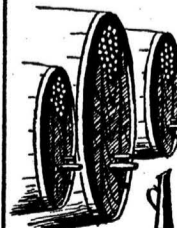
GOODBODY & Co.

MEMBERS NEW YORK STOCK EXCHANGE
2 BROADWAY NEW YORK 1 NORTH LA SALLE ST.
CHICAGO

CANADIAN BONDS & STOCKS

DOMINION SECURITIES CORPORATION

40 Exchange Place, New York 5, N. Y.
Teletype NY 1-702-3 Whitehall 4-8161



DIVERSIFIED
CALIFORNIA

California Vintners

MUNICIPAL BOND DEPARTMENT
BANK OF AMERICA
N. T. & S. A.
SAN FRANCISCO • LOS ANGELES

For Banks, Brokers, Dealers only

Specialists for over
35 years in**Bank Stocks**Our 117th Consecutive Quarterly
Comparison of Leading Banks
and Trust Companies of the
United States

Available on request

**New York Hanseatic
Corporation**Established 1920
Associate Member
American Stock Exchange
120 Broadway, New York 5
WOrth 4-2300 Teletype NY 1-440
BOSTON • CHICAGO
PHILADELPHIA • SAN FRANCISCO
Nationwide Private Wire System**S. WEINBERG,
GROSSMAN
& CO. INC.**Members
N. Y. Security Dealers Ass'n**BONDS**
Bids on Odd Lots
(To Brokers and Dealers)40 Exchange Place, New York 5
Phone: WHitehall 3-7830
Teletype No. NY 1-2762

Trading Interest In

American Furniture

Bassett Furniture Industries

Life Insurance Co. of Va.

Commonwealth Natural Gas

STRADER and COMPANY, Inc.
LYNCHBURG, VA.LD 39 —5-2527— TWX LY 77
Private Wire to New York City**LAMBORN & CO., Inc.**99 WALL STREET
NEW YORK 5, N. Y.**SUGAR**Raw — Refined — Liquid
Exports—Imports—Futures

DIgby 4-2727

The Security I Like Best . . .A continuous forum in which, each week, a different group of experts
in the investment and advisory field from all sections of the country
participate and give their reasons for favoring a particular security.CHARLES L. BETZELBERGER
Analyst, Stern Brothers & Co.,
Kansas City, Missouri

Members Midwest Stock Exchange

Russell Stover Candies, Inc.

In my last article for this forum (Dec. 1, 1960), I recommended the common stock of Russell Stover Candies. While the stock has since doubled in value, earnings for the current year will far exceed earlier expectations and the Company continues to be my favorite candidate for long-term capital appreciation.



C. L. Betzelberger

Russell Stover Candies was founded in 1923 and has grown to its present position as one of the largest manufacturers and distributors of fine candies in the United States, with factories located in Kansas City, Missouri; Lincoln, Nebraska; and Denver, Colorado. Most of the candies manufactured by Stover are chocolate coated and sold in boxed or packaged form.

The candy is shipped from the plants by refrigerated trucks to a storage location or to one of the four main distribution centers located throughout the country. The candy business is extremely seasonal, with approximately 40% of annual volume done during the Christmas season. Other sales peaks occur on Valentine's Day, Easter, Mothers' and Fathers' Day, and other holidays. Through utilization of large storage facilities, the company is able to build up its inventory for the peak sales periods and maintain a fairly constant rate of year-round production.

Stover distributes its products through 61 retail stores located in 39 cities and approximately 2,600 agency accounts with drug and department stores in all 50 states. Twenty of the department stores with which the company has agency accounts maintain complete Russell Stover Candies' departments. Quantity order sales are also made to business firms and other organizations.

Until last year, Russell Stover Candies was operated by three partnerships with a total of 26 partners, some of whom were members of two or three of the partnerships. Under this type of organization, Stover had several drawbacks: (1) the partnerships were unable to retain sufficient earnings to finance a rapid rate of growth; (2) the high income tax rates to which the individual partners were subject obviously affected their incentive to increase earnings; and (3) by operating as three separate organizations, duplication in many instances could not be avoided.

In May, 1960, the business and principal assets of the three partnerships were purchased by Russell Stover Candies, Inc. The present capitalization of the new corporation is composed of \$2,800,000 senior notes with warrants to purchase 50,000 shares of common stock; \$2,500,000 subordi-

nated notes convertible into 250,000 shares of common stock; 200,000 shares of common stock (publicly held); and 400,000 shares of restricted common stock. The restricted common stock is equal to the common stock in all respects except as to dividends. The restricted common cannot receive a cash payment in any 12 month period beginning on Feb. 1, until 65 cents a share has been paid during that period on the common stock; then each share of restricted common may receive one-half the dividends paid on each share of the common stock. The restricted common is convertible into common stock, share for share, at the rate of 20% per share beginning in 1965.

Sales have reached a new high in each of the last 20 years and earnings have been in an upward trend since 1956. For the nine months ended May 31, 1961, the company's sales were \$18,371,000, an increase of 3% over the year earlier period. Net earnings for the current nine months were \$1,153,000 or \$1.92 a share on the 600,000 shares of combined common stocks outstanding, an increase of 55% over the \$742,000 or \$1.24 (adjusted to the corporate form) earned the same period last year. The substantial improvement in earnings over the prior year was largely the result of lower cocoa prices and economies realized from the elimination of certain areas of duplication that existed under the partnerships. The increase in sales came from a more aggressive sales program and the openings of more agency accounts.

Candy sales in the fourth quarter—June, July and August—are the poorest of the year and normally a small loss results. This year the company expects to do as well, if not better, than the \$16,000 loss recorded last year.

The financial position of the company is sound. As of May 31, 1961, working capital amounted to \$4,307,000, an increase of \$570,000 from one year earlier, and the current ratio was 2.7 to 1.

It appears that Stover will continue to increase its sales, probably at an accelerated rate, during the next few years as the company's plans for expanding its market mature. During the last four months alone over 200 new agency accounts were added. The company expects to add seven or eight retail stores in this calendar year bringing the total to about 70. The benefits from the new outlets will not be fully realized until this fall.

The more aggressive sales program combined with the improved cost control system already evident in current earnings should reflect in a continued upward trend in sales and net earnings. For the current fiscal year ended Aug. 31, 1961, the company expects to earn from \$1.90 to \$2 per share on sales of approximately \$23,000,000.

In conclusion, I recommend the common stock of Russell Stover Candies for long-term capital appreciation and moderate current income. The stock is currently trading in the Over-the-Counter market around 23 and pays 65 cents per share.

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

**This Week's
Forum Participants and
Their Selections**Russell Stover Candies, Inc.
Charles L. Betzelberger, Analyst,
Stern Brothers & Co., Kansas City, Mo. (Page 2)Statmaster Corp.—Lowell H. Hancock,
Analyst, Harbison & Henderson,
Los Angeles, Calif. (Page 2)**LOWELL H. HANCOCK**Analyst, Harbison & Henderson,
Los Angeles 14, Calif.**Statmaster Corp.**

This company manufactures a camera that is so unique and has such a broad range usefulness that it promises to revolutionize the entire field of Photo-Film reproduction for industry.



Lowell Hancock

A high quality camera and enlarger, and completely equipped darkroom combined in one unit which allows for extreme versatility, a unit designed and produced for the many thousands of companies which demand a wide range of reproduction services such as single copies of correspondence, photostats, copy-prints, copy-negatives and prints, screened veloxes (from 35 to 150 lines per inch), and half-tone prints from color transparencies.

The camera will "Stat" or photograph any copy flat or third-dimensional, black and white or color, paper or film on any grade or weight of paper or film quickly and inexpensively. Copies can be enlarged or reduced up to 350% in line or half-tones. In other words, this camera will perform the whole range of operations in just a few minutes for each print at a fraction of the cost. The camera manufacturer estimates cost savings up to 80% to 90%.

The camera comes complete with lens, prism, fluorescent tube copy lites, stainless steel sink, enameled trays, paper safe, paper cutter, exhaust fan and automatic electronic timer. The lens is an 18-inch Goerz Red Dot Artar; calibrated scales make focusing unnecessary. The machine is simple and designed so that anyone can operate one after a short period of instruction. It can be installed in any room on ordinary house current.

There are three basic models priced from \$3,750 to \$7,750 f.o.b. Hialeah, Fla. The units may be purchased three ways:

- (1) Outright sale for cash, or
- (2) Under a lease plan, with the leasing company holding title to the camera, with the Statmaster Corp. receiving the full sale price, or
- (3) A conditional sale. The purchaser under this plan agrees to pay 10% of the purchase price plus the freight. If within a specific time he is dissatisfied with the camera's performance, he may return the camera and be reimbursed his 10% prepayment. Only one camera has been returned under this plan and in this case the purchaser decided on a larger unit.

After the purchaser agrees to keep the camera (under the conditional sale plan he may choose the lease plan or, of course, pay the balance in cash).

Sales have been completed with such well-known companies as Lily-Tulip Corp., CBS Television,

Continued on page 21

**Alabama &
Louisiana Securities**

Bought—Sold—Quoted

STEINER, ROUSE & CO.Members New York Stock Exchange
Members American Stock Exchange19 Rector St., New York 6, N. Y.
HA 07 2-4700 NY 1-1557
New Orleans, La. - Birmingham, Ala.
Mobile, Ala.

Direct wires to our branch offices

**JAPANESE
SECURITIES**

大和證券

DAIWA

Securities Co., Ltd.

NEW YORK OFFICE:
149 Broadway, New York 6, N. Y.
Telephone: BEekman 3-3622-3

BOUGHT — SOLD

L. A. DARLING CO.Has introduced a New Product
Line of Display Equipment for
Discount Houses and Super Mar-
kets with Tremendous Potential

Special Catalog on Request

MORELAND & CO.Members
Midwest Stock Exchange
Detroit Stock Exchange
1501 Penobscot Building
DETROIT 26, MICH.
Woodward 2-3855 DE 75
Branch Office — Bay City, Mich.**Support**the
**AMERICAN MENTAL HEALTH
FOUNDATION, Inc.**151 Central Park West
New York 23, N.Y.Pioneers in Mental Health
and Psychotherapy
since 1924**N. Q. B.**OVER-THE-COUNTER
INDUSTRIAL STOCK INDEX23-Year Performance of
35 Industrial Stocks

FOLDER ON REQUEST

National Quotation Bureau
Incorporated

46 Front Street New York 4, N. Y.

Basic Structure of the Corporate Bond Market

By Daniel M. Kelly,* Partner, Salomon Brothers & Hutzler, New York City

Investment banker's primer on the corporate bond market stresses the constancy of change occurring in the various types of financing. It also notes the declining influence of long-term treasury bond prices on the capital market which is attributed to the difficulty in determining what constitutes a long-term government security. Mr. Kelly describes the trading media making up the corporate bond market and the various ways they commonly are brought out; refers to the virtual unimportance of the individual investor except in the "convertible" or "warrant" bond area which, also, appeals to the institutional investor; and details the external and internal economic variables which affect price movements—particularly bank loans and the monetary authorities.

At one time all corporate issues had one thing in common besides price fluctuation; all were the obligations of private enterprise. And nowadays most issues traded in the corporate market still are, but an increasing number aren't. Those which still are, can be grouped into three main divisions—rails, public utilities and industrials, each of which has certain distinct characteristics. Historically the rails came first but in point of market importance they are now last. For our purposes rails fall into two general categories, equipment trust certificates, and all other types of railroad obligations.



Daniel M. Kelly

Equipment trust certificates are usually brought out in serial form with maturities running for from one to 15 years and, as a rule, with an original cash equity of 20%. Ordinarily they are non-callable prior to maturity, and generate pay-offs heavier than the depreciation of the equipment concerned. So, theoretically, equipment trust certificates are, creditwise, supposed to be rated mainly by the equipment on which the certificates are based, plus the original and accrued equity. Actually the standing of the railroad concerned also colors the credit picture and influences the market quotations.

As a group equipments have a high credit rating and excellent market standing. Top rated names often show little more yield, maturity for maturity, than quasi-Governments. In the past they have sometimes sold even Stephen, yieldwise, with quasi- and even with Governments, and, occasionally, at even richer prices than straight Governments.

They are virtually the only corporate group which affords any supply of short and intermediate term maturities, as supply, however, which is, at best, quite limited. Like municipal bonds they are traded in basis, not dollar price, and their secondary market is apt to be slower moving than that of other prime corporate obligations.

Other railroad obligations have

varying degrees of intrinsic investment merit. They can represent divisional liens, general mortgages, refunding mortgages, collateral trust bonds, debentures, income debentures, convertibles, or what have you, running, creditwise, all the way from triple "A" to HOLY SMOKE!

All in all, there are mighty few quality rails. Most get a credit rating of "BAA" or lower. Many of the old time rail issues have very long maturities and no sinking funds. Most newer issues have maturities of conventional term; cash sinking funds; and built in call protection for a term of years. Income and other junior type securities generally have earnings sinking funds.

As already indicated, the market for railroad bonds is extremely limited due, of course, to the checkered history of the group as well as to their unfortunate current experience.

Historically the public utilities follow the rails. In point of size they now constitute the most important sector of the corporate bond market.

Public Utilities

The fixed income securities in this group fall into three categories, power and light bonds, gas company issues, and telephone bonds.

Power and light issues are usually brought out as mortgage bonds with 30 year maturities. A few come out as debenture issues. The capital structure of a power and light company usually shows about 50% in debt securities, on which fixed charges are generally earned about four times. Most issues get a credit rating of "A" or better, which indicates the high investment quality of the power and light group.

Mortgage bonds usually have a 1% sinking fund which, as a rule, can be met by credits for additions and betterments to plant, although there are a few utility sinking funds which do require cash payments, or which will take bonds in lieu of cash. Debenture issues usually have cash sinking funds designed to retire 40% to 50% of the issue by maturity.

When market pressures generated by a heavy new issue calendar and falling bond prices are strong, new power and light company issues may feature five-year non-refunding call protection provisions. Ordinarily, however, such

Continued on page 24

CONTENTS

Articles and News	Page
Influences Likely to Shape the Business Trend in Current Decade—Paul I. Wren	Cover
Basic Structure of the Corporate Bond Market—Daniel M. Kelly	3
Investing for Banks—Major B. Einstein	4
Western Publishing Co.—Ira U. Cobleigh	7
Summary of the Business and Economic Outlook—Richard Wagner	9
Arbitrage, Convertible Bonds and the Investor—Gustave L. Levy	10
Outlook for Electrical Machinery and Appliances—Robert S. Ingersoll	12
The Current Situation in the Textile Industry—William H. Brown	13
Outlook for Merchandising—Ralph Lazarus	13
Regular Features	
As We See It (Editorial)	Cover
Bank and Insurance Stocks	26
Dealer-Broker Investment Recommendations	8
Einzig: "Hedging Against Stocks as an Inflation Hedge"	11
From Washington Ahead of the News—Carlisle Barger	15
Indications of Current Business Activity	27
Market . . . and You (The)—By Wallace Streete	17
Mutual Funds—Joseph C. Potter	20
News About Banks and Bankers	18
Observations—A. Wilfred May	5
Our Reporter on Governments	21
Public Utility Securities	19
Securities Now in Registration	28
Prospective Security Offerings	41
Security I Like Best (The)	2
Security Salesman's Corner	23
State of Trade and Industry (The)	16
Tax-Exempt Bond Market—Donald D. Mackey	6
Washington and You	44

B.S. LICHTENSTEIN AND COMPANY

SPECIAL QUOTH STOCKS

Obsolete Securities Dept.
99 WALL STREET, NEW YORK
Telephone: WHitehall 4-6551

Del Webb
Common and Warrants
Amer. Int'l Bowling
Heinicke Instruments
Electronic Int'l Cap. Ltd.

SINGER, BEAN & MACKIE, INC.

HA 2-9000 40 Exchange Place, N. Y.
Teletype NY 1-1825 & 1-4844

Direct Wires to

Chicago Cleveland
Los Angeles Philadelphia
San Francisco St. Louis

SEAELECTRO CORP.

BERKEY PHOTO

BAIRD-ATOMIC

TONKA TOYS, INC.

STANDARD BRAND
PAINTS

J.F. Reilly & Co., Inc.

39 Broadway, New York 5
DIgby 4-4970

Southern Gulf Utilities

For many years we have specialized in **PREFERRED STOCKS**

Spencer Trask & Co.

Founded 1868

Members New York Stock Exchange

25 BROAD ST., NEW YORK 4, N. Y.

TELEPHONE HAnover 2-4300 TELETYPE NY 1-5

Albany Boston Chicago Glens Falls
Nashville Newark Schenectady Worcester

Published Twice Weekly
The COMMERCIAL and FINANCIAL CHRONICLE
Reg. U. S. Patent Office
WILLIAM B. DANA COMPANY, Publishers
25 Park Place, New York 7, N. Y.
REctor 2-9570 to 9576
CLAUDE D. SEIBERT, President
WILLIAM DANA SEIBERT, Treasurer
GEORGE J. MORRISSEY, Editor
Thursday, July 20, 1961

Every Thursday (general news and advertising issue) and every Monday (complete statistical issue—market quotation records, corporation news, bank clearings, state and city news, etc.)
Other Office: 133 South La Salle St., Chicago 3, Ill. (Telephone STate 2-0613).

Copyright 1961 by William B. Dana Company

Reentered as second-class matter February 25, 1942, at the post office at New York, N. Y., under the Act of March 8, 1879.

Subscription Rates

Subscriptions in United States, U. S. Possessions, Territories and Members of Pan-American Union, \$65.00 per year; in Dominion of Canada, \$68.00 per year; Other Countries, \$72.00 per year.

Other Publications

Bank and Quotation Record—Monthly, \$45.00 per year. (Foreign Postage extra).

Note—On account of the fluctuations in the rate of exchange, remittances for foreign subscriptions and advertisements must be made in New York funds.

WM. V. FRANKEL & CO.

INCORPORATED

39 BROADWAY, NEW YORK 6

WHitehall 3-6633

Teletype NY 1-4040 & 1-3540

Investing for Banks

By Major B. Einstein, Vice-President, First National Bank
in St. Louis, St. Louis, Mo.

Primer written for the smaller bank's investment manager reviews essentials of a successful investment portfolio. After clearly indicating just what a bank's investment account is, Mr. Einstein describes principal categories of securities suitable for investment; outlines workings of interest rate, money market and economic changes; indicates sources of, and factors affecting, money supply; outlines an ideal and a practical portfolio; refers to the importance of capital gains and loss tax provisions, of Treasury Tax and Loan Accounts, of keeping well informed of economic trends, and of drawing upon the knowledge of city correspondents.

Much of the contents of this study will be familiar to a majority of those concerned with bank investments. Yet, in order to develop the subject in an orderly fashion it appears prudent to put first things first.

The most elementary of these is a bank's legal obligation to meet its depositors' withdrawal demands promptly and fully in accordance with the terms on which the deposits were accepted. Next in priority comes the moral obligation to extend credit to creditworthy customers, and to satisfy certain other reasonable credit needs of the community at large. Also not to be overlooked is the bank's obligation to its stockholders—that of preserving capital funds, and generating suitable earnings on them.

It is to be recognized that all of a bank's assets cannot be directly income-producing, since the initial use to which deposits must be put is to furnish sufficient cash reserves to satisfy legal requirements and over-the-counter demands. In addition, there should be adequate cash assets—some perhaps in the form of deposits with correspondent banks—to cover various clearance items other than those previously mentioned.

Loans and Investments

It is only after all cash needs as well as reasonable loan demands may be met that investments are to be considered. Here, as in the

case of loans, the first consideration must be the borrower's willingness and ability to retire indebtedness promptly and fully when due. Indeed, there is little fundamental difference between loans and investments. The principal distinction lies in the fact that loans usually represent credit extended privately by a lender to a borrower through direct personal negotiation, while investments generally represent credit extended impersonally through an open market transaction.

The extension of both forms of credit necessarily involves risks. Since these are usually accompanied by commensurate rewards, there is always the temptation to accept greater-than-average hazards in order to secure larger-than-average returns. It is always to be borne in mind, however, that the amount of a bank's deposits and, consequently, of its loans and investments is usually a considerable number of times the amount of its capital funds. Therefore, even seemingly modest losses on loans and investments assume considerably greater significance when considered in relation to capital—10% depreciation of a bank's assets might well be equivalent to 100% elimination of its capital funds.

When a friend insisted that he express his opinion as to the near-term prospects for stock prices, the elder J. P. Morgan once observed: "The stock market will fluctuate." And that sums up nicely about all of which one can be absolutely certain with respect to price movements in free markets. Market fluctuations may be sources of substantial rewards, but are not infrequently sources of sizable penalties. Certainly the temptation to speculate in anticipation of expected economic changes is great, but this tempta-

tion should never become so great to a banker as to obscure the fact that a bank's investment account is fundamentally a reserve fund rather than a medium for trading for unusual profits.

Credit in any form, however, can be extended judiciously only with due regard to future probabilities. Consequently, economic projection has an appropriate place in sound investment-management. Unfortunately, however, no magic formula for precise prediction is to be found in a free economy, by virtue of the latter's very nature. While past history may well serve as a rough guide, and adherence to certain general rules may prove helpful, economic events may never be depended upon to repeat themselves exactly, for even under very similar circumstances all factors shaping respective outcomes are never identical.

Securities Suitable for Bank Investment

Since a bank's investment account is essentially a reserve fund, it should be limited to readily marketable securities of high credit quality. Quality risk for the sake of larger-than-average earnings, if taken at all, are to be taken in the primary earnings account—the loan portfolio; certainly not in the residual account—the investment portfolio. The four categories of securities generally utilized as bank investments follow.

(1) Direct Obligations of the U.S. Government

Securities which are obligations of the United States Government are defined as riskless assets inasmuch as there is no doubt that interest and principal on every United States Treasury issue will be paid promptly and fully at maturity. While United States Treasury securities are without risk credit-wise, they may prove to be anything but riskless market-wise. This factor will be dealt with in greater detail later.

There are various types of marketable United States Treasury securities technically known as Bills, Certificates of Indebtedness, Notes and Bonds. With a few exceptions, income is subject to all Federal Income Taxes, but is exempt from such taxes imposed by the various states.

(2) Securities of the Instrumentalities of the United States Government

Next in importance comes a class

of securities which, while not falling in the riskless asset category, is generally considered second in credit quality only to United States Treasury obligations themselves. Indeed, bank examiners not infrequently classify them as "riskless." These securities, frequently termed "quasi-governments" are issued by instrumentalities of the United States Government, generally known as Federal Agencies, created by Act of Congress to satisfy special essential needs in the national economy.

Consultation with, or the approval of, the Secretary of the Treasury is sought in connection with all Agency financing. Therefore, the high credit quality possessed by these so-called "quasi-governments" is not surprising.

The principal Agencies issuing these securities are the Federal Intermediate Credit Banks—Federal Home Loan Banks—Federal Land Banks—Federal National Mortgage Associations—Banks for Cooperatives. The securities are approved by regulating authorities for bank investment without specific restriction. However, it is to be recognized that while they enjoy a good market, they are inferior in liquidity to direct government obligations. They are subject to income taxation.

(3) Municipal and Other Tax Free Obligations

The class of securities termed "Municipals" or "Tax Exempts" ranks next in importance as bank investments to United States Treasuries and Federal Agency securities. High credit quality may readily be satisfied through careful selection of appropriate issues from the abundant supply available in the investment market. In general terms, these securities may be defined as obligations which produce income totally exempt from Federal Income Taxes, and are issued by political subdivisions or authorities other than the Federal Government.

Tax Exempt Bonds fall into three principal classifications: General Obligation Bonds; Revenue Bonds; and Housing Authority Bonds.

Appropriate Use of Tax Exempts

In addition to the credit superiority of well selected Tax Exempts, particularly General Obligation Bonds, they possess another characteristic which may be of substantial benefit to managers of bank investment accounts. They are usually issued in serial form, providing for repayment of principal, either semi-annually or annually. This enables the portfolio manager to select bonds with maturities corresponding to cash needs indicated by the bank's historical deposit and loan patterns.

Municipal bonds, however, prior to maturity, generally possess a somewhat unfavorable market aspect. With the exception of the largest high-quality issues, they are often not readily marketable, and where they are a close two-way trading market is the exception rather than the rule. In fact, the spread between prices bid by buyers and those expected by sellers may be so wide that a turn-around trade may cost the seller the equivalent of a full year's interest on each bond traded. Municipal bonds, therefore, are generally only to be bought on the assumption that they will be held to final maturity. Since tax exempt bonds usually yield a smaller gross return than taxable securities, their income tax-free status is the primary reason for their attractiveness. Therefore, before purchasing them the bank investor must take into consideration how much, on the average, his bank is likely to earn. Unless all expenses are covered and expected income is in the higher corporation income tax bracket, there is but little

incentive to buy the relatively inferior gross income afforded by municipal bonds.

Corporate Bonds

Bonds issued by private corporations are, in general, not particularly attractive for bank investments for various reasons, even though there is an adequate supply of such securities which might qualify credit-wise. Credit standards are primarily the same as pertain to tax-exempt Revenue Bonds—a sufficiently favorable history of earnings to provide an adequate margin of safety for the prompt and full satisfaction of all obligations. Owing to the possibility of limited satisfactory marketability, however, these securities are only to be purchased with the intention to retain them to maturity.

Planning the Investment Portfolio

Turning again to more general investment considerations, it has already been observed that investment funds are essentially residual ones, available for open market purchases only after cash and loan demands have been adequately satisfied. The interrelationship of cash, loans and investments at any particular time is well illustrated by the national average figures pertaining to all commercial banks. The Federal Reserve Bulletin recently revealed the assets of all commercial banks to have been approximately as follows:

Cash	15%
Loans	50
Investments	33
Miscellaneous	2
Total	100%

Investments consisted roughly of 75% United States Government Obligations and 25% other securities—an interesting ratio.

The assets of each individual bank cannot be expected to conform to the national average figures too closely. It is all important for each investment manager to take care to familiarize himself with his own bank's peculiarly individual operational characteristics, for it is only on the basis of his own bank's actual experience that he may construct an investment portfolio capable of meeting all reasonable demands readily and practically penalty-free.

Liquidity and safety requirements could almost entirely be satisfied by restricting investment to United States Treasury Bills, since these are generally available in weekly maturities and possess no credit risk. Everything else being equal, this would appear to be the ideal solution of the investment management problem—and such would be the case if the income afforded by Treasury Bills constantly approximated that afforded by longer term Treasury securities.

However, this is not so. For example, in the spring of 1958, 91-day Treasury Bills afforded a yield of but $\frac{5}{8}\%$ at the same time that a yield of $2\frac{3}{8}\%$ was available from Treasury five-year Notes, and $3\frac{1}{8}\%$ from longer-term Treasury Bonds. Accordingly, despite the fact that investment income is secondary to safety and penalty-free availability of funds, earnings cannot appropriately be ignored.

On the other hand, yield differentials favoring investment in longer-term securities may prove deceptive, for usually the temptation to lengthen maturities is always greatest at just the wrong time—inasmuch as a bank always has more money available than customers wish to borrow when interest rates are low and bond prices are correspondingly high, and hardly ever enough to loan without selling securities when rates advance and prices are depressed. It is significant that 3%
Continued on page 22



Major B. Einstein

This advertisement is not an offer to sell or a solicitation of an offer to buy these securities. The offering is made only by the Prospectus, a copy of which Prospectus has been filed with the Department of Law of the State of New York. Such filing does not constitute approval of the issue or the sale thereof by the Department of Law or the Attorney General of the State of New York.

NOT A NEW ISSUE

84,403 Shares

Uris Buildings Corporation

Common Stock
(Par Value 10¢ Per Share)

OFFERING PRICE \$18.50 PER SHARE

Copies of the Prospectus may be obtained in any State only from such of the several underwriters named in the Prospectus and others as may lawfully offer these securities in such State.

Kuhn, Loeb & Co.
Incorporated

July 19, 1961

OBSERVATIONS . . .

BY A. WILFRED MAY

THAT SCARCITY-VALUE OF TULIPS, ART & STOCKS

Increasingly emerging is the *Scarcity Value* theme as justification for our Great Bull Market, with its fantastic asset-capitalizations and price-earnings ratios, in both the listed and new-issue markets.

Typically, a leading newspaper editorial, commenting on the SEC Inquiry attributes the "hopped-up" securities situation to a curtailed supply of stocks to meet a permanently enlarged demand: "The supply-demand relationship in the stock market is the culprit. Supply of stock is down relatively because more companies finance expansion internally or with debt. Demand is up, for investment companies and pension funds have mushroomed and more and more citizens have become shareholders in American business."

New York Stock Exchange President Keith Funston has also voiced the *Scarcity* thesis, thus: "I think there is something of a shortage [of good common stocks] and there are two reasons for it. One is the fact that there is not much new stock being issued, aside from stock splits and stock dividends. The other, and probably more important reason, is the capital gains tax. Take any stock and watch its progress. If it goes up in price, people feel locked in. They don't want to sell their stocks, because they don't want to pay the capital gains tax."

"One of the reasons why the Dow Jones industrial stock average has gone above 700 is the pressure coming from institutions and conservative investors looking for good stocks. They have to buy from people who don't want to sell because of the capital gains tax."*

While these factors do undeniably exist, it must be realized that actually they are not controlling—and, more important, that the notion that there are not enough stocks to go round is but today's variation of the *Scarcity Value* illusion which embraced Holland's tulips in 1684, Florida underwater land and New York stocks in the pre-1929 Bust, and art over the years.

In the latter area, the English portraits, Gainsborough, Romney, Lawrence et al., were oh-so-scarce at dizzy price heights from 1919 to 1929; but thereafter supply somehow became plentifully available at drastically reduced price tags. The "scarce" Barbizon School's works from 1875 to 1914 were considered cheap at any price; thereafter the former scarcity-along-with-other value became decimated. Conversely, Vermeer, Van Eyck and Giorgione are typical of the artists who were always scarce, but became "valuable" only after they came into fashion. Scarcity, in art as well as investment, exerts an influence only if and while the artist is popular.

Surely, the current assumptions about both the supply and demand factors regarding stocks warrant scrutiny.

On the Demand Side

It apparently is not realized that the supply side has not exactly remained static—with the increases being in addition to the torrent of splits and stock dividends.

The new public offerings of both common stocks and bonds have more than doubled over the past decade. Such common stock issues aggregated \$2,027 million in 1959 and \$1,664 in 1960. In addition to these issues devoted to corporate capital financing, inves-

tors have been supplied with the shares sold by the "insiders" of companies "going public," which totalled the tidy sums of \$899 million and \$621 million in the respective years. Surely a substantial portion of these monies going to selling stockholders are not put right back into the purchase of other common stocks.

In line with the above-cited supply increase, is the doubling over the past six years, in the number of shares—to 6½ billion—listed on the Big Board.

So much by way of quantitative analysis of the supply side of the "scarcity" equation. Let us now take a look at the representations regarding the demand situation.

The Demand Side

On the demand side, an increase has, of course, been occurring, both *per se* and as a spill-over from bonds—reflected in the unprecedentedly long interval of a

higher relative market yield on bonds. However, such transfer of investor appetite from bonds is not decisively ascribable to tax or other financing factors; but, rather, in the case of the investor, whether directly or through the investment company or pension fund, to the "inflation" factor.

The prospect of a depreciating dollar justifies an increasing preference for stocks over fixed-income securities, but this is only valid over the long-term; not as exploited by the fast-buck boys both on and off the Exchanges.

At the same time, it must be realized that not only does our dollar depreciate at highly irregular intervals, but also the hedge efficacy of the common stock proceeds with sharp fluctuations. As has happened before, may not today's bull market "inflation" be transformed, in the next bear market, into forebodings of de-inflation, along with "over-capacity," "overproduction," "profit-squeezing," "international crisis," etc., etc?

Demand-and-supply, and "scarcity," in the stock market, have never been determined by constant, objective, or quantitative factors. The supply-and-demand equation is a *psychological* process!

First Boston Names Mgrs. & Asst. Mgrs.

The appointments of six Managers and five Assistant Managers have been announced by The First Boston Corporation. The new officers are in the corporation's New York, Philadelphia and San Francisco offices.

New York Office (15 Broad St.): Manager, Charles T. Steffens, who joined First Boston in March, 1958, is a member of the Government Department; H. James Toffey, Jr., also a member of the Government Department, joined the corporation in January, 1956; H. Thomas Cimiluca, a member of the Investment Department, joined First Boston in May, 1952; Richard C. Dunham, joined the corporation in July, 1956 and is a member of the Investment Department; Henry Tiffany, a member of the Investment Department, joined the corporation in August 1953.

Assistant Manager, George J. Brunjes, who joined the corporation in August, 1957, is a member of the Investment Department; Jahleel D. Woodbridge, also a member of the Investment Dept., joined First Boston in June, 1958;

John M. Phillips, a member of the Municipal Department, joined the corporation in March, 1958; Michael C. Stanley, also a member of the Municipal Department, joined First Boston in July, 1958. **Philadelphia Office** (1500 Chestnut Street: Manager, Robert C. De Laney, a member of the Government Department, joined First Boston in July, 1957.

San Francisco Office (465 California Street): Assistant Manager, Rita M. Leveira, who joined the corporation in January, 1943, is a member of the Investment Dept.

Brophy Mun. Mgr. For Wm. Blair

CHICAGO, Ill.—James G. Brophy has been named manager of the municipal department for William Blair & Company, 135 South La Salle Street, members of the Midwest Stock Exchange, it has been announced.

He was formerly with Blyth & Co., Inc., from 1948 to 1961, heading their municipal department in Chicago. Earlier, he had been with First of Michigan Corp.

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



4½% Sinking Fund Debentures Due 1986

Dated August 1, 1961

Due August 1, 1986

Interest payable February 1 and August 1 in New York City

Price 99¾% and Accrued Interest

Copies of the Prospectus may be obtained in any State from only such of the undersigned as may legally offer these Debentures in compliance with the securities laws of such State.

MORGAN STANLEY & CO.

KUHN, LOEB & CO.

Incorporated

BLYTH & CO., INC.

EASTMAN DILLON, UNION SECURITIES & CO.

GOLDMAN, SACHS & CO.

KIDDER, PEABODY & CO.

LEHMAN BROTHERS

SMITH, BARNEY & CO.

Incorporated

WHITE, WELD & CO.

THE FIRST BOSTON CORPORATION

DOMINICK & DOMINICK

GLORE, FORGAN & CO.

HARRIMAN RIPLEY & CO.

Incorporated

LAZARD FRERES & CO.

MERRILL LYNCH, PIERCE, FENNER & SMITH

Incorporated

STONE & WEBSTER SECURITIES CORPORATION

DEAN WITTER & CO.

July 19, 1961.

*In an interview in U. S. News & World Report, June 5, 1961.

TAX-EXEMPT BOND MARKET

BY DONALD D. MACKEY

While the market for tax-exempt bonds had shown some improvement in tone during the past few weeks, it had been an almost singular performance as against the bond market in general. Although the *Commercial and Financial Chronicle's* high grade state and municipal bond yield index indicated an average market improvement a week ago of close to one-half point, the Treasury and Corporate bond markets showed no such general improvement. Both of these bond market areas were facing voluminous new financing during this period and the presumed impact was formidable enough to frustrate discounting by the market makers.

However, during this period and to some extent before, the state and municipal bond dealers, pushed along by the dealer banks particularly, were able to translate the various money market factors into positive market action. This was prior to the time of the Treasury's \$12,500,000,000 debt conversion operation announcement and before the corporate market was able to establish the basis for a successful \$200,000,000 Shell Oil Company financing.

Municipal Index Up

The *Chronicle's* Index showed further municipal market improvement this week to the extent of about one-quarter of a point. The average yield of our selected 20-year high grade offerings was reduced from 3.37% a week ago to 3.35% on July 19. The recently aggressive new issue bidding with fair investor response may foretell an even higher market level in the near future. Many of those who have been expecting an upward trend in tax-exempt bond yields (and bond yields

generally) during the summer months are now deferring such predictions as far as the late fall and winter. This would seem more realistic than the earlier attitudes for several good reasons.

First, the heavy Treasury financing problems and their negative market inferences are over until early fall; second, the continued availability of money on easy terms appears certain; third, the lack of impressive evidence for a substantial upturn in heavy industry with extensive expansion in capital outlays delays the expected dynamic economic upturn.

Under these general circumstances, there are many who, at least logically, presume a somewhat better bond market prior to an anticipated lower level of bond prices accompanying the variously presaged boom in big business. Both are quite certainly on their way but the timing in such matters makes a considerable difference when dealing in the bond business.

Tax-Exempts a "Buy"

The technical condition of the state and municipal bond market has improved vastly during the past two weeks. Although prices have discounted this improved situation moderately during this period the general level of prices continues to be favorable for the broad range of investors. With tax-exempt yields for 20-year bonds available from 3% to 4% for good grade obligations, investors need but a glance at a tax chart to establish relevance and good sense in almost any yield category. Moreover, the inventories of dealers have recently been substantially reduced. From a consistent high of over \$500,000,000 a few weeks back, the dealer offerings as established by

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State).....	3½%	1978-1980	3.75%	3.60%
Connecticut (State).....	3¾%	1980-1982	3.45%	3.35%
New Jersey Highway Auth., Gtd....	3%	1978-1980	3.50%	3.40%
New York (State).....	3%	1978-1979	3.30%	3.20%
Pennsylvania (State).....	3¾%	1974-1975	3.20%	3.10%
Vermont (State).....	3½%	1978-1979	3.25%	3.15%
New Housing Auth. (N. Y., N. Y.)	3½%	1977-1980	3.40%	3.25%
Los Angeles, Calif.....	3¾%	1978-1980	3.70%	3.60%
Baltimore, Md.....	3¼%	1980	3.40%	3.30%
Cincinnati, Ohio.....	3½%	1980	3.40%	3.30%
New Orleans, La.....	3¼%	1979	3.50%	3.35%
Chicago, Ill.....	3¼%	1977	3.65%	3.50%
New York City, N. Y.....	3%	1980	3.60%	3.55%

July 19, 1961 Index=3.357%

the *Blue List*, have been reduced to \$422,600,000 of state and municipal bonds as of July 19.

The near term new issue calendar although moderately heavy for August is now of close to normal proportions. It is swelled somewhat by California's \$225,000,000 offering slated for Aug. 16. The volume for August may further increase now that the Treasury is out of the market but barring political explosion a more favorable municipal bond market tone appears likely to persist into the early fall.

Recent Awards

This week was light from an underwriting viewpoint but there are several new issues worth commenting on. On Thursday, July 13, highly rated Milwaukee County, Wis. come to market with two general obligation issues totaling \$11,429,000. A split award was made. The high bid for \$6,100,000 Expressway (1962 - 1981) bonds was submitted by the group managed by Phelps, Fenn & Co. and including as majors, Goldman, Sachs & Co., Paine, Webber, Jackson & Curtis, Equitable Securities Corp., B. J. Van Ingen & Co., Inc., F. S. Mosely & Co. and Reynolds & Co. The bonds were priced to yield from 1.60% to 3.30% for a 3.20% coupon. Upon initial reoffering approximately two-thirds of the issue was sold. The balance, as of yesterday was \$1,020,000. The \$5,329,000 Sewerage (1962 - 1976) bonds were awarded to the syndicate headed by Halsey, Stuart & Co., Inc., and the Morgan Guaranty Trust Co. of New York and including Lehman Brothers, C. J. Devine & Co., The Philadelphia National Bank, John Nuveen & Co. and others. Priced to yield 1.60% to 3.20% with a 3% coupon, \$1,709,000 of the bonds remain in account at this writing.

Tuesday, July 18, saw the sale of several general obligation issues. The State of Maine awarded three issues of general obligation bonds totaling \$9,600,000 to the account composed of The First Boston Corp., White, Weld & Co. and the Bank of America N. T. & S. A. The financing consisted of \$3,000,000 Highway and Bridge (1962-1981) bonds, \$3,900,000 Passagassawaukeag River Bridge (1962-1971) bonds and \$2,700,000 University of Maine (1964-2001) bonds. The issues were priced to yield from 1.50% to 3.50% in 2000 for various coupons. The last maturity of the university loan bore a 1% coupon and was reoffered to yield 4.10%. At present a total of \$3,747,000 bonds remains unsold. Also on Tuesday \$7,978,000 Newark, N. J. (1962-1981) bonds

attracted eight bids and were awarded to the syndicate managed by the Bankers Trust Co. The other major underwriters were The First National City Bank of New York, the Harris Trust and Savings Bank, C. J. Devine & Co., the Chemical Bank New York Trust Co. and Equitable Securities Corp. The bonds were scaled to yield 1.70% to 3.60% for a 3.40% coupon. Upon the initial reoffering most of the maturities were quickly oversubscribed and only \$3,000 of the longest bonds remain in account.

Meriden, Conn. also came to market on July 18 with \$4,802,000 serial (1963-1981) bonds. The issue was bought by the group headed by Harriman Ripley & Co., Inc. and including among others Lehman Brothers, Goldman, Sachs & Co., Hornblower & Weeks and G. H. Walker & Co. The bonds were priced to yield 1.90% to 3.40% for a 3.20% coupon. To date the account has generated only fair business. The present balance is reported as \$2,930,000.

The final issue of consequence to sell on Tuesday, \$3,500,000 Bloomington, Minn. (1963-1982) bonds was awarded to the group headed by F. S. Smithers & Co. Included in the underwriting were Lee Higginson Corp., Bache & Co., Stern Brothers, Julien Collins & Co. and others. Bloomington, a

suburb of Minneapolis, has shown a remarkable growth trend in the last decade. The bonds were priced to yield 2.50% to 4.40% in 1978. The last four maturities were not reoffered. After the initial order period a balance of \$1,205,000 was reported in the account.

Toll Roads Doing Well

The toll road group of bonds has continued to do nicely both as to their revenues and as to the market for their bonds. Although the *Smith, Barney & Co. Turnpike Bond Yield Index* was unchanged at 3.82% when last sampled on July 13, there is ample evidence in reviewing toll road bond quotations today that the average price level has improved. June reports show great progress being made by the Richmond-Petersburg Turnpike and the Illinois State Toll Highway. For the month of June the Richmond - Petersburg Turnpike Authority maintenance and interest charges were covered 1.4 times. For June a year ago the coverage was 0.99 times. In the case of the Illinois road coverage for June was 1.39 times. For June a year ago it was but 1.02 times.

Among other projects showing more favorable trends are Florida Turnpike, Garden State Parkway, Kentucky Turnpike, Massachusetts Turnpike, and the Texas Turnpike.

Larger Issues Scheduled For Sale

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

July 20 (Thursday)

Menasha, Wis.....	1,300,000	1962-1981	2:00 p.m.
Mississippi (State of).....	4,200,000	1964-1996	10:00 a.m.
North east Missouri State Teachers College.....	1,363,000	1963-2000	5:30 p.m.
Oklahoma City, Okla.....	1,561,000	1966-1968	10:00 a.m.

July 21 (Friday)

Newark Special Sch. Dist., Del....	1,200,000	1962-1985	Noon
St. Andrews Presbyterian College North Carolina.....	1,340,000	1964-2001	10:00 a.m.

July 24 (Monday)

Clackamas County UHSD 5, Ore.....	2,500,000	1962-1974	8:00 p.m.
Coldwater, Mich.....	1,995,000	1962-1986	8:00 p.m.
Eugene, Ore.....	1,000,000	1962-1981	10:00 a.m.
New Mexico State Armory Board	1,000,000	1962-1971	1:30 p.m.
Spring Lake Heights, N. J.....	1,120,000	1962-1991	8:30 p.m.

July 25 (Tuesday)

Connecticut College for Women.....	3,000,000	1963-2000	11:00 a.m.
Gwinnett County Sch. Dist., Ga....	1,250,000	1962-1981	2:00 p.m.
Ithaca College, New York.....	2,978,000	1963-2000	3:00 p.m.
Monroe, Woodbury, CSD 1, N. Y.....	1,685,000	1962-1981	2:00 p.m.
Northwest Water Dist., Colo.....	2,500,000	1966-1981	10:30 a.m.
University of Vermont.....	2,370,000	1962-1999	2:00 p.m.
West Palm Beach, Fla.....	2,500,000	1962-1986	11:00 a.m.

July 26 (Wednesday)

Alaska (State of).....	13,975,000	1962-1991	9:30 a.m.
Hempstead UFSD No. 10, N. Y....	4,325,000	1962-1991	3:00 p.m.
Lexington Mun Imp. Corp., Ky....	1,900,000	1962-1981	10:45 a.m.
Michigan (State of).....	35,000,000	1962-1986	11:00 a.m.
North Carolina (State of).....	17,160,000	1962-1981	11:00 a.m.
Whitehall City Sch. Dist., Ohio....	1,100,000	1962-1983	11:00 a.m.

July 27 (Thursday)

Attleboro, Mass.....	1,206,000	1962-1981	11:00 a.m.
Huntington UFSD 3, New York....	1,511,000	1962-1991	11:00 a.m.
Maricopa County, Ariz.....	1,512,000	1962	11:00 a.m.
Onondaga County, N. Y.....	8,270,000		
Tampa, Fla.....	2,850,000	1962-1990	11:00 a.m.
Triton Sch. Bldg. Corp., Ind.....	1,700,000	1964-1991	1:00 p.m.

July 28 (Friday)

Kent State University, Ohio.....	2,500,000	1962-1999	11:00 a.m.
----------------------------------	-----------	-----------	------------

July 29 (Saturday)

So. Blount Co. Utility Dist., Tenn.	1,000,000	1963-1995	11:00 a.m.
-------------------------------------	-----------	-----------	------------

July 31 (Monday)

Charleston, West Virginia.....	4,000,000	1962-2000	Noon
Maricopa Co., Mesa HSD 207, Ariz....	1,800,000	1962-1971	11:00 a.m.

Aug. 1 (Tuesday)

Fort Wayne, Ind.....	1,900,000	1963-1993	2:00 p.m.
Mobile, Ala.....	8,000,000		
Palos Verdes Peninsula USD, Calif.	1,300,000	1962-1986	9:00 a.m.

Aug. 2 (Wednesday)

Lakewood City Sch. Dist., Ohio....	2,470,000	1962-1990	1:00 p.m.
Maryland (State of).....	16,943,000	1964-1976	11:00 a.m.
Public Housing Admin., D. C.....	60,315,000	1962-2001	Noon
San Jose, Calif.....	4,000,000	1962-1981	11:00 a.m.

Aug. 7 (Monday)

Clark County, Nev.....	3,000,000	1962-1981	
Fort Myers, Fla.....	1,000,000	1962-1981	7:30 p.m.

Aug. 8 (Tuesday)

Anchorage, Alaska.....	4,036,000	1962-1981	10:00 a.m.
Pennsylvania General State Auth.	25,000,000	1964-1988	Noon
St. Petersburg, Fla.....	14,000,000	1967-1991	11:00 a.m.

Aug. 9 (Wednesday)

Fairfax County, Va.....	9,125,000		
Wichita Sch. Dist. No. 1, Kan....	1,600,000	1962-1981	10:00 a.m.

Not a New Issue

July 19, 1961

20,000 Shares

Detroit Stamping Company

Common Stock

Par Value \$1.00 Per Share

Price \$14.25 Per Share

This announcement is neither an offer to sell nor a solicitation of an offer to buy these securities. The offer is made only by the Offering Circular. Upon request, a copy of the Offering Circular describing these securities may be obtained from the undersigned or from dealers only in such states where the securities may legally be offered.

G. A. SAXTON & Co., INC.

Western Publishing Co.

By Dr. Ira U. Cobleigh, *Enterprise Economist*

An interesting book value featuring a phenomenal growth rate.

Time was when book publishing company shares were tranquil investments. Traded mostly over-the-counter there were a few transactions, slight market interest, and quite modest price/earnings ratios. That was up until about three years ago. Then, animated by the price gains of several hundred percent in such issues as McGraw-Hill and Prentice-Hall, and taking new note of the "population explosion," investors began to move into book stocks. The companies that "went public" found avid buyers waiting. Random House common came out at \$12 in 1959 and sells at 31 today. Holt Winston and Rinehart merged to form a major company with its stock listed and actively traded at rising prices on the N.Y.S.E. Macmillan, largest and most renowned textbook company, was merged into Crowell Collier, and Scott Foresman & Co. stock became publicly available. And publisher equities which used to sell at around 15 times earnings, or less, were given new "growth" multiples of 25 to 40 times earnings. So when 362,114 shares of Western Publishing common were offered at \$4 last year, the market was ready to pounce on them. And it did. Immediately, and heavily oversubscribed, the shares have spent the time since in seeking higher price levels.

By the most orthodox methods of security analysis, Western Publishing Co. common merits a quality rating, and consideration by investors who have respect for an annual growth rate above 9% annually, compounded. Founded in 1907, this company has operated at a profit for 54 consecutive years, and there has been an uninterrupted increase in sales every single year. That's quite a record in itself! Sales rose from \$60 million in 1955 to \$123.8 million in 1960, with a corresponding rise in net profits from \$3,525,000 to \$7,390,000 in the same time interval.

Western Publishing Co. with its 50% owned affiliate Golden Press, Inc., is the largest creator, producer, publisher and distributor of juvenile books, games and comic books. Its Tell-A-Tale Books, Story Hour Books and Tiny Tale Books sell primarily in the 50 cents to 69 cents range, in over 30,000 retail outlets. The company sells over 250 million comic books a year. It also has a line of gift wrappings, playing cards and greeting cards, which, together, account for about 4% of sales.

In contrast with most sizable publishers, Western not only does its own printing but a big business volume in commercial printing as well. This accounted for 32% of 1959 sales. In addition, Western does all the printing for its affiliate, Golden Press, one of the fastest growing units in the entire industry.

Golden Press Inc. was founded on Oct. 1, 1958, and in less than three years' time has turned in a terrific performance. It is jointly owned by Western Publishing Co. and Pocket Books, Inc. Golden Press sales increased from \$15.4 million for the 12 months ended Sept. 30, 1959 to \$36.8 million in 1960. In the same period net zoomed from \$388,000 to \$2.2 million.

Golden Press has a unique business. It publishes and distributes the Golden Book Encyclopedia and the Golden Book Picture Atlas of the World. The Encyclopedia is 16 volumes and the Atlas six. Both are copiously illustrated in color and designed for children of elementary school age. These volumes are princi-

pally sold in supermarkets as a one-volume-a-week promotion at 99 cents a copy. This mass distribution method is a great innovation. Heretofore encyclopedias have been sold house-to-house at prices of around \$250 a set, or upwards of \$10 per volume. This new promotion idea has worked out fabulously. A single supermarket chain will be given an exclusive on the book-a-week promotion for several months. Then the promotion will be given to another chain, often in the same area, also on an exclusive basis. The appeal to buy is powerful, since most mothers are eager for anything educational for their children; and stores have found the book buying attracts customers, and keeps them in the store longer (leading to greater supplementary sales).

Some 7,000 supermarkets now sell Golden Books, and there are also 65,000 other retail outlets offering them. Newer Golden Press texts include a six volume dictionary, and a 20 volume encyclopedia for the high school age group, plus a 16 volume Golden Treasury of Knowledge (99 cents a copy).

Altogether, Golden Press is in a powerful growth phase with sales expected to increase 40% in 1961, to above \$50 million. Competition is not likely, due to the already heavy penetration of these low price markets by Golden, and to the fact that the preparation, the printing equipment, and the inventory of the line require an investment of many millions. For Western, the Golden printing account is exceedingly rewarding, since the long printing runs on the Golden Book series make possible continuous high level plant operations at virtually maximum efficiency. In any event few companies on the American scene have racked up more progress in three years than Golden Press, Inc. It's well named!

Western Publishing Common

The stock of Western Publishing, even before public offering, was a rewarding investment. Dividends have been paid in every year since 1934. The current indicated rate being 72 cents a year plus a 5% stock dividend (1961). Stock equity is in 1,600,000 common shares and 1,500,000 class B (sharing equally with the common in dividends). Except for the 362,114 common shares publicly offered last August, the stock is quite closely held. Financial position is strong and the \$2 million in expansion money required this year by Golden Press, Inc. should be comfortably supplied by its joint owners.

In the foregoing we have arrived at some statistical approval of the worth of Western Publishing shares. They appear to offer a rather unusual combination of a mature company with a long record of success, matched with a progressive and vigorously expanding younger one. Last year Western Publishing earned \$2.03 per share on its own account, and derived 39 cents per share from its undistributed earnings from Golden Press — total \$2.47. For 1961 we would expect Western to gross above \$140 million, and earn \$2.35. Golden should deliver at least 60 cents. On that basis we might assume a combined per share net of \$2.95. Using this figure, Western Publishing at 80 is selling at about 38 times earnings.

If this multiple seems a bit high, it is no doubt accounted for by the additional fields of educational publishing into which Western is uniquely equipped to

enter. Ahead, apparently, lie some years of rapidly expanding sales, and profits carried through to net with a highly satisfactory margin. Moreover, a stock split in an issue in this price range would surprise no one. Personally we prefer this "Western" to the ones with which TV is currently replete.

Edwin Markham To Join Smith, Barney

Edwin J. Markham will join the trading department of Smith, Barney & Co., 20 Broad St., New York City, members of the New York Stock Exchange, as of July 24, it is reported. Mr. Markham for many years was manager of the unlisted trading department of Wertheim & Co. Mr. Markham is a director of the Security Traders Association of New York.



Edwin J. Markham

Two to Be V.-Ps. Of Walston & Co.

As of August 1 Jack H. Walston and Philip Basso will be elected Vice-Presidents of Walston & Co., Inc., members of the New York Stock Exchange. Mr. Hasso will be located in the New York office, 74 Wall Street, and Mr. Walston in the Los Angeles office, 731 Wilshire Boulevard. Both are Assistant Vice-Presidents of the firm.

World Federation Of Inv. Clubs

In celebrating its first anniversary, the World Federation of Investments Clubs announces the admission to membership of the Canadian Association of Investment Clubs, according to Thomas E. O'Hara, Chairman, Board of Trustees of the National Association of Investment Clubs. The Canadian Association was organized in January of 1956, and has grown to 389 clubs. C.A.I.C. came under the sponsorship of the Montreal Stock Exchange which is providing educational material and financial support to the clubs.

The World Federation of Investment Clubs was organized on July 8th, 1960, at a meeting in London, England. The organization then consisted of the National Association of Investment Clubs of the United States, the National Association of Investment Clubs—Great Britain, the National Bureau voor Beleggings Studieclubs, Netherlands; and the Federation of New Zealand Investment Clubs.

The N.A.I.C. in the United States is the parent organization. It was organized in October 1951, with four clubs and has grown to more than 6,300 clubs with 88,000 individual members. It has assisted the groups in the other nations in getting organized. The British Association now has over 550 member clubs, the Netherlands have 102 clubs and the New Zealand's growth to 15 clubs represents a doubling of membership.

In the past year the Australian Association of Investment Clubs has been organized and it's application for membership is now before the World organization. Japan has the largest number of clubs of any nation outside of the United States, but it's clubs are all

sponsored by brokers and are not as yet eligible for the World Federation since membership in it is through National Associations.

The purpose of the World Federation is to assist the development of the investment club movement in all nations and to promote the flow of investment information and educational techniques between nations.

For a free folder on investment clubs write N.A.I.C., 1245 First National Building, Detroit 26, Mich.

McDonnell Co. Names Viele V.-P.

McDonnell & Co. Incorporated, 120 Broadway, New York City, members of the New York Stock Exchange, has elected Robert S. Viele a Vice-President of the firm.

A. C. Allyn to Admit Partner

BOSTON, Mass.—Francis A. Farr on July 27 will become a partner in the New York Stock Exchange member firm of A. C. Allyn & Co. Mr. Farr, an officer of A. C. Allyn and Company, Incorporated, will make his headquarters in the firm's Boston office, 30 Federal St.

Form Foursquare Corp.

BOSTON, Mass.—Foursquare Corporation has been formed with offices at 27 State Street to engage in a securities business. Raymond L. Myrer is President of the firm. Robert D. Patterson is Vice-President, and W. M. Glenie, Clerk. Mr. Myrer was formerly President of the Crosley Corp.

*This is not an offer of these securities for sale.
The offer is made only by the Prospectus.*

July 20, 1961

NEW ISSUE

1,300,000 Shares

Capital Southwest Corporation

A Federal Licensee under the Small Business Investment Act of 1958

COMMON STOCK
(\$1 Par Value)

Price \$11 Per Share

Copies of the Prospectus may be obtained from such of the undersigned and others as are qualified to act as dealers in securities in this State.

ROTAN, MOSLE & CO.

RAUSCHER, PIERCE & CO., INC.

EQUITABLE SECURITIES CORP. DEWAR, ROBERTSON & PANCOAST DALLAS UNION SECURITIES CO., INC. EPPLER, GUERIN & TURNER, INC.	DITTMAR & COMPANY, INC. FRANCIS I. du PONT & CO. FUNK, HOBBS & HART, INC.	SCHWABACHER & CO. GOODBODY & CO. SCHNEIDER, BERNET & HICKMAN, INC. LENTZ, NEWTON & CO.	WM. R. STAATS & CO. RUSS & COMPANY DALLAS RUPE & SON, INC.
---	--	---	---

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Bank Stocks—Quarterly comparison of leading banks and trust companies of the United States—New York Hanseatic Corp., 120 Broadway, New York 5, N. Y. Also available is a card memorandum on **Broken Hill Proprietary**.

Canadian Market—Bulletin—Draper Dobie & Company Ltd., 25 Adelaide St., West, Toronto, Ont., Canada.

Canadian Statistical Summary 1960—Compilation of the data for several years to the end of 1960 for the banking and financial and most of the other tables presented in the monthly issues of the Statistical Summary—Bank of Canada, Research Department, Ottawa, Ont., Canada—paper—\$1.

Cement Stocks—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Chemical Stocks—Report—Harris, Upham & Co., 120 Broadway, New York 5, N. Y. Also available are reports on **American Metal Climax**, **Crucible Steel Co. of America**, **Harbison Walker Refractories Co.**, **Zenith Radio Corp.** and the **Steel Industry**.

Cyclical Statures of 40 Stock Groups—Analysis—John H. Lewis & Co., 63 Wall Street, New York 5, N. Y.

Electric Utility Companies—Annual review of comparative data in regional groupings—Carl M. Loeb, Rhoades & Co., 42 Wall St., New York 5, N. Y. Also available are surveys of **Fruehauf Trailer Co.**, **Copeland Refrigeration**, **Falconbridge Nickel Mines**, **Ventures Ltd.**, and **Western Natural Gas**.

Japanese Market—Review—Nikko Securities Co., Ltd., 25 Broad Street, New York 4, N. Y. Also available is an analysis of **Mitsukoshi Ltd.**

Japanese Market—Review—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are reports on **Taisei Construction Co. Ltd.** and **Sumitomo Chemical Co. Ltd.**

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

Chemical Co. (plastics); **Yokohama Rubber Co.**; and **Showa Oil Co.**

Japanese Stock Market—Review—Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y.

Latin American Business Highlights—Quarterly Review—Chase Manhattan Bank 1 Chase Manhattan Plaza, New York 15, N. Y.

Market Review at Mid-Year—Discussion—H. Hentz & Co., 72 Wall St., New York 5, N. Y. Also available are analyses of **River Brand Rice Mills** and **Ladens, Inc.**

New York City Banks—Mid-year review—A. M. Kidder & Co., Inc., 1 Wall St., New York 5, N. Y. Also available is a comparative study of **Life Insurance Companies**.

New York City Bank Stocks—Third Quarter Statistics—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Oil Well Equipment Manufacturers—Analysis with particular reference to **Dresser Industries**, **Halliburton Co.**, **J. Ray McDermott & Co. Inc.**, **Schlumberger Ltd.**, **Baker Oil Tools Inc.**, **Camco Inc.**, and **Dover Corp.**—Sutro Bros. & Co., 80 Pine Street, New York 5, N. Y.

Optical Industry—Bulletin—Evans & Co., Incorporated, 300 Park Avenue, New York 22, N. Y.

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

Public Utility Common Stocks—Comparative figures—G. A. Saxton & Co., Inc., 52 Wall Street, New York 5, N. Y.

Savings & Loan Holding Companies—Statistical comparison—First California Co., Inc., 300 Montgomery St., San Francisco 20, Calif.

Selected List—56 page pamphlet covering 572 stocks in 48 industries, with Bache's rating—Bache & Co., 36 Wall St., New York 5, N. Y. Also available are chart analyses of **Chrysler** and **Phillips Petroleum**.

Silver Situation—Review with

particular reference to **United Keno**—Winslow, Cohu & Stetson, Inc., 26 Broadway, New York 4, N. Y.

Steel Industry—Review in July issue of "The Exchange"—The Exchange Magazine, 11 Wall St., New York 5, N. Y.—20 cents per copy, \$1.50 per year. Also in the same issue are articles on research in the **Drug Industry** and data on **Texas Eastern Transmission Corp.**, **Continental Air Lines**, **Baxter Laboratories, Inc.**, **Eurofund, Inc.**, **Harcourt, Brace & World**, and **Transwestern Pipeline Co.**

Steel Stocks—Survey—Emanuel Deetjen & Co., 120 Broadway, New York 5, N. Y.

Stock Market Prospects at Mid-Year—Analysis—Blair & Co., Inc., 20 Broad St., New York 5, N. Y.

Stock Selections—List of issues which appear interesting arranged by industries—Emanuel, Deetjen & Co., 120 Broadway, New York 5, N. Y.

Teaching Machines—Analysis in July issue of "Investornews"—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y. Also in the same issue are reports on **Radio Corp. of America**, **Illinois Central**, **International Harvester**, **Pitney Bowes**, and **Standard Packaging**.

Treasury Financing—Review—C. F. Childs and Company, Incorporated, 141 West Jackson Blvd., Chicago 4, Ill.

* * *

Abbott Laboratories—Review—Newburger & Company, 1501 Walnut Street, Philadelphia 2, Pa. Also available are reviews of **Butler Manufacturing Company**, **Dura Corporation**, **Ex-Cell-o Corporation**, **General Public Utilities Corporation** and **Republic Aviation Corp.**

Albertsons, Inc.—Memorandum—Wm. H. Tegtmeyer & Co., 105 South La Salle Street, Chicago 3, Illinois.

American Express—Report—Mackay & Co., 50 Broad St., New York 4, N. Y. Also available is a report on **Sun Air Electronics**.

American Machine & Metals—Review—Purcell & Co., 50 Broadway, New York 4, N. Y. Also available are reviews of **Goodyear Tire & Rubber Co.**, **Libby McNeil & Libby**, **Reichhold Chemicals**, **Suburban Propane Gas Corp.**, **American Commercial Barge Line Co.** and a memorandum on **Avco**.

Anken Chemical & Film—Memorandum—J. W. Sparks & Co., 120 Broadway, New York 5, N. Y. Also available are memoranda on **Brunswick Corp.** and **Colgate-Palmolive**.

Argonaut Insurance Co.—Memorandum—Walter C. Gorey Co., Russ Building, San Francisco 4, Calif.

Arkansas Louisiana Gas—Report—Penington, Colket & Co., 70 Pine St., New York 5, N. Y. Also available are data on **U. S. Tobacco** and **Southern New England Telephone Co.**

Athlison, Topeka & Santa Fe Railway—Survey—E. F. Hutton & Company, 1 Chase Manhattan Plaza, New York 5, N. Y. In the same monthly survey are discussions of **Cessna Aircraft**, **Colgate-Palmolive**, **Liggett & Myers**, **Louisville Gas and Electric** and **U. S. Freight**. Also available are memoranda on **Gillette Co.**, **Richardson Co.** and **Schering Corp.**

James B. Beam Distilling—Memorandum—Goldman, Sachs & Co., 20 Broad St., New York 5, N. Y.

Brothers Chemical Company—Bulletin—Sandkuhl & Co., Inc., 39 Broadway, New York 6, N. Y.

Brunswick Corp.—Discussion in July Investment Letter—Carreau & Company, 115 Broadway, New York 6, N. Y. Also in the same issue is a discussion of stocks which may benefit from the increase in population of the "young group."

Burroughs Corp.—Review—W. E.

Hutton & Co., 14 Wall St., New York 5, N. Y. Also available are reviews of **Heublein's**, **Neptune Meter Co.**, **Shop Rite Foods**, and **Southern Pacific**.

Cal-Tech Systems Inc.—Report—Taylor, Bergen, Lynn & Lee, 1830 West Olympic Blvd., Los Angeles 6, Calif.

Canadian Industries, Ltd.—Memorandum—G. W. Nicholson and Company Limited, 67 Richmond St., West, Toronto, Ont., Canada.

Clairtone Sound—Report—Stearns & Co., 80 Pine St., New York 5, N. Y.

Coastal States Gas Producing Co.—Analytical brochure—Equitable Securities Corp., 322 Union St., Nashville 3, Tenn.

Collins & Aikman Corp.—Report—Walston & Co., Inc., 74 Wall St., New York 5, N. Y. Also available is a memorandum on **Continental Capital Corp.**

Colwell Company—Analysis—Walker's Weekly Newsletter, 333 Kearney Street, San Francisco 8, Calif. (on subscription).

Commonwealth Gas Corp.—Memorandum—Howard, Weil, Labouisse, Friedrichs & Co., 211 Carondelet Street, New Orleans 12, La.

Consolidated Freightways—Memorandum—L. A. Caunter & Co., Park Building, Cleveland 14, Ohio.

Consolidated Freightways—Memorandum—Hess, Grant & Remington Inc., 123 South Broad Street, Philadelphia 9, Pa. Also available is a memorandum on **Ohmart Corp.**

Copper Range Co.—Memorandum—Reynolds & Co., 120 Broadway, New York 5, N. Y.

Crane Company—Analysis—Schirmer, Atherton & Co., 50 Congress St., Boston 3, Mass.

Crowley's Milk Company—Review—Frank Ginberg & Co., Inc., 25 Broad St., New York 4, N. Y. Also available are discussions of **American Air Filter**, **John J. Nesbitt, Inc.**, **North American Refractories**, **New Britain Machine Co.**, **Detrex Chemical Industries** and **General Industries Co.**

DeVilbiss—Survey—Shields & Co., 44 Wall St., New York 5, N. Y. Also available is a survey of **Mercantile Stores** and a study of **Bausch & Lomb**.

Dictograph Products Inc.—Analysis—Hardy & Co., 30 Broad St., New York 4, N. Y. Also available is a memorandum on **United Asbestos**.

Dominion Textile—Memorandum—Andras, Hatch & McCarthy, 320 Bay St., Toronto 1, Ont., Canada.

Draper Corporation—Analysis—Dean Witter & Co., 45 Montgomery St., San Francisco 6, Calif. Also available is an analysis of **United Air Lines Inc.**

Dynatronics Inc.—Memorandum—R. S. Dickson & Co., Inc., Wachovia Bank Building, Charlotte 2, N. C.

Eastern Bowling Corp.—Report—David S. Zinman Co., North American Building, Wilmington 99, Del.

Electrolux Corp.—Van Alstyne, Noel & Co., 40 Wall St., New York 5, N. Y. Also available is an analysis of the **Restaurant Industry** with particular reference to **Nedick's Stores Inc.**

Ex-Cell-o Corporation—Analysis—Hornblower & Weeks, 40 Wall St., New York 5, N. Y. Also available are data on **Bethlehem Steel**, **Sangamo Electric**, **Rochester Telephone**, and **Lockheed**.

Fisher Governor Co.—Analysis—Chace, Whiteside & Winslow, Inc., 24 Federal St., Boston 10, Mass.

Fort Worth Steel and Machinery Company—Analysis—Aetna Securities Corp., 111 Broadway, New York 6, N. Y.

Four Star Television—Memorandum—Black & Co., Inc., American Bank Building, Portland 5, Ore.

Frontier Refining Co.—Analysis—A. C. Allyn & Co., 122 South

La Salle St., Chicago 3, Ill. Also available are analyses of **Goodyear Tire & Rubber Co.** and **Monroe Auto Equipment Co.**

Glidden Co.—Bulletin—Purcell & Co., 50 Broadway, New York 4, N. Y.

Globe Security Systems—Memorandum—DeHaven & Townsend, Crouter & Bodine, Land Title Building, Philadelphia 10, Pa.

Goodyear—Memorandum—Herzfeld & Stern, 30 Broad Street, New York 4, N. Y. Also available are memoranda on **Firestone**, **Chas. Pfizer** and **U. S. Industries**.

Hopkins County Ky. School Building Revenue Bonds—Circular—The Kentucky Company, 320 South Fifth St., Louisville 2, Ky.

Hudson Vitamin Products—Review—Amott, Baker & Co. Incorporated, 150 Broadway, New York 38, N. Y. Also in the same issue of the "ABC Investment Letter" are surveys of **Midland Ross Corporation**, and **United Fruit Company**.

International Rectifier—Report—Ball, Burge & Kraus, Union Commerce Building, Cleveland 14, Ohio.

International Shoe—Memorandum—Edward D. Jones & Co., 300 North Fourth Street, St. Louis 2, Missouri.

International Telephone & Telegraph Corporation—Analysis—Green, Ellis & Anderson, 61 Broadway, New York 6, N. Y.

Island Creek Coal—Memorandum—J. C. Wheat & Co., 1001 East Main Street, Richmond 19, Va.

Jones & Laughlin Steel—Review—Colby & Co., Inc., 85 State St., Boston, Mass. Also available is a review of **Kennametal**.

King Kullen Grocery—Memorandum—Estabrook & Co., 80 Pine St., New York 5, N. Y.

L. A. Darling Co.—Brochure—Moreland & Co., Penobscot Bldg., Detroit 26, Mich.

Lincoln National Life Insurance Co.—Analysis—The Illinois Co., Inc., 231 South La Salle St., Chicago 4, Ill.

Lithium Corp. of America—Memorandum—Craig-Hallum, Kinnard, Inc., 133 South Seventh Street, Minneapolis 2, Minn. Also available are memoranda on **Sony Corp.** and **South American Gold & Platinum Co.**

Lockheed Aircraft—Discussion—Hill, Darlington & Grimm, 2 Broadway, New York 4, N. Y. Also available is a discussion of **Boeing Company**.

Market Basket Co.—Memorandum—Bateman, Eichler & Co., 453 So. Spring Street, Los Angeles 13, Calif.

Marquette Corp.—Memorandum—Piper, Jaffray & Hopwood, 115 South Seventh Street, Minneapolis 2, Minn.

National Gypsum—Memorandum—Courts & Co., 11 Marietta Street, N. W., Atlanta 1, Ga. Also available is a list of stocks which are candidates for dividend increases.

Nord Photocopy & Electronic Corp.—Memorandum—America's Newest Companies, Franklin National Bank Building, Garden City, N. Y.

Nortex Oil & Gas Corp.—Memorandum—Charles A. Taggart & Co., 1516 Locust Street, Philadelphia 2, Pa.

Nuclear Chicago Corp.—Memorandum—Smith, Barney & Co., 39 South La Salle Street, Chicago 3, Illinois.

Old Republic Life Insurance—Memorandum—Fahnestock & Co., 135 South La Salle Street, Chicago 3, Ill.

Olin Mathieson Chemical Corp.—Analysis—Schweickart & Co., 29 Broadway, New York 6, N. Y.

Pacific Indemnity—Analysis—Hill Richards & Co., Inc., 621

Continued on page 44

Firm Trading Markets in—

(a) Operating Utilities

(b) Natural Gas Companies
Transmission, Production
& Distribution

TROSTER, SINGER & CO.

Members New York Security Dealers Association

74 Trinity Place, New York 6, N. Y.

HAnover 2-2400

Teletype NY 1-376; 377; 378

Summary of the Business And Economic Outlook

By Richard Wagner,* President, Chamber of Commerce of the United States and Chairman, Executive Committee, Champlin Oil and Refining Co., Chicago, Ill.

A pithy examination of the country's economic health convinces Chamber head expansion should continue well into next year or longer barring hesitancy due to world developments. Delay in plant-equipment spending is attributed to tax reform uncertainty; national, state and local government spending is expected to be \$10 billion more than last year; and expansion is seen pervading all major sectors.

Unemployment remains a stubborn problem, and is made more difficult by the rise in minimum wage rates, higher payroll taxes for Social Security; and upward adjustments of wage-fringe costs. Economic expansion which began early this quarter is continuing. So far as can now be seen, this expansionary phase will continue well into next year or longer. The international political situation is not clearing up and could generate some hesitancy.



Richard Wagner

The recent decline which began in the spring of 1960 has been the mildest of the four recessions since the end of World War II. In fact, gross national product, national income, and disposable personal income declined by only about 1% or less from the previous peak in 1960 to the low point of the recent recession which came in January or February of the current year. Had it not been for the rise in unemployment and the drastic decline in profits, the recession would have been largely unnoticed.

Gross national product reached about \$500 billion annual rate in the first quarter of this year. It is currently running over \$510 billion and is expected to rise to a \$525 or \$530 billion rate by the end of the year. A year later, by the fourth quarter of 1962, it may be \$570 billion. Income per capita stands at \$1,950, having risen by \$300 since 1951, or 15% in real terms.

As in previous declines since World War II, this has been primarily an inventory recession. It now appears that the inventory decumulation has come to an end so that from now on, some moderate inventory rebuilding will add to the buoyancy of the economy. Secretary of the Treasury Dillon has estimated that production will rise by 8% in 1962.

Plant-Equipment Spending

While there is much talk and some controversy as to the alleged excess productive capacity in the United States, it now appears that expenditures for new plant and equipment will begin to rise before the end of this year and will probably continue to rise throughout next year. This year's expenditures should reach about \$34.5 billion, about 3% below 1960. New expenditures are concentrated in modernization and cost reduction equipment. The uncertainty over tax reform is delaying considerable new investment in plant and equipment and contributing to a needlessly slow rate of recovery.

In May, durable goods orders were up 15% above the recession low. Price cuts in some categories of steel, plastics, aluminum, and other products suggest somewhat soft market demand.

Residential construction has been somewhat erratic due to

part to the weather factors. In addition, we have added something like 12 million new dwelling units per decade since the end of World War II. The American people are today better housed than ever before. Until the upsurge of new family formation two or three years hence, it is not expected that residential construction will show any major expansion over that of recent years, in spite of the mammoth housing legislation just adopted by Congress. Other construction, both private and public, is going forward at a rapid pace and is expected to reach a new high level both in physical and dollar terms this year.

The government deficits plus some expected rise in the demand for loan funds by business and consumers may mean a moderate rise in interest rates.

Installment credit should expand. Consumers reduced their installment debt by over \$1 billion at annual rates in the first quarter of 1961, as compared with a \$4.9 billion rate of expansion in the same quarter a year ago. Disposable personal income has risen over \$10 billion, on an annual rate basis, since the first quarter of 1960. This improvement, along with the accumulated depreciation of appliances and other household equipment, and the improvement in automobile sales, should result in substantial increases in spending for durable goods for the balance of the year and well into 1962.

While farmers are still victims to some extent of the cost-price squeeze, their incomes are steadily improving, except for those who have very little to sell and are kept in the farming business by the hope of government aid or bail-out. In addition, for every \$10 net farm earnings, the farmer earns \$5 off the farm.

Because of some key crop failures throughout the world, agricultural exports are expected to remain high this year, and this in turn will help to reduce our international balance of payments deficit below that of the last three years. Gold outflows have ceased and vigorous, but not entirely successful, efforts are underway to control costs. As recovery gets underway, our trade surplus may decline somewhat because our imports will rise.

Government Sector Spending Rise

The government sector is still expanding. The national government expenditures for goods and services are up about \$3 billion at annual rates in the past year, and state and local government expenditures are up \$4.3 billion. This expansion is expected to continue and may be running some \$10 billion ahead of a year ago. Budget deficits for fiscal 1961 and 1962 may run to a total of \$7 billion or more.

While the money supply has been growing at low rates during the past several years, in the past year it has increased by about \$2 billion. This growth will facilitate the expansion of the economy.

Consumer prices have been somewhat more stable in the past year than earlier, but they are expected to inch upward one per

cent in the year ahead. Wholesale prices in the main have been remarkably stable since 1958. Recently, industrial raw material prices have shown substantial recovery from the year-end low, again indicating recovery of the economy as a whole.

Among the 12 key economic barometers of the National Bureau of Economic Research, a large majority have been rising in the group, these indicators have been quite accurate in foretelling economic change. Their recent behavior suggests further economic expansion.

Unemployment continues to be rather high, running at over 6% of the labor force, as measured in the United States. Employment increased by over one million in May over the previous month, although this was partly seasonal. The Federal Reserve Index of Industrial Production increased nearly 3% in both April and May and stood above the average for 1960 in May.

The general consensus seems to be that the mild recession which started in the spring of 1960 is now history. The economy is getting ready to move forward into new high ground, with expansion broadly shared by all major sectors.

*Remarks by Mr. Wagner at the Business Outlook Conference for the last half of 1961 sponsored by the Chamber of Commerce of the United States, Washington, D. C., June 30, 1961.

D. L. Greenbaum Forms Own Investment Co.

PHILADELPHIA, Pa.—Donald L. Greenbaum is conducting his own securities business from offices at 1724 Chestnut Street, under the firm name of D. L. Greenbaum & Company. Mr. Greenbaum was formerly an officer of Metropolitan Securities, Inc.

E. G. Jacobi Opens

PLEASANTVILLE, N. Y.—Edwin G. Jacobi is engaging in a securities business from offices at 25 Meadow Brook Road.

Eppler, Guerin Names Two V.-Ps.

DALLAS, Tex.—David J. Powell has been named Vice-President and General Sales Manager of Eppler, Guerin & Turner, Inc., Fidelity Union Tower, members of the New York Stock Exch., John W. Turner, President, announced.



David J. Powell

At the same time, G. L. McCarthy, who has been sales manager, moves up to Vice-President for institutional sales. Mr. McCarthy's headquarters will continue to be in the firm's Fort Worth office, Fort Worth National Bank Building.

Mr. Powell, for the past four years, has been regional Vice-President and Southwestern Representative of Hugh W. Long & Co., Incorporated.

Tulane Tax Inst. In October

NEW ORLEANS, La.—The Tulane University 11th annual Tax Institute will be held Oct. 25 to 27 at the University Center.

The program will include Issues in Current Federal Tax Problems; Dangers Involved in Stock Redemptions; How to Get Money Out of Closely Held Corporations Without Redemption; When Should You File Consolidated Returns?; How to Insure Investors of 100% Deduction of Intangibles; Selected Aspects of Depletion; Deferred Payment Open-End Sales of Oil and Gas Interests to Obtain Capital Gains; Family Property and Business Interests;

Selected Federal Estate and Gift Tax Problems in Louisiana Estate Planning; Impact of Subchapter E on the Accounting Function of a Business; Changes in Accounting Methods; Determination of Earnings and Profits; Effect of Business Gifts on Payor and Payee; Current Status of Business Purpose Doctrine, Shaw Transactions, and "Form vs. Substance"; Tax Return of a Fiduciary; Recent Developments in Louisiana Sales and Use Tax; Current Developments in Life Insurance Taxation; Problems of Employer and Employee Under the Social Security Law; Current Differences Between Louisiana and Federal Income; What's New in Depreciation.

Registration fee of \$75 covers all sessions of the Institute. One day registration fee is \$30.

Forms Seidman & Williams

Seidman & Williams is engaging in a securities business from offices at 26 Broadway, New York City. Joseph R. Seidman is a principal of the firm.

Form J. V. Stevens Co.

J. V. Stevens & Co. has been formed with offices at 37 Wall Street, New York City, to engage in a securities business. Partners are E. Stevens Hickey, Victor Scutari, Jr., and Joseph McTague. Mr. Hickey was formerly with MacDonald & Co.; Mr. Scutari with Cacchione & Smith, and Mr. McTague with William, David & Matte, Inc.

Haas, Lidster Branch

WHITTIER, Calif.—Haas, Lidster & Co. has opened a branch office at 16262 East Whittier Boulevard under the management of Ralph E. Lidster.

Inv. Planners for 1970

IRVINGTON, N. Y.—Nathan L. Samuelson is conducting a securities business from offices at 42 Victor Drive under the firm name of Investment Planners for 1970.

This advertisement is not an offer to sell or a solicitation of an offer to buy these securities. No offering is made except by a Prospectus filed with the Department of Law of the State of New York. Such filing does not constitute approval of the issue or the sale thereof by the Department of Law or the Attorney General of the State of New York.

NEW ISSUE

July 18, 1961

150,000 Shares

INCOME PROPERTIES, INC.

Class A Stock
(Par Value 50¢ per Share)

Price \$9.75 per Share

Copies of the Prospectus may be obtained only from such of the undersigned as may lawfully offer these securities in this State.

Eisele & King, Libaire, Stout & Co.

Paul Eisenberg Co.

Albert Teller & Co.

Coburn & Middlebrook

H. A. Riecke & Co., Inc.

Richter & Co.

Bravman & Company

A. D. Gilhart & Co., Inc.

Heller, Rhoads & Hunter Securities, Inc.

Terrio & Co., Inc.

Langley-Howard, Inc.

C. F. Cassell & Co., Inc.

Martin, Monaghan & Mulhern, Inc.

Arbitrage, Convertible Bonds and the Investor

By Gustave L. Levy,* Partner, Goldman, Sachs & Co.,
New York City

Incisive introduction to arbitrage in the securities market singles out convertible bonds as a prime favorite. The conditions which permit the investor "to have his cake and eat it too" are spelled out by Mr. Levy. He finds convertibles are most attractive when they sell somewhere not more than 10 to 15% above their investment value and somewhere not more than 10 to 20% above their conversion value. The investment banker opines there are many attractive convertibles in this range and that they are worthwhile investment media at present. He lists six issues as representative, desirable investment at the moment. Other arbitrage opportunities in corporate reorganizations, capital simplification mergers, and liquidations are discussed.

I shall attempt to explain, albeit briefly, the work and effect of the arbitrageur and arbitrage in the corporate bond market and in the security market in general. First, let me say it's fun — there's something new every day. Each day one finds news of a proposed merger or a recapitalization that affects the bond market or stock trading. Arbitrage is really exciting and, to my mind, the most interesting and fascinating phase of the securities business.



Gustave L. Levy

Nineteen-sixty and 1961 have been most interesting and have produced lots of excitement as well as some difficult moments and both the stock market and the bond market, until recent weeks, have been rising steadily. The bond market, after a decline of two to four points, has been steady, but the stock market has been having a downward reaction of some 30 points from its high point of several weeks ago. However, for the trader as well as the arbitrageur, movement either way is essential, so, although we suffer in down markets, even such markets are preferable to "dull" or no markets at all.

The classical definition of arbitrage is the simultaneous purchase and sale of equivalent securities; an arbitrageur is one who deals in such types of transactions. An arbitrageur is supposed to be an expert in bonds, preferreds and commons as well as having thorough knowledge in rails, industrials (of all types) and utilities. We realize, of course, that this is impossible, so an arbitrageur must rely on his Research Department to a large extent to provide the analytical information he requires. However, it is essential that an arbitrageur be well versed in SEC and Stock Exchange rules of trading, and have some knowledge of the various legal and corporate procedures necessary to effect reorganizations, mergers and liquidations. In addition, he must have some knowledge of the various tax laws.

The most interesting aspect of arbitraging, in my view, pertains to convertible bonds. Convertibles, particularly in today's markets, provide a means by which an investor can hedge his own judgment. In other words, under certain conditions, an investor can "have his cake and eat it, too." Let's see why:

a) When bought right, convertibles combine the safety of a bond and the appreciation potential of common stock.

(b) In weak and uncertain markets, they have the safety of a senior issue at its co-called "investment value," thus enjoying a floor but no ceiling. (Moody's

monthly bond letter has a section showing comparison of market values with investment values conversion parity.) The only disadvantages is that these "quality convertibles" usually sell too high — in other words, the investor pays too much for the conversion feature.

Features of Convertibles

(1) They are usually unsecured, either straight debentures or subordinated.

(2) They are convertible at a fixed price, sometimes rising or scale price.

(3) They usually have call prices close to par, but in many cases are non-callable for the first year after issuance.

(4) Convertible securities have certain distinguishing characteristics; to wit: They are offered directly to public through underwritings or through subscription rights to company's own stockholders. Issuances of the securities may or may not be underwritten.

In the past year or so there have been quite a few new issues of convertible offered—some of the recent issues, to name a few, were as follows:

Consumers Power Cvt. Deb 4³/₈s 1975—An "AA" bond now selling at 122 to yield 2.50% to maturity, selling at parity with stock; have an investment rating of about 100 or a 4.40 basis.

Munsingwear Inc. 5s 1980 — A "BAA" bond now selling at 115 to yield 3.96% selling about 11% above parity and have an investment rating of about 94, or a 5.50 basis.

American Machine & Foundry Cvt. 4¹/₈s 1981—A "BA" bond now selling about 133 to yield 2.18%; sell over 40% above parity and have an investment rating of about 89, or a 5.15 basis.

Brunswick Corp. 4¹/₈s, 1981 — A "BA" bond selling around 135 to yield about 2¹/₄% — sell also about 40% over parity; investment rating about 91, on 5.25 basis.

Vendo Cvt. Deb. 4¹/₈s, 1980 — a "BA" bond selling at 128 on a 2.64% basis—sell about 40% over parity; investment rating about 90, on a 5.35 basis.

These are just a few of the converts issued in 1960-61 and I cite these issues just to point out

the diversity of the industries — a staid utility selling at parity; two bowling equipment makers selling at 40% or more above parity; and a vending machine manufacturer also selling well above parity.

Who Buys Convertibles?

All financial institutions are attracted to convertible securities providing they are of good quality; have ratings of either AAA; AA; A, or BAA, and sell at a price that doesn't exceed investment value by too much. In recent years, of course, the principal buyers have been individuals. An important factor here is that, in contrast with the 70% stock margin, convertible bonds can be financed on a 20% to 25% margin basis at an interest cost of somewhere around 5%, depending on the borrower's qualification.

There have been and still are tremendous profit possibilities in convertible bonds; for example, American Tel. & Tel. cvt. 4¹/₈s selling at 330; Intl. Tel. & Tel. around 300; Dow Chemicals around 190; a recent issue of Haloid Xerox convertibles at around 140. However, it is not a one-way street for such issues as J. I. Case 4¹/₈s selling around 83; Douglas Aircraft 4s at 80; Avis 6s selling at 85.

I always like to give the example of A. T. & T. Converts, about four billions of which have been issued in the last ten years. Its most recent issue was \$720 million of 4¹/₈s of 1973 issued to its stockholders early in 1958. These bonds were convertible into one share of stock for each bond, plus cash payment of \$42. Since the stock split, bonds are convertible into three shares for each \$100 upon payment of \$14 per share. At the time of the offering A. T. & T. stock was selling around 170 to 175 and the converts, during the life of the rights, had a range as I recall, of from 125 to 130. As I remember it, the investment value of the bonds at the time of the offering was about 108 to 110. Since the bonds were selling so far above their investment value they were not bought by institutions, but were distributed to the public, mainly to individuals. Original holders took up almost 60%—our arbitrage fraternity did the rest of the job, or distributed a total of about \$290 to \$300 million.

Price Determinants

Let's see what makes the price of a convertible initially. First, the attractiveness of the stock it is convertible into. For instance, the bonds of large companies like RCA or Telephone, or Dow Chemical, initially always sell relatively higher than those of lesser known companies. It should be borne in mind that for all practical purposes convertible bonds move in direct proportion to the stock, after they reach a premium of from 25 to 40 points. However, practically all of the converts selling from 100 to 115 sell at a premium above the stock into which they are convertible, of anywhere from 10% to 20%. Upon the original issuance in today's market, the conversion price is usually set at from 10% to 15% above the market.

The second factor affecting price, and to my mind the most important, is the investment value. This is the factor which gives the investor a floor. The third is interest rate and call price. Fourth is the size of the issue. Fifth—profit potential—electronic issues, RCA, Vendo Converts and chemicals sell higher than others. Convertible bonds are most attractive in the zone where they are selling at somewhere not more than 10% to 15% above their investment value and somewhere not more than 10% to 20% above their conversion value. There are many at-

tractive convertibles in this range and I believe that converts generally, because of their recent decline, are very attractive vehicles for investment at the present time.

Other Forms of Arbitrage

Arbitrage, also, results from corporate reorganizations, capital simplification mergers and liquidations:

(1) **Corporate Reorganization**—Up until recently railroad reorganizations and public utility holding company dissolutions provided plenty of arbitrage ammunition. However, the last railroad reorganization involving Florida East Coast was completed early this year and the last of the public utility holding company dissolutions, Standard Gas, is about to be completed. In both the railroad and the public utility holding company situations, the extant securities were purchased and the new securities to be given in the reorganization were sold on a "when, as and if issued basis." These reorganizations usually took several years and if they failed to be completed, the arbitrageurs would be left "long" the old securities with no hedge. Hence, because of the time and the risk involved, one usually can't enter such transactions unless assured of a 20% to 30% return.

(2) **Mergers**—In arbitraging a merger situation one must be very careful. My firm has just completed a successful one in Bridgeport Brass and National Distillers; we bought 100 Bridgeport and sold 135 National Distillers and made around 1¹/₂ per 100 Bridgeport. We went pretty heavily into this because, after checking, we found that the Boards of Directors as well as all the large stockholders were in favor of the deal. The plan was fair and, above all, there were no Department of Justice problems. Other successful recent mergers were Capitol Airlines-United Airlines; National Shirt Shops-McCrory Stores. Some unsuccessful ones were Thermo King-Transitron; Universal Controls-Universal Match.

In mergers, if you're wrong your long position not only declines but you usually have a loss on the short side, so one must be very careful.

(3) **Capital Simplification**—An example of this type was provided by U. S. Foil-Reynolds Metals. In this instance, U. S. Foil, a holding company controlling Reynolds Metals, had two classes of stock. The class A, owned by the Reynolds family, was paid a premium and U. S. Foil was merged into Reynolds. This was a highly complicated transaction and finally had to be approved by the Delaware courts because of suits by U. S. Foil common stock stating that the Reynolds family was getting too much for control. However, the deal finally went through.

(4) **Liquidations**—These result from one company selling the bulk of its assets to another, and, generally speaking, usually take a good while before being consummated.

So much for examples of arbitrage, now it may be of interest to comment on the "economic function" of arbitrage. Certainly the primary function of arbitrage is to bring closer together the prices of securities which are really equivalents but not presently equivalent because of a time lag. This is also true of securities which may become equivalent because of corporate action, i.e., stockholder approval, court approval, SEC approval, etc.

Because of the function of the arbitrageur, the seller of a security of a company that may be merged or reorganized is assured of a price more nearly equivalent to that of the security he will get upon corporate approval. Further,

This announcement is neither an offer to sell, nor a solicitation of an offer to buy any of these securities. The offer is made only by the Prospectus which may be obtained from the undersigned only in those states in which the undersigned may legally offer these securities.

NEW ISSUE

Dolomite Glass Fibres, Inc.

50,000 Shares

7% Preferred (Cumulative-Convertible) Par Value \$10.00

Price \$10.00 per Share

50,000 Shares

"A" Common (Voting) Par Value \$.20 Per Share
(one share offered with each share of preferred)

Price \$1.00 per Share

300,000 Shares

Common Par Value \$.20 Per Share

Price \$1.00 per Share

Through Your Broker or
DOLOMITE GLASS FIBRES—Securities Div.
1037 Jay St., Rochester 11, N.Y.

July 12, 1961

in some cases, institutions cannot hold certain types of securities. For example, in the case of the capital simplification of Corn Products and Deere, it would be impracticable for fire and casualty companies to hold the bonds of these companies because of tax considerations. Thus, the arbitrageur provided a ready market and a market which already reflected the new conditions to those institutions or individuals unable or unwilling to hold the new security.

Following are a few convertible issues which, in my opinion, are attractive at this time:

Hunt Foods & Industries Inc. 4 3/4% due 1986 — Rated BA by Moody's; BB by Standard & Poor's—price at 111 1/2 to yield 3.80%. Approximate investment value 85, convertible for five years at 54—and five years at 58, selling about 16% above parity.

Automatic Canteen 4 3/4% due 1981—Rated BAA by Moody's; BBB by Standard & Poor's—priced at 116 to yield 3.60%. Approximate investment value 90, convertible for life at \$34 per share. Selling about 22% above parity.

International Silver Co. 5% due 1981—Rated BA by Moody's; BBB by Standard & Poor's — priced at 107 to yield 4.22%. Investment value about 90, convertible at \$30 per share through life. Selling about 27% above parity.

Atlantic Refining 4 1/2% due 1987—Rated A by Moody's and Standard & Poor's—priced at 118 to yield 3.45%. Approximate investment value about 98, convertible into 1.89 shares through Oct. 1, 1962 at decreasing prices thereafter. Selling at about 9% above parity.

Phillips Petroleum 4 1/4% due 1987—Rated A by Moody's; AA by Standard & Poor's—selling at 122 to yield about 3.65%. Approximate investment value 96, convertible into two shares. Selling about 3% above parity.

Consumers Power 4 3/8% due 1975—Rated AI by both Moody's and Standard & Poor's—selling at 121 1/2 to yield 2.55%. Approximate investment value 105, convertible into two shares plus \$20 cash. Selling at parity.

*An address by Mr. Levy before the Eleventh Annual Forum on Finance, New York City, June 21, 1961.

Purcell & Co. To Admit Partner

Purcell & Co., 50 Broadway, New York City, members of the New York Stock Exchange on July 28 will admit Humber L. Locatelli to partnership.

Now Ainsworth Co.

CAMDEN, N. J. — Emanuel A. Smith is now conducting his investment business under the firm name of Ainsworth Company. Offices are at 107 North Sixty St.

Now Midwest Planned Inv.

MINNEAPOLIS, Minn.—The firm name of Minnesota Planned Investments, Inc., 1815 First National Bank Building, has been changed to Midwest Planned Investments Inc. The firm maintains branches in Duluth and Rochester, Minn.

Rich-Ruth Inv. Associates

(Special to THE FINANCIAL CHRONICLE)

FRESNO, Calif. — Rich-Ruth Investment Associates has been formed with offices at 332 East Shields Avenue to engage in a securities business. Officers are Jack D. Rich, President; David C. Ruth, Vice-President, and Norma L. Craig, Secretary and Treasurer. Robert L. Goddard is associated with the firm.

Hedging Against Stocks As an Inflation Hedge

By Paul Einzig

The flight from 6% gilt edge issues accompanying inflation's revival prompts Dr. Einzig to examine various hedges sought against a rising price level, including the latest scheme of hedging against the popular hedge—equities. The latter plan involves insuring shares against capital loss at the end of 10 years with the guarantee inoperative for any year prior to then. Dr. Einzig doubts this plan will become widespread despite the British insurance companies' reputation to cover almost any risk. Moreover, he has misgivings about the proposed plan to broaden the equity ratio in trust funds. Further, he notes the insurance companies are reluctant to issue variable annuities, and comments on stocks as a foolproof inflation-hedge and on the use of cost-of-living clauses.

LONDON, England. — With the resumption of the rising trend in the cost of living index, the British public has become once more inflation-conscious. Even during the two years or so while the cost of living remained stable most people took it for granted that this lull was too good to last. In any case, the stability of the index was taken by most people with a grain of salt, finding as they did in their own experience that even during that so-called stable period most prices and wages continued to creep up. To anyone who is not a statistician it was a complete mystery how it was possible to make the average cost of living appear to remain stable for so long. Now that the index is rising once more, month after month, any lingering doubt about the inevitability of non-stop inflation has disappeared.

That being so, the question of how to hedge against inflation is once more occupying the minds of British people. There has been a revival of interest in life insurance policies issued by one or two insurance companies, under which the capital amount or the annuities payable on retirement is linked with prices of equities instead of being fixed. Most insurance companies are reluctant to issue such policies, but pressure of demand is likely to force them to swim with the tide sooner or later.

6% Gilt Edge Is Not Enough

The flight from government securities and other fixed interest-bearing securities has resumed its course. The fact that irredeemable government stock now yields well over 6% fails to attract or even retain investors in the gilt edged market. After all, considering that the purchasing power of the pound has gone down by some 3% within the last 12 months, the yield would have to be something like 8% in order to secure a real yield of 5%, which is the average for equities. Presumably when the 3 1/2% war loan declines below 50, the breaking through of that "sound barrier" will induce a few people to switch back into war loan on the assumption that surely it could not possibly go even lower. But those "famous last words" have acquired a familiar ring in the last few years.

In the circumstances, it came as a complete surprise that the government not only proposes to proceed with the idea of authorizing trustees to invest in equities part of the trust funds under their control, but—whom the gods want to destroy, they first deprive him of his senses—on second thought, the permitted proportion is being increased from 50% to 75% of the trust funds. When this legislation becomes operative in the near future it is bound to lead to an accentuation of the exodus of capital from the gilt edged market—unless, of course, by then the aggravation of the economic and political situation will accentuate the existing doubts about the prospects of equities also.

But whatever the immediate effect may be, it will greatly increase the cost of deficit financing and that of re-financing of maturing debt.

In some countries the government is trying to overcome the effect of inflation on the demand for its loans by the insertion of a "cost of living" clause. This would provide a hedge against inflation, but the idea has never appealed to any British government, and the present state of affairs would have to grow a great deal worse before it would be considered seriously. Nor, indeed, has there been any suggestion of adopting a gold clause. That institution became utterly discredited when in the thirties legislation was passed in the United States cancelling all gold clauses in existing contracts voluntarily entered into by borrowers.

Investment in equities remains in the circumstances the favorite hedge of British investors against inflation. Even that hedge is no longer looked upon as foolproof, however. Until recently, the view was held that, temporary fluctuations apart, equities can only rise in the long run. The setback experienced in recent months, however, gave rise to some doubts about the validity of that assumption. Evidently at their present prices the equities of leading companies have discounted a fur-

ther increases of earnings. The possibility of such increase might be prevented at any rate for a long period either by official disinflationary measures or by the effect of wage demands on profit margins, thereby causing sleepless nights to many investors.

Insuring Against Capital Loss

The problem is therefore to find some way to hedge against the hedge. A tentative solution to this problem was offered recently by a finance house through the issue of shares with a guarantee against capital loss for a period of 10 years. This guarantee was achieved through an insurance by one of the insurance companies against a premium of 5%. The premium is stiff enough but in view of the wide movements in equities, it does not appear to be excessive. The snag is that the guarantee does not become operative until the end of 10 years. Anyone wanting to sell earlier may have to sell at a loss. Moreover, it is difficult to see how an insurance company can arrange such an insurance on a large scale, seeing that there can be no basis on which the risk could be calculated. In any case, apart altogether from the risk of having to sell at a loss before the 10 years expire, holders are faced with the depreciation of the currency by the end of 10 years. So this hedge, too, is inadequate.

However, the experiment certainly shows that British insurance interests live up to their traditions by which they established a world-wide reputation for willingness to cover a fantastic variety of risks. There is hardly any reasonable risk that cannot be insured at Lloyds. Sometime during the twenties they contested a very large marine insurance claim, and the story went around that the outcome of the lawsuit would make no real difference to the plaintiff because he took out a Lloyds insurance policy against losing the action! Even though this story is too good to be true, it does throw light on the reputation of British insurance for taking sporting chances. But it is inconceivable

that insurance coverage against capital depreciation on equities would ever be given on a really large scale.

Dempsey-Tegeler Now Corporation

ST. LOUIS, Mo. — Dempsey-Tegeler & Co., 1000 Locust Street, became a corporation, effective July 17, 1961, according to Jerome F. Tegeler, senior partner and co-founder. The firm's new corporate title is Dempsey-Tegeler & Co., Inc. Mr. Tegeler said the decision to incorporate was prompted by the firm's rapid growth, and is consistent with the trend toward incorporation by the nation's largest investment brokerage houses.

The following have been named officers of Dempsey-Tegeler & Co., Inc.: President, Jerome F. Tegeler, St. Louis; Executive Vice-Presidents, John C. Hecht, Sr., Los Angeles; Robert A. Walsh, St. Louis; Vice-President and Secretary, Albert E. Gummertsbach, St. Louis; Vice-President and Treasurer, Edward J. Lambur, Jr., St. Louis; Vice-Presidents, Louis J. Whitney, Jr., Los Angeles; George W. Pflug-Felder, Los Angeles; Donald W. Davis, Los Angeles; Rolla J. Gittins, St. Louis; Bert H. Horning, St. Louis; Graham Walker, New York; Edward S. Hope, San Diego; and Francis X. Coleman, New York.

Dempsey-Tegeler & Co. was founded in St. Louis in 1933. From a one-room office, the firm has expanded to a nationwide organization with 48 offices in 46 cities.

Dempsey-Tegeler offers complete service in all phases of the investment business. The firm is a member of the New York Stock Exchange and all other principal exchanges.

Fred F. Sessler Co. Formed in New York

Fred F. Sessler & Co., Inc., has opened offices at 505 Park Avenue, New York City, to engage in the securities business. Fred F. Sessler is President.

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

These securities are offered as a speculation.

300,000 Shares

Hydro-Space Technology
Incorporated

Common Stock
(Par Value 50¢ Per Share)

Price \$3 per share

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

Michael G. Kletz & Co.
Incorporated

John H. Kaplan & Co.

Craig-Hallum, Kinnard, Inc.

Lieberbaum & Co.

Stanley Heller & Co.

Kesselman & Co., Inc.

McLaughlin, Kaufman & Co.

D. H. Blair & Company

H. M. Frumkes & Co.

July 20, 1961

Outlook for Electrical Machinery and Appliances

By Robert S. Ingersoll,* President, Borg-Warner Corporation, Chicago, Ill.

Modest second half year's gains are forecast for electrical machinery, appliances and air conditioning. 1961's percentage gains predicted over 1960 are, respectively, 5%, 2 to 3%, and 2%. Continuing profit squeeze is expected to leave little improvement in earnings despite sales increase.

Last December it was evident that the electrical machinery and appliance industry—and the entire durable goods business—was still in a recession.

The Federal Reserve Bank's production index for durable goods had dropped from 111 in January to 102 in October (the latest month then available). We predicted that it would decline a few more points into the first half of 1961.

The index did continue to drop through February to 94, but started back with a half-point rise in March and registered four point increases in both April and May. New orders for durable goods were up also in May, for the fourth straight month.

Now—six months later—there is just as much agreement that the recession in durable goods is over and we appear to have turned the corner sooner than expected.

We believe, however, that the upturn will be gradual and minimal. We do not foresee any boom this year in durable goods and particularly look for modest second half gains in the three areas that our forecast covers: (1) electrical machinery; (2) appliances; and (3) air conditioning.

The electrical machinery industry continues to work off backlogs. Shipments this year will run ahead of new orders. A further decline in new bookings is forecast for the third quarter but some pickup is expected during the final three months.

Although dollar volume for the electrical machinery industry may run 5% ahead of 1960, earnings

will continue to suffer. The industry's first quarter 1961 profits, for example, were off 28%. Pricing is very competitive and the squeeze on profits is great not only in this industry but also in the appliance and air conditioning fields.

The appliance industry looks for increasing business in the second half. Where 1960 recorded a stronger first half, this year will show a better second half. Sales volume for 1961 should run from 2 to 3% ahead of 1960.

Appliance Optimism

Optimism is running higher now in the appliance business than it has in about 18 months. Forecasts of increased home building are encouraging and appliance inventories are becoming more reasonable. The industry foresees, in addition to a better second half, a performance in 1962 that will exceed the 1960-1961 levels.

Another reason for new-found optimism for some appliance manufacturers is the coin-operated dry cleaning machine, first introduced and mass-produced by the Norge Division of Borg-Warner Corporation. This equipment has generated entirely new business and also has helped stimulate sales of washers and dryers as companies such as Norge establish complete coin-operated laundry and cleaning centers.

In the air conditioning field, bad weather through the first half of the year has affected adversely the sales of room units and central systems for home and commercial buildings. As a result, this business in the first half ran just slightly ahead of last year. Because the majority of this volume comes in the first six months, we do not expect enough improvement in the second half to change residential and commercial sales appreciably from 1960 levels.

The greatest strength in the air conditioning industry is in industrial equipment. This segment

ran ahead of last year for the first six months of 1961 and the second half is likely to be up as much as 10% over a year ago. There is a considerable amount of new work coming off the drawing boards, in addition to other business that had been delayed. With this boost from industrial equipment, we believe this year's air conditioning sales will be about 2% ahead of 1960.

In summary, we expect 1961 dollar volume in the electrical machinery industry to run 5% ahead of 1960—the appliance industry sales will exceed 1960 levels from 2 to 3%—and business in the air conditioning field will be some 2% better than 1960.

In each field, rather high inventories and intense price competition—coupled with increasing labor and material costs—will continue to squeeze profits. Although the total industry may record a slight increase in sales, we do not foresee much improvement in earnings.

*An address by Mr. Ingersoll at the "Business Outlook for the Last Six Months of 1961" seminar sponsored by the First National Bank of Chicago.

First Boston Names Asst. V.-Ps.

The appointments of eight Assistant Vice-Presidents have been announced by The First Boston Corporation. Five of these officers are in the corporation's New York office, 15 Broad Street, one in the San Francisco office, 465 California Street; and two in the Chicago office, 231 South La Salle Street.

New York Office: Dwight L. Crockett, Jr., a member of the Investment Research Division of the Underwriting Department, joined First Boston in April, 1958; Mark C. Feer, who joined the corporation in May, 1957, is a member of the Buying Division of the Underwriting Department; Vincent Fetsch, a member of the Investment Department, joined First Boston in August, 1951; James N. Land, Jr. is a member of the Buying Division of the Underwriting Department. He joined First Boston in February, 1956; Austin H. Patterson, who is in charge of Corporate Dealer Sales, joined the corporation in Sept. 1951.

San Francisco Office: Andrew K. Leh joined First Boston in June 1952 and is in the Investment Department.

Chicago Office: Randolph D. Bucey joined the corporation in July, 1950; Robert G. Keeley joined First Boston in May, 1952 and was assigned to the New York office. In 1955, he was assigned to the Chicago office where he is a member of the Investment Dept.

G. A. Schumacher Opens

MILWAUKEE, Wis.—Gilbert A. Schumacher is conducting a securities business from offices at 152 West Wisconsin Avenue under the firm name of G. A. Schumacher and Company.

Analysts to Hear

Robert E. Pomeranz, President of Roberts Company, will address the luncheon meeting of the New York Society of Security Analysts on Friday, July 21, 1961, to be held at the N. Y. S. S. A. headquarters, 15 Williams St., New York City. He will discuss the company's position today, plans for further growth, and how the company proposes to accomplish its short and long range objectives.

Now Proprietor

OCEANPORT, N. J.—James O. Vance is now proprietor of Provision Investment Company, 1287 Eatontown Boulevard. He was formerly a partner in the firm which did business from Glen Rock, New Jersey.

Connecticut Brevities

The Royal McBee Corp., with principal plants in Hartford, has undertaken a unique educational program designed to give high school students experience with electronic computers. Royal McBee has installed one of its new computers in the Staples High School in Westport. The equipment, with a 4,096 word "memory" operates on the same principle as giant computers and, according to the company, is well adapted for educational purposes. During a special four week summer course which meets for 3½ hours, five mornings a week, 16 students are learning the techniques of computer programming. Royal McBee envisions a whole new market for its computers if programming should have wide acceptance in school curriculums.

Burndy Corp., Norwalk, maker of electrical connectors and Glass-Tite Industries of Providence, R. I., have agreed to the formation of a joint venture, **Burndy-Esccon, Inc.** Under the terms of the agreement, Glass-Tite will sell to Burndy a 50% interest in its wholly-owned subsidiary, Esccon, Inc., manufacturer of high temperature electrical and electronic connectors. The new company is being formed, according to the President of Glass-Tite, to take advantage of Esccon's capability in the application of glass and ceramics to electrical connectors and Burndy's strong marketing and distributing organizations for these products.

Heublein, Inc. of Hartford, which processes and imports foods and beverages, has recently made two acquisitions: **Timely Brands, Inc.** and **Escoffier Ltd.** Timely Brands, a maker of cake decorating products, will continue as a division of Heublein. Escoffier, an English gourmet food company, will also become a Heublein subsidiary. An intensified sales campaign will be undertaken by Heublein to promote such well known Escoffier products as Sauce Diable, Sauce Robert and Sauce Melba. In addition to these, Escoffier makes about 20 other special food products.

American Hardware Corp., New Britain, has completed plans for a joint venture with Dutch hardware companies to supply the European Common Market. **Verenigde Sloten en Bouwbeslag-fabrieken (VSB)**, 50% owned by an American Hardware subsidiary and 50% owned by Dutch interests, has taken over the operations of two existing Dutch builders' hardware manufacturers. VSB will distribute American Hardware products in the Benelux countries, West Germany and South Africa and, in the future, may manufacture certain of American Hardware's products for the European market. Mr. David Muirhead, President of American Hardware said that his company's entrance into Holland "further implements our long-range program to acquire facilities in strategic world markets."

Chandler Evans Corp. of West Hartford, a subsidiary of Fairbanks Whitney, has been awarded a \$1 million contract for the manufacture of atomic reactor parts. Under the contract, Chandler Evans would produce 1,050 valves for the Atomic Energy Commission's Hanford, Washington installation. The valves are to be used to control the cooling process for the plutonium producing at Hanford. In addition to the valves, Chandler Evans will make an air supply system and a remote control panel under the contract. This will be the company's first production work in the atomic field.

Kaman Aircraft Corporation of Bloomfield has announced that **Indes Air, Inc.**, Puerto Rican based airline, intends to acquire a fleet of five Westland Rotodynes for operation on Caribbean routes. Kaman is the American licensee for the manufacture and sale of the Rotodyne, a vertical take-off airliner being developed by Westland Aircraft, Ltd. in Britain. Spokesmen for Kaman said that the Bloomfield helicopter manufacturer had cooperated with Westland Aircraft and Indes Air in an extensive study of Indes' route proposals and that the Rotodyne was well suited to operate in the Caribbean particularly where there are no runways.

Branson Instruments, Stamford, manufacturer of ultrasonic cleaning and testing devices, has reported the acquisition of **Circo Corporation**, a New Jersey metals finisher and materials handler. Mr. Peter Bloch, President of Branson, commenting on the acquisition, said that Branson's ability to produce a complete range of cleaning, finishing and ultrasonic testing systems was enhanced by the addition of Circo's plant with its heavy construction capabilities. He further stated that the combined design and manufacturing facilities of the two companies are "ideally suited" to meet demands for larger cleaning and testing systems resulting from the acceptance of ultrasonic methods.

United Aircraft Corporation, East Hartford, has formed five scientific advisory committees to guide the corporation on current and future operations in the areas of propulsion, nuclear activities, electronics, vertical takeoff and landing concepts and future operations. The committees will be composed of internationally known scientists and executives and Mr. Erle Martin, Vice-President for Research and Development, will act as coordinator of the new committees.

In Securities Business

CHICAGO, Ill.—Washington-La Salle Management, Inc. is engaging in a securities business from offices at 30 North La Salle Street. Officers are Bernard R. Miller, President; Edward B. Miller, Secretary-Treasurer, and Bernard Goldblatt, Vice-President.

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

435,000 Shares*

American Photocopy Equipment Company

Common Shares
(No Par Value)

Price \$33.25 per Share

*50,000 of these shares are being offered for the account of the Company and 385,000 shares for the accounts of Selling Stockholders.
Copies of the Prospectus may be obtained in any State only from such of the several Underwriters, including the undersigned, as may lawfully offer the securities in such State.

Lehman Brothers

Blyth & Co., Inc. Eastman Dillon, Union Securities & Co.
Goldman, Sachs & Co. Kidder, Peabody & Co. Lazard Frères & Co.
Carl M. Loeb, Rhoades & Co. Paine, Webber, Jackson & Curtis
Paribas Corporation Stone & Webster Securities Corporation
Dean Witter & Co. A. G. Becker & Co.
Incorporated

July 19, 1961.

Primary Markets in

CONNECTICUT SECURITIES

CHAS. W. SCRANTON & CO.
Members New York Stock Exchange

New Haven

New York—REctor 2-9377
Hartford—JACKson 7-2669
Teletype NH 194

The Current Situation In the Textile Industry

By William H. Brown,* Vice-President and Treasurer,
American Viscose Corporation, Philadelphia, Pa.

Textile industrialist's quick review of conditions in the industry praises pace of new products and efficiency. Were it not for this, he doubts the industry would currently be receiving 95% of what it did in the 1947-49 period for its products in view of the declining price level it has had to face over the past several years. Though concerned about competitive imports, Mr. Brown is opposed to restricting the business of our Allies even though harmful to our industries and our economy.

Many changes are continually occurring in the textile industry as new types of man-made fibers find their way into the market—especially as they are used in blends to produce fabrics that have superior qualities over those made from any single fiber whether it be cotton, wool, rayon, acetate or the newer synthetics. This trend will grow and the consuming public will continue to have better and better fabrics for their use. The textile industry has done an outstanding job in bringing new products to the market place.

Decline in Per Capita Consumption

However, as we look at the economic aspects of the textile industry, we find the same old problems that have harassed it for many years. While there has been some shifting in the kinds of fibers used—the overall per capita consumption has been declining slightly. (Table I)

The synthetic fibers have not been adjusted to a utility basis which is often done by doubling the actual pounds. If this adjustment were made, total fiber consumption would be as follows:

Year	Total Pounds	% Increase from 1953
Year 1953	6,685	—
Year 1959	7,349	10
Year 1960	7,036	4

The use of fibers has not kept pace with the increased population, for instance, average per capita consumption for the years 1953-54 and 1955 was 37.8 pounds whereas in the years 1958-59 and 1960 it declined to 36.1 pounds.

This decline is due to many reasons—among them are the use of paper and plastic products instead of cloth—lighter and more durable fabrics—and the casual type of clothing of our increasing suburban population.

The lack of increase in the per capita consumption of textiles is also clearly indicated by the Federal Reserve Board index of Textile Mill activity which was 110

in 1953 and 121 in 1960, an increase of 10%. This compares with the index for all manufacturing of 127.2 in 1953 and 164 in 1960, an increase of 29%.

Improvements Despite Price Decline

The textile industry has always been characterized by a multitude of competitive pressures, including in recent years products from other countries which have greatly lower labor costs. The index of Textile Wholesale Prices, using 1947-1949 as 100, shows that the textile industry is not getting a fair price for its products. For instance, the index in 1953 was 97.2—in March, 1960 it was 96.3—and in March, 1961, 94.7. In spite of all the monetary inflation, increased wages and the increased cost of doing business, the textile industry is receiving only 95% of what it did in the 1947-1949 period for its products.

In view of this situation, I want to say that the textile industry deserves commendation for the great improvements in efficiency and in technology that it has been compelled to make to stay in business.

Textile prices are very responsive to changes in the level of business activity. Grey cloth prices are the real indicator of the textile industry's economic condition. If we compare a few of the present cloth prices with those in January, 1960, we can understand the effects of the present recession upon the industry. (Table II.)

Opposes Higher Tariffs

There has been much discussion by Congressmen and Senators about the problems of the textile industry and how the Government might help in eliminating excessive imports from low wage countries. On May 16, 20 trade associations representing most segments of the industry filed a petition with the Office of Civil and Defense Mobilization asking for a finding that textile imports are threatening the national security, that is, by reducing our own industry to such an extent that it could not supply our country's

TABLE I

Fibers Used—	1960		1959		1953	
	Millions of Lbs.	% of Total	Millions of Lbs.	% of Total	Millions of Lbs.	% of Total
Cotton	4,203	65.4	4,337	64.2	4,456	69.1
Wool	404	6.3	429	6.4	494	7.7
Rayon and acetate	1,055	16.4	1,252	18.5	1,222	18.9
Synthetic fibers	613	9.6	590	8.7	233	3.6
Glass	148	2.3	151	2.2	47	0.7
Total	6,423	100.0	6,759	100.0	6,452	100.0

TABLE II

	Prices Per Yard	
	Jan., 1960	June 12, 1961
Cotton print cloth (39" 80 x 80)	\$0.23	\$0.17½
Cotton twills (39" 68 x 76)	0.20½	0.16½
Cotton drills (39" 72 x 48)	0.28	0.26
Acetate satins (46" 200 x 68)	0.27½	0.25
Nylon sheers (51½" 100 x 86)	0.35	0.27
Lining twills rayon (40½" 92 x 60)	0.24	0.21½

TABLE III

	Millions of Lbs. Shipped First Five Months		% Increase (+) decrease (-)
	1961	1960	
Rayon textile yarn	62.3	64.3	- 3.1
Rayon high tenacity*	100.8	121.6	-17.1
Rayon staple	146.9	130.1	+12.9
Acetate yarn	92.9	100.8	- 7.8
Total	402.9	416.8	- 3.3

*Tyrex tire yarn.

requirements in a time of emergency.

The problem of foreign competition for our industries in the United States is an acute one. Time will only tell whether the Government will do anything to relieve this situation or continue to follow the principle of the past. We must not restrict the business of our Allies even though such business is harmful to the industries and the economy of the United States.

Rayon and Acetate

The rayon and acetate business has been depressed because of the recession in the textile and automotive industries. Prices realized have been low for most products due to the intense domestic competition and to imports which have in the past accelerated the declining price level. The shipments of yarns and fibers by the domestic industry during the first five months of 1961 and 1960 were as shown in Table III.

The decline in the Tyrex tire yarn is mainly attributable to the decrease of about 30% in the number of automobiles produced so far in 1961 as compared with the same period in the preceding year—and to a lesser extent to the greater proportion of compact cars. The tires for compacts require about 20% less tire cord. Tires with Tyrex rayon tire cord are standard equipment on practically all 1961 model automobiles. It is expected Tyrex will again be the standard for 1962 models.

*From a talk by Mr. Brown before the Philadelphia Securities Association, Philadelphia, Pa.

Ehrlich, Irwin Co. Formed
GREAT NECK, N. Y. — Ehrlich, Irwin & Co., Inc. has been formed with offices at 108 Oxford Boulevard to engage in a securities business. Officers are Henry Ehrlich, President, and Arthur Irwin, Secretary-Treasurer. Mr. Irwin was formerly with Oppenheim & Co. & Schwerin, Stone & Co.

Participating Associates

HIALEAH, Fla.—Participating Associates Inc. is engaging in a securities business from offices at 970 West 53rd Terrace. James D. Jordan is president, Russell E. Bennett is vice-president and A. S. Jordan secretary-treasurer. All were formerly with Decidedly Different Interests, Inc.

Outlook for Merchandising

By Ralph Lazarus,* President, Federated Department Stores, Inc., Cincinnati, Ohio

Noted merchandiser anticipates improving retail sales in the last six months of the year, and comments on department stores' ability to have been able to do relatively well during the recent economic dip.

Last December we expressed our conviction that the economy would soon overcome the hesitation that characterized much of 1960 and would resume its solid and steady growth during 1961.

Now there is increasing evidence that the economy has stabilized. Several leading indicators, which usually give advance notice, have for some months signalled a business upturn. In addition, total production and total income, have turned up. These are two of the most important indicators of general business activity which move not in advance but concurrently with general business conditions.

It seems likely that the business picture will continue to improve through the remainder of the year and beyond. The rate of climb, we believe, will be about the same as the average of the postwar recoveries. We foresee substantial growth but not a sharp, run-away boom.

Our expectations are that the upturn in personal disposable income, which began in the first quarter, will continue to rise steadily for the rest of 1961. During the last half of 1961, we believe disposable income will run 3 to 4% above the last half of 1960.

Improving Retail Sales

We anticipate that retail sales will improve from now through the end of the year since consumer expenditures generally parallel the trend of disposable income. The gain in the fall over the previous year should approximate 3% for total retail sales and for department store sales. Including new units, our firm's sales in-

crease for this period should be considerably more than this figure.

Several other factors contribute to our confidence in the outlook for department store business in the last half of the year.

Consumer repayments on installment credit actually exceeded extension of new credit early this year. Thus the consumer is in a favorable "open-to-buy" position. In the past, this generally has resulted in an increase in purchases of big-ticket items. We are beginning to see evidence of this upturn now.

Then, too, a turnabout has occurred in new housing starts after more than a year and a half of decline. We should therefore show an improvement in the sale of home furnishings as these new homes are completed.

During the latter part of 1960 and early in 1961, moderate corrections in department store inventories were completed both in home goods and in apparel. We are now in a favorable position for healthy replenishment of stocks to meet consumer demand.

Consumer demand for department store merchandise actually held up relatively well during the recent business hesitation. This was one of the factors that helped moderate the effects of the temporary interruption in our economic growth.

Prices of most department store merchandise historically have moved slowly with a much smaller increase than the general consumer price index. We expect this trend to continue and to contribute stability to the general economy during the anticipated resumption of economic growth.

*An address by Mr. Lazarus at the "Business Outlook for the Last Six Months of 1961" seminar sponsored by the First National Bank of Chicago.

Deane A. Stratton Opens

PEEKSKILL, N. Y. — Deane A. Stratton is engaging in a securities business from offices on Oregon Road and Locust Ave.

This is not and is under no circumstances to be construed as an offer to sell, or as an offer to buy, or as a solicitation of an offer to buy, any of the securities herein mentioned. The offering is made only by the Prospectus.

July 19, 1961

163,000 Shares CompuDyne Corporation Common Stock

Price \$10.75 per Share

Copies of the Prospectus may be obtained in any State only from such dealers participating in this issue, including the undersigned, as may legally offer these Securities under the securities laws of such State.

Hayden, Stone & Co.

Blair & Co. Francis I. duPont & Co. L. F. Rothschild & Co.
Incorporated

Shearson, Hammill & Co. Shields & Company Walston & Co., Inc.

Influences Likely to Govern Business in Current Decade

Continued from page 1

for the \$½ billion windfall) as against \$77.8 billion net receipts in fiscal 1960. This represents only a nominal change. The added expenditures for defense and unemployment payments on top of many built-in increases in costs resulted in total disbursements of over \$80 billion in fiscal 1961, an increase of around \$4 billion over fiscal 1960.

Real Challenge Coming

Because, as Secretary Dillon said, "expenditures must keep pace with our ever growing population and our mounting national needs," the present forecast for fiscal 1962 shows a deficit of \$3.7 billion after expenditures of \$85.1 billion. With Congress still in session and with many expensive programs requested by the President still in committee, the actual expenditures for fiscal 1962 must at this time be regarded as a guess. The largest deficit in the peacetime history of the United States came in fiscal 1959 after business had turned for the better in mid-1958. This fact is used to help justify the deficit in fiscal 1962 — a reasonable position. The real challenge to the present Administration comes when the budget for fiscal 1963 is put together next January. Expenditures in fiscal 1960 were cut \$3.8 billion below the previous year while revenues increased \$9.8 billion, thereby changing the enormous \$12.4 billion deficit to a \$1.2 billion surplus, one of the greatest reversals in history in such a short time. Will there be an equally impressive change from the deficit of at least \$3.7 billion in this present fiscal year?

Controversy over deficit spending is not confined to the United States. Our neighbor to the north is embroiled in a dispute on this point. Can a country stimulate growth through spending and solve the unemployment problem? Is the easy way of moving toward "soft money" better than the old-fashioned way of "hard money" found so successful by West Germany?

Investors should remember that the national debt is what the Federal Government has spent since it was founded over what it has collected in taxes, customs, and other revenues. At the end of June, 1961, the public debt outstanding and subject to limi-

tation was about \$289 billion as compared to \$286 billion a year earlier, \$270 billion on June 30, 1957, and \$251.5 billion on June 30, 1947. Annual expenditures for interest are now around \$9 billion, which is greater than total expenditures of the Federal Government in any year during the thirties and about the total for fiscal 1940. This staggering figure is the price we pay for continuing to operate at a deficit with no reduction in the interest-bearing obligations of the government. The rosy forecasts of revenues for fiscal 1963 have prompted some politicians to try to get credit for being among the first to suggest a reduction of the tax burden on their constituents. However, some reduction in the Federal debt is certainly called for in the sixties. Will we take this important step toward sound fiscal management?

Gold Problem Not Dead

Maybe some of the answers to the previous question may come from the discipline of the market place. At this time I have in mind the international market place, or in other words, our balance of payments problem. Since the movement of gold recently has been inbound rather than outbound, some have been lulled into the feeling that the old dog has gone back to sleep rather than moving into position to bite us. In the eight weeks ended June 28 the inflow of gold has amounted to \$160 million. This change is after a dull period of 10 weeks during which the movement was of nominal proportions. Also, the present situation is a vast improvement over the 8-month period ended February, 1961, when the outflow totaled \$1,878 million, reaching a high of \$218 million in one week.

I do not pose as an expert in international finance, but I am sure that we should not think that the problem can be brushed under the carpet during the sixties. With the decline in business activity in this country, imports were less in the first quarter of this year; and with the reverse true in Europe, exports were larger. As a result, the favorable trade balance was at the annual rate of \$7.3 billion, the highest in history (except during the Suez Crisis). A contributing factor of substantial size was the sale of new jet planes to foreign airlines. Greater aggressiveness,

easier financing, and more imagination may help to maintain the volume of exports, which is all to the good.

The more perplexing problem is how to keep the cost of American-made products competitive with the foreign items of comparable quality. It was obvious a few years ago that foreign manufacturers did not have the capacity to fill their domestic needs. Since then their capacity was expanded and they have been able to penetrate both American and foreign markets to a greater degree. Manufacture of high quality or precision products is no longer a monopoly of American firms. The sixties will see an increase in the severity of competition for markets between American and foreign producers. The "jawbone" technique of holding increases in wages to rises in productivity will receive a severe test.

Role of Market Place

I do not need, I am sure, to go into all the other aspects of the balance of payments problem since much has been written about better control of our foreign aid programs, our assistance to underdeveloped countries, maintenance of armed forces abroad, and encouragement of other countries to pay their fair share of aid to countries in need. I would rather leave the problem by stating that all of these points are important considerations in correcting the trends in the situation, but that the discipline of the market place comes to bear on our maneuverability under existing conditions. The position of the U. S. Treasury in the exchange market is somewhat like a bank in that it has gold of \$17½ billion and short term liabilities to foreigners of over \$21 billion. In a message to Congress last February, President Kennedy analyzed the situation as follows:

"Of this \$17,500,000,000, gold reserves not committed against either currency or deposits account for nearly \$6,000,000,000. The remaining \$11,500,000,000 are held under existing regulations as a reserve against Federal Reserve currency and deposits. But these, too, can be freed to sustain the value of the dollar; and I have pledged that the full strength of our total gold stocks and other international reserves stands behind the value of the dollar for use if needed."

In addition to gold in our vaults, the United States can draw upon the International Monetary Fund up to its quota of \$4.1 billion. Our short term assets abroad are now estimated at \$4½ billion,

and Western European countries whose currencies are now strong owe us long-term governmental debts of \$2.9 billion. Thus, the United States Treasury has substantial resources to meet any demands for gold.

Central Bank Cooperation

Before leaving this subject of the balance of payments, the movement of short-term funds between money markets should be mentioned. As is known, the spread between interest rates in New York and London, for example, has caused money to move to the market with the higher rates. Because of this, the operations of the Open Market Committee of the Federal Reserve System and the financing of the United States Treasury for the past eight months have been so designed as to maintain as small a spread as possible between the rates in New York and other money centers.

Recently, a new working party on monetary and fiscal policies has been established as a subcommittee of the Organization for European Economic Cooperation. According to Secretary Dillon, they meet "at 4 to 6 week intervals in Paris, where a small group of responsible officials can discuss questions of mutual interest and concern and gain a practical grasp of the flexibility which exists in national policies to help discourage excessive or disequilibrating movements of liquid funds." Some progress has been made toward a more stable pattern of international interest rate relationships. Without some new factor developing to influence the rate level in a particular country or to weaken confidence, the problem of the movement of short-term funds is less acute for the present.

The discipline of the market place should exert a restraint on unsound fiscal and monetary experiments by our government.

The forties may be characterized as an era of "pegged" markets for securities of the United States government, and the fifties were for the most part a period of "free" markets for these issues. Since last February these markets have been called "artificial" by some of the professionals. The abandonment of the "bills preferably" policy of the Open Market Committee on Feb. 20 has been the subject of frequent and extensive comment so that I shall confine my remarks to only one aspect of the discussion.

If Federal Reverses Open Market Policy?

At some point in the business cycle, which appears to be on the uptick at the present time, the Federal Reserve System should come to the conclusion that further purchases of securities to provide reserves for the banking system should be stopped. Will withdrawal of the substantial buyer in the period prior to the change in policy unsettle the market to such a point that the Federal Reserve System will be forced to continue its buying in order to cushion the decline and prevent disorderly markets? If this crisis is overcome in one way or another, will the same situation arise when the Federal Reserve System decides to withdraw reserves from the banking system by selling part of its recently acquired intermediate and long-term issues? If only short-term issues are sold, the average maturity of the portfolio will lengthen.

Such a planned program has not been considered sound for central banks. There is always a good time for the Federal Reserve System to buy intermediate and long-term bonds but never a good time to sell. The sixties should produce the answer to these questions and the impact of this experiment on the depth,

breadth, and resiliency of the market for United States Government securities which the Treasury and Federal Reserve System have been encouraging since "the accord" in 1951.

Turning to some of the other factors influencing the business environment in the sixties, we should be prepared for the effects of greater spending by the Federal Government. According to Secretary Dillon, the deficit in fiscal 1962 is "inevitable if we are to meet our urgent requirements in defense, in space, in education, in housing, in transportation, and in the international field." Such a policy, if pursued and with no apparent limitation related to the revenues collected, may often create deficits in the sixties. Unbalanced budgets over a period of years and especially in periods of good business will create inflationary pressures. Will these pressures be reduced by higher taxes, including possibly excess profits taxes, or by price and wage controls? Before the sixties are over, this question will have been answered at least once.

Threat to Municipal Bonds

Another consideration in the spending programs is the increasing intrusion of the Federal government into the affairs of the state and local governments. Looking to Uncle Sam for the solution of problems of urban renewal, water pollution, mass transportation, urban and inter-urban highways, inadequate teaching facilities, underpaid teachers, and many others necessarily brings more control by the bureaus in Washington. The trend is accelerating partly because of the long-term belief that grants from the Federal government, come from the pockets of taxpayers other than the recipient and partly because of the lack of new sources of taxes for the local governments.

The latter problem has been intensified by the gradual encroachment of the tax programs of the Federal government. Some communities are not able to finance large expensive projects from their own credit and need the assistance of the Federal government. Will the sixties see a reversal of this trend? Will the strain on municipal credit in the sixties be so great as to worry some of the bondholders? Maybe some may now think that the title of this talk should be questions to be asked and answered in the sixties!

Turning to another question for the sixties, the ability of corporate management has always been one of my principal criteria in selecting investments. The fifties tested management in many ways, and I expect that the sixties will be even more difficult. Any semblance of deferred demand because of shortage of goods has long since disappeared. Excess capacity is present in many industries. Research and development programs used to be confined to only part of the companies in an industry. Now almost every company has active departments, and management will have to be alert to assure stockholders that they are receiving value for money spent. The recent price-fixing scandals have made everyone in industry more conscious about pricing policies. Not only is it necessary to avoid prices which are artificially high because of collusion but also prices which are "unreasonably low." All angles of the problem of managing a company seem to be growing more complex. The sixties will be a severe test of management.

The Antitrust Operations

Another feature of the sixties may be some attempts to control the size of single corporations. Investors have loved companies with growth; and management

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 Offering Circular.

NEW ISSUE

JULY 20, 1961

60,000 SHARES

George S. Carrington

COMPANY

Class A

Price

Common Stock

\$5.00

Par Value \$1.00

Per Share

Copies of the Offering Circular may be obtained in any state only from such dealers, including the undersigned, as may legally offer these Securities under the securities laws of such State.

Clayton Securities Corporation

has been happy to see a steady increase in assets, number of employees, sales, net profits, and penetration of markets. The free enterprise system has encouraged such growth, and the country and its citizens in general have benefited from this growth in size. At some point, the operations become so diverse in character or in location that management is not as effective as in smaller units. Also, such growth may result in a greater control of the market, which in turn may lead to prices less responsive to changes in demand and supply. The use of computers in providing detailed information promptly may permit some breakthrough of previous size barriers. Investors should be alert to less effective management.

The Department of Justice and Congressional committees appear to be watching more carefully the increasing proportion of a market being controlled by one company. Statesmanship of the highest order will be necessary for management to keep from falling into the traps on one side of the road or the other.

Prudent men with a long experience in the business and financial world make up trust committees. Many of them were active in the twenties when foreign securities were being floated in the American market. Others entered the securities business when many of the flotations of the twenties were in default or when values were being extinguished during World War II. Most cannot recall the era of freely convertible foreign exchange with only nominal fluctuations in rates. The rapid resurgence of many of the industrialized nations since World War II, the rising importance of the middle class as consumers in these areas, and the formation of the Common Market have forced many members of these committees to reconsider their long based objection to investing trust funds outside of the United States. Analysts are learning the accounting procedures of foreign corporations and are studying the attractiveness of stocks of companies with unpronounceable names providing only nominal returns in dollars.

The sixties will supply opportunities for unsophisticated investors to realize substantial gains, or losses, in this field. Let us hope that they inherit quickly the qualities of successful international investors who flourish in many foreign money centers and who by tradition and instinct recognize the time to pull back out of foreign markets.

The business environment may be influenced by factors other than those mentioned so far in my remarks. The most important omission is the temperature of the "cold war." This question is so immense that it could very easily overshadow any points which I have made. Another is the development of a reasonable solution of labor disputes with less impact on the innocent public. The present Administration is playing a more active role in the negotiations and temporary settlements than the previous group. The cost of final settlements may be borne more by the investor in the form of lower profits than by the public in the form of higher prices.

The sixties will provide a business environment as interesting as any period in history. The requirements for successful management will be tougher. The agility of investors will be taxed. As Heraclitus, the Weeping Philosopher of Ephesus, said about 500 B. C., "There is nothing permanent except change." Let us keep this in mind during the sixties.

*An address by Mr. Wren before the 35th Western Regional Trust Conference sponsored by the Trust Division of the American Bankers Association, Washington, D. C., July 12, 1961.

First Boston Names Delaney

PHILADELPHIA, Pa.—The First Boston Corporation announced that Robert C. Delaney has been promoted to the position of Manager of the Government Bond Department of the firm's Philadelphia office, 1500 Chestnut Street. He was formerly Assistant Manager of the Department.



Robert C. Delaney

Mr. Delaney became associated with The First Boston Corporation in July, 1957.

Gadsby Resigning From SEC

Edward N. Gadsby, a member of the Securities and Exchange Commission, and former Chairman, has resigned effective Aug. 4, and will return to his law practice in Massachusetts.



Edward N. Gadsby

Mr. Gadsby's term had two more years to run. He had given up the chairmanship in March to William L. Cary. Since the Securities and Exchange Act provides that no more than three members of the commission may be of the same party, Mr. Gadsby's successor cannot be a Democrat. Three members of the Commission, including Mr. Cary, are of the Democratic party.

CompuDyne Corp. Common Offered

Hayden, Stone & Co., New York City, and associates are offering publicly a total of 163,000 common shares of CompuDyne Corp. at \$10.75 per share. Of the total, 120,000 are being sold by the company and the balance by certain stockholders.

Net proceeds to the company from its sale of stock will be applied to expansion of inventories, to research and development, to the redemption of outstanding debentures, and to working capital.

The company and its wholly-owned subsidiaries are engaged in furnishing instruments and systems for missile sites and in the design, development, assembly and manufacture of electronic and other devices and systems used in the automatic control of aeronautical and missile test facilities and used in the production processes employed in the chemical, petroleum and metal industries.

For the six months ended March 31, 1961, net sales of the company and its subsidiaries amounted to \$2,886,242 and net income to \$117,515 against sales of \$1,724,460 and net income of \$54,551 for the like period of 1960.

Giving effect to the sale of the common stock and the redemption of the debentures, capitalization of the company as of June 30, 1961 was: \$257,549 in debt; \$1,600,000 in bank notes; and 980,470 shares of common stock (par 25 cents).

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

The private power and the coal industries still have a kick left in them. They succeeded in defeating last week an Administration proposal that would have put the Atomic Energy Commission in the business of manufacturing electrical power. The House struck from the Atomic Energy Commission authorization bill a provision providing for \$95 million for power generating facilities to be installed at the Hanford, Wash., nuclear reactor. If this authorization were made, it would doubtless prove to be the first step in putting the Federal Government in the nuclear production of commercial electricity. The House refused to take this step. In so doing it was not unmindful of how, step by step, TVA became a huge Federal power agency in competition with private enterprise. Mr. Eisenhower called it creeping socialism but Mr. Kennedy is trying to expand it.

TVA had what appeared to be an innocent beginning as a project to prevent floods and improve navigation. For this purpose (and for the purpose not then disclosed) dams were erected. This was the first step. It was then contended that it would be a waste for this waterpower not to be converted into electricity. That was the second step. Having this electrical power available, transmission lines to distribute the power over a given area should be erected. Thus the third step and the fourth step with the extension of the area to be served with this public power. And, finally there came the erection of steam plants to produce electricity to supplement the water power production.

The Congress took cognizance of all this when it wrote the Atomic Energy Act of 1954. In it Congress stipulated that "nothing in this act shall be construed to authorize the Commission to engage in the sale or distribution of energy for commercial use." Again, in 1958 when the Hanford

reactor was authorized the sponsors gave unequivocal assurances that the power would not be sold to either private or public facilities. Nonetheless, persistent public power advocates sought to establish a tremendous public power grid at the expense of the taxpayers throughout the country as they did with the TVA.

Public power vs. private power has been a long continuing issue. The socialist groups have been leading advocates of public power. It was the basic plank in the platform of Norman Thomas, the perennial socialist candidate for President. When he decided no longer to run for President he said that the New Deal had taken over his platform and that the TVA was a notable example.

Mohammed Ayub Khan, President of Pakistan, made an unusually good impression on Congress. Congress usually hears these foreign visitors with a jaundiced eye. On this occasion it was agreeably surprised.

He has an outstanding appearance, and he talks firmly without oratorical fanfare. With complete candor he addressed a joint session of Congress without notes for 50 minutes. He explained why he, as General of the Armed Forces, seized control of the government, and was apologetic lest Congress should view him as a revolutionist greedy for power. He then candidly explained how he was conducting a government "of, for and by the Pakistanis." Indeed, President Ayub is a far cry from the Castros who overthrow governments, wage guerrilla warfare and set out to destroy opposition.

He spoke of his country's need of assistance and expressed an appreciation of how tired this country must get of these requests. He was most emphatic that Pakistan was willing to stand with us against Communism. These are his words: "If there is real trouble there is no other country in Asia on whom you

will be able to count. The only people who will stand by you are the people of Pakistan, provided you are also prepared to stand by them."

Certainly Pakistan has been a sturdy friend. It has been firmly in the Western camp as a member of the Central Treaty Organization and the Southeast Asia Treaty Organization. They have a feeling we are neglecting our true friends to gain favor with those of questionable loyalty to the democratic ideals.

C. J. Aal With Burnham & Co.

Burnham & Co., 15 Broad St., New York City, members of the New York Stock Exchange, have opened a domestic arbitrage de-



C. Jerome Aal

partment under the management of C. Jerome Aal. Mr. Aal was formerly manager of the Canadian department for Bache & Co. and prior thereto was a partner in Aal & Golkin.

Bentley V. P. of Brand, Grumet Co.

Herbert Bentley has been elected a Vice-President of Brand, Grumet & Seigel, Inc., 49 West 33rd St., New York City, members of the New York Stock Exchange. Mr. Bentley was formerly with L. F. Rothschild & Co.

Forms Blvd. Inv. Co.

BROOKLYN, N. Y.—Morton Weinberg is engaging in a securities business from offices at 1411 Linden Boulevard under the firm name of Boulevard Investment Company.

The placement of these securities was arranged privately through the undersigned with Institutions purchasing them for investment. In addition, the undersigned assisted in arranging the Bank Credit Agreements referred to below. No public offering of securities is being made, and this advertisement appears as a matter of record only.

Atlas Chemical Industries, Inc.

(formerly Atlas Powder Company)

\$9,000,000 4 7/8% Notes Due 1976

\$9,000,000 Bank Credit Agreements

F. EBERSTADT & Co.


July 18, 1961.

Samuel Levine Opens

LAURELTON, N. Y.—Samuel B. Levine is engaging in a securities business from offices at 138-05 225th Street.

DIVIDEND NOTICES

RAYON ACETATE CELLOPHANE



AMERICAN VISCOSÉ CORPORATION


DIVIDEND NOTICE

Directors of the American Viscose Corporation, at their regular meeting on July 5, 1961, declared a dividend of fifty cents (50c) per share on the common stock, payable on August 1, 1961, to shareholders of record at close of business on July 20, 1961.

Wm. H. Priddy
Vice President and Treasurer

RAYON ACETATE CELLOPHANE

RAYON ACETATE CELLOPHANE



Public Service Electric and Gas Company

NEWARK, N. J.

QUARTERLY DIVIDENDS

The Board of Directors has declared the following dividends for the quarter ending September 30, 1961:

Class of Stock	Dividend Per Share
Cumulative Preferred	
4.08% Series	\$1.02
4.18% Series	1.045
4.30% Series	1.075
5.05% Series	1.2625
5.28% Series	1.32
\$1.40 Dividend	
Preference Common35
Common50

All dividends are payable on or before September 30, 1961 to stockholders of record August 31, 1961.

J. IRVING KIBBR
Secretary



PUBLIC SERVICE
CROSSROADS OF THE EAST

R. J. Reynolds Tobacco Company

Makers of Camel, Winston, Salem & Cavalier cigarettes

Prince Albert, George Washington Carter Hall smoking tobacco

QUARTERLY DIVIDEND

A quarterly dividend of 75c per share has been declared on the Common Stock of the Company, payable September 5, 1961 to stockholders of record at the close of business August 15, 1961.

WILLIAM R. LYBROOK,
Secretary

Winston-Salem, N. C.
July 13, 1961

Sixty-one Consecutive Years of Cash Dividend Payments

The State of TRADE and INDUSTRY

The Morgan Guaranty Trust Survey reveals in its July review of business and financial conditions that recovery continues to show through the seasonal haze with which summer slackening normally coats the economy's basic movements. As the second quarter drew to a close, the pace of advance in the industrial sector appeared to have slowed somewhat compared with April and May, when gains were especially rapid. It is clear from the performance of weekly indices, however, that the forward march did not stop.

Steel output, it is true, slipped moderately from week to week during June, in part because of seasonal forces and in part perhaps because of this year's approaching early model changeovers in the automobile industry, steel's biggest customer. But, even with this attrition, ingot production appears to have totaled more in June than in May, when allowance is made for seasonal factors, and towards the end of June was running more than 25% above the level that prevailed before recovery got under way.

When it is published, the industrial production index for June should show an increase of at least a point, and possibly more. June would thus mark the fourth successive month of advance, virtually eliminating any possibility that the upturn in production which began in March might have been a false start. Even if the June gain was only one point, it would mean the index had retraced four-fifths of the ground lost during the recession, suggesting that it will be back to its previous peak by autumn at the latest. The broadly based character of the rise is particularly impressive. In May, as in April, 14 of the 16 industry groupings that make up the index advanced.

Actually, while listlessness has characterized soft-goods trade this year, there has been a significant quickening in the tempo of durable-goods purchases, attributable mainly to an accelera-

tion in the buying of new and used cars. The trend of durable-goods sales since the recession low has generally been stronger than in previous postwar recoveries, and surveys of consumer buying intentions, together with the savings buildup which has been taking place, suggest the strong likelihood of continuing improvement. Compared with last year's levels, inventories of new cars are now relatively low, holding out the promise of a highly successful "clean-up" period.

Autumn Outlook Bright

This favorable inventory situation in the automobile industry has potent meaning for the autumn. Provided the expiring labor contracts in the industry are peacefully replaced, automobile manufacturers will be in a position to step up output rapidly after Labor Day. Since the shutdown for changeovers is coming earlier this year, the rebound also will come earlier. Present schedules call for the best September output since 1950, with further gains in October. This should have expansive repercussions throughout the economy.

Orders to manufacturers rose in May for the fourth consecutive month, reaching the highest level since mid-1959. There are also solid indications that inventory liquidation in general is over. With activity advancing, new accumulation is likely to be well established before year's end. Government procurement appears certain to continue in a rising trend into 1962. Fixed business investment and residential construction likewise have an upward look. Differences of opinion exist as to how much impact the recently enacted Federal housing legislation is likely to have on construction, but there is no doubt that eventually it will make some difference on the plus side.

Conclusive confirmation of the generally favorable omens will probably have to await the autumn period, since plant shutdowns for vacations and retooling during the next two months will

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

make trends in many areas difficult to judge.

Bank Clearings for Week Ended July 15 Were 6.1% Above Corresponding Week

Bank clearings last week showed an increase compared with a year ago. Preliminary figures compiled by the *Chronicle*, based on telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, July 15, clearings from all cities of the United States from which it is possible to obtain weekly clearings was 6.1% above those of the corresponding week last year. Our preliminary totals stand at \$29,013,378,746 against \$27,343,045,241 for the same week in 1960. Our comparative summary for the leading money centers for the week follows:

Wk. End.	—(000's Omitted)—		%
	1961	1960	
July 15—			
New York—	\$15,917,223	\$14,303,154	+11.3
Chicago—	1,469,031	1,362,296	+7.8
Philadelphia	1,124,000	1,102,000	+2.0
Boston—	788,299	774,631	+1.8

"Iron Age" Sees Uncertainty in Steel Buying for August

If late orders for August come in according to the pattern of recent months, delivery dates for many steel products will stretch out, *The Iron Age* says.

At the same time, *The Iron Age* reports the first instance of strike hedging. One substantial user's advance buying this week can be attributed directly to assuring steel supplies in advance of the 1962 expiration of the steel labor contract.

In still another development, the magazine notes some uncertainty in auto steel ordering in advance of the auto industry's own labor contract expiration this Aug. 31.

These cross currents in the steel market account for some of the uncertainty this week. Developments that point to a stronger market dominate. But there are enough hints of uncertainty to prompt caution in the market, the magazine says.

Commenting on the order pattern, *The Iron Age* reports that in the first days of July, orders for next month delivery came in at a rate that exceeded comparable orders for May and June. But a mid-month slack period followed. If the pattern of the previous recovery months continues, orders late this month and even in early August should put August production and shipments over the May-June level.

In any case, the outlook for

an improved August rate is unchanged and, barring an auto strike, September will be the strongest month of the first three quarters of this year.

Demand for Steel Is Leveling Off Seasonally in Line With Forecasts

With demand for steel leveling off seasonally in line with forecasts, steelmakers are now speculating on prospects for orders in August, says *Steel* the metalworking weekly.

August looks good to leading producers in Cleveland, Pittsburgh, and the East. A pickup in automotive demand as the result of changeovers in 1962 model production and building of inventories by other customers in anticipation of higher prices later in the year, they feel, will push August shipments to about the June level.

Chicago area producers aren't so sure about automotive demand. They say the automakers aren't ordering as much tonnage from their mills for August delivery as anticipated. They're consoled to some extent by the thought that any delayed orders will push September's shipments well above original forecasts.

Steel producers aren't worried about the possibility of a strike in the auto industry. *Steel* predicts a peaceful settlement at a net package cost to the automakers of about eight cents an hour per year in a two year contract.

The magazine estimates steel ingot production was 1,850,000 tons in the week ended July 15. It looks for slightly higher output in the week ending July 22. The 1,850,000 ton figure was 4% above that for the week ended July 8, reflecting partial recovery from curtailed operations over the holiday.

Steel also reports a reversal in the scrap price trend after four weeks of decline. Slower collections resulted in an increase of 33 cents a gross ton to \$37 in the magazine's index on No. 1 heavy melting grade.

In reporting on nonferrous metals, *Steel* says that the tin market has quieted after a series of price gyrations and that the buyer's market appears to have vanished. For the foreseeable future, tin will be in a seller's market, the magazine forecasts.

Business Failures Rebound From Holiday Low

Commercial and industrial failures climbed to 304 in the week

Continued on page 26

DIVIDEND NOTICES

THE SOUTHERN COMPANY
(INCORPORATED)

The Board of Directors has declared a quarterly dividend of 37½ cents per share on the outstanding shares of common stock of the Company, payable on September 6, 1961 to holders of record at the close of business on August 7, 1961.


L. H. JAEGER,
Vice President and Treasurer

THE SOUTHERN COMPANY SYSTEM
Serving the Southeast through:

- ALABAMA POWER COMPANY
- GEORGIA POWER COMPANY
- GULF POWER COMPANY
- MISSISSIPPI POWER COMPANY

SOUTHERN ELECTRIC GENERATING COMPANY
SOUTHERN SERVICES, INC.

TENNESSEE GAS TRANSMISSION COMPANY
HOUSTON, TEXAS



The Board of Directors has declared a quarterly dividend of 28¢ per share on the Common Stock, payable September 12, 1961, to stockholders of record on August 18, 1961.

DIVIDEND NO. 56

H. F. ABY, Secretary

This advertisement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offer is made only to bonafide residents of New York State and only by the Prospectus.

NFW ISSUE July 10, 1961

60,000 Shares

Growth Organisation Incorporated

Capital Stock
(Par value \$10 Per Share)

Offering Price: \$4.00 Per Share

These securities are offered to bonafide residents of New York State only. The Company reserves the right to reject any purchase offer in whole or in part.

Growth Organisation Incorporated
11. Broadway New York 4, N. Y.
WH 4-2990

THE MARKET . . . AND YOU

BY WALLACE STREETE

The summer rally was still missing in this week's stock market and, in fact, the market was in reverse to where, this time, the June low was violated which means a critical support level failed to hold.

Much was made out of the depressing effects of the Berlin crisis, although the action of the market indicated mostly that when the industrial average appeared about to slip through its June low of 680 it brought in sufficient additional volume to assure that that unfavorable development would not occur.

There was plenty of caution around. But to many of the technicians the two-month stalemate in the market indicated that a more sturdy base was needed than the 680 level and breaking through this to them was merely the beginning of a new base-building period that would no more than delay a resumption of the advance.

To a minority of the technicians, the breakthrough and a subsequent extension of the decline, would complete a chart pattern that indicated the upswing was all over. But to these who are on the brink of turning all-out bearish, the usual answer was that the business and economic background doesn't at this time indicate an end to the bull market.

For one, inflationary fears are still acutely alive. For another, the earnings statements that still don't show a general business recovery are in line with expectations.

Then, too, the fact that business is in a lull at the moment is not an unusual summer pattern. And business planning and predictions for the fall still point to continued recovery once the slow months are out of the way.

Steel Executives Optimistic

Steel officials, for one optimistic group, were anticipating a pickup in demand even before the end of summer as the auto makers begin planning for their fall model changeovers. A strike in the auto industry could disrupt this thinking but it is hardly likely that a strike is in the cards for the industry that has had its share of troubles and one where unemployment is rather obvious.

Forecasts of a declaration of limited emergency and a boost in defense spending had worn out their efficacy as far as the aircraft-missile stocks were concerned and they did little better than the general list. The glamour of the science issues, if not completely shorn away, was still somewhat tarnished and these issues were given to erratic gyrations that, on occasion, found a sprinkling of them on the lists of new lows for 1961.

Rails found little to cheer even in the cases of the quality ones that were still maintaining—and earning—their dividends, and the eastern lines, notably Chesapeake & Ohio, which is one where the dividend is in jeopardy, were no strangers to the new lows lists.

As happens in periods of market uncertainty, utilities were in occasional if spotty favor and they were able to offer a few new highs on occasion. Foods, another defensive section, were also able to nudge ahead but with no fanfare to it.

Du Pont Under Pressure

Some items were still under the influence of possible government action, or the lack of it, Du Pont in the blue chips given to some wide gyrations of the up-one-day, down-the-next type. The quality chemical issue, however, was holding well above its year's low. The swings here were to the chances of the holders getting a tax break on any General Motors

shares that Du Pont might spin off to them under the forced divestiture of its 66 million share bundle of GM.

General Motors found little comforting in the whole discussion since it is all predicated on many Du Pont holders selling off any GM shares they might get under any circumstances, adding that much more weight to the stock in the market. Autos generally were drab, as a matter of fact.

There was little in the brokerage house recommendations to spur the autos, either the large or small companies. The Big Three were giving the independents stiff competition and, in their own case, the low-profit compacts were still battling the more profitable larger cars in any company's line so their profit prospects, as one analysis put it, "are not likely to be exciting."

Good Prospects

The hunt for companies with better-than-average prospects, consequently, centered away from what are considered the giants of industry, well-known household words to both consumer and investors. One that had its champions was Haveg Industries which has owed what popularity it has shown in recent months mostly to its participation in the missile field.

Haveg, however, is far from dependent solely on defense orders and it looms importantly in the field of complex plastic articles as well as the much more simple plastic cups and plates for liquids and foodstuffs. This food handling phase is one of the newer to be tackled by Haveg. The company started off the year with disappointing earnings but expects to pick up momentum through the other three quarters of the year to achieve finally a showing that would compare well with last year. Throughout last year the company was busily engaged in increasing plant capacity so the management appears confident that it will be able to step up operations and, in the process, resume the growth pattern to justify its high times-earnings level and a negligible dividend return.

For a comeback item that had its followers after nearly a decade of neglect, United Fruit would have to loom prominently. It was once the epitome of a conservative, but solid Boston blue chip, long-time dividend payer with quality marked all over it. That ended when a string of 60 years of uninterrupted quarterly dividends had to be cut after all manner of adversity had given United Fruit increasing troubles.

To those who now regard United Fruit favorably, the management overhaul of more than a year ago, a new concept of its operations and diversification, chiefly into dried and frozen food, all add up to prospects that it has finally turned the corner. Meanwhile the stock is available at only a bit more than a third of its 1951 peak and obviously, if earnings improve as planned, is a candidate for an increase in what this year is mostly a token dividend up to here.

Preferreds Favored

A good sprinkling of recommendations that stressed yield were given to concentrating on high grade preferreds which, in times of uncertain markets, have long been considered a shelter until the market trend clarifies. And returns that ran to 5% or nearly that figure weren't hard to find. That compares with 2.8% on average for common stocks of industrial companies. Offsetting the relatively high yields—in

some cases far better than the yields on the common stocks of the same companies—is the fact that most preferreds can be called at pre-set call prices. But here again it is relatively easy to find quality items selling well below call prices, some by good margins.

The 4% preferred of Cincinnati Gas, for instance, has a call price of 108 but has been available around 85 with a yield of around 4¾%. The 5%, low-priced preferreds of Sante Fe, which is non-callable, has been selling around 10 although it carries a par of 25 and shows a 5% yield. The 5% preferred of General Mills, offering well past 4½%, has a call of 115 but was still available at 109. All of the companies behind these preferreds are solid ones that do well in their own fields.

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

Dolomite Glass Fibres, Inc. Stock Sale

Pursuant to a June 29, 1961 prospectus, the company offered and sold, without underwriting, 50,000 class A (voting) shares at \$1 per share and 300,000 common (non-voting) shares at \$1 per share. Proceeds will be used by the company for the purchase of additional equipment and for working capital.

The company of 1037 Jay St., Rochester, New York, is engaged in the manufacture and sale of glass fiber for insulation and glass fiber strands, mats and roving for use in the production of reinforced plastics. Authorized stock consists of 250,000 shares of 7% preferred, 500,000 shares of class A common and 5,500,000 shares of common stock of which 100,000; 300,000 and 1,800,000 shares, respectively, are now outstanding.

In Securities Business

Waverley Paragon Mutual Syndicate is engaging in a securities business from offices at 33 West 42nd Street, New York City. Partners are Arthur I. Berliner, Leon Abramson, and Lawrence M. Rosner.

Shell Oil Co. Debenture Sale

A nationwide underwriting group headed by Morgan Stanley & Co. is offering for public sale a new issue of \$200,000,000 Shell Oil Co. 4% sinking fund debentures due 1986, priced at 99¾% and accrued interest to yield approximately 4.64% to maturity.

The proceeds of the sale will be used in part to retire \$100,000,000 of the company's 4.50% bank loans. The balance will be used for general corporate purposes, including expenditures for exploration and development of oil and gas properties, for other property additions, and for investments in and advances to subsidiary companies and to an affiliate, Shell Oil Co. of Canada, Ltd. In the last five years, the company and its subsidiaries have spent \$1,287,000,000 for capital additions and improvements, including exploration and development of oil and gas properties.

The offering marks one of the largest underwritten corporate debt financing operations undertaken so far this year. In dollar amount it has been exceeded this year only by the \$300,000,000 issue of United States Steel Corp. 25-year 4½% sinking fund debentures offered in April and the \$250,000,000 issue of American Telephone & Telegraph Co. 37-year 4¾% debentures offered in June.

A mandatory sinking fund for the debentures commencing in 1967 is calculated to retire 92½% of the issue prior to maturity. The sinking fund redemption price is 100%.

Optional redemption prices for the debentures range from 104¾% if redeemed to and including July 31, 1963, and thereafter at prices decreasing to the principal amount after July 31, 1981, but the debentures are not redeemable prior to Aug. 1, 1966, with funds borrowed at an interest cost to the company of less than 4.64%.

Shell Oil Co., an integrated oil enterprise operating in the United States, is engaged in the exploration for, and development and production of, crude oil and natural gas, the purchase, transportation, refining and marketing of petroleum and its products, and the manufacturing and marketing of chemicals. Compared with other integrated oil companies, the company believes that it

ranks fourth in domestic crude oil production, fifth in domestic refinery runs, sixth in domestic refined product sales and first in domestic manufacturing and marketing of chemicals.

For the calendar year 1960, the company reported revenue of \$1,838,483,000 and income before provision for income taxes of \$174,354,000 compared with \$1,819,954,000 and \$186,761,000 for 1959.

Capitalization of Shell shows long-term debt, adjusted to give effect to this financing, amounting to \$299,346,000 and \$1,421,377,425 of common stock and surplus.

Capital Southwest Corporation Stock Sale

Public offering of 1,300,000 common shares of Capital Southwest Corp., at \$11 per share, is being made by Rotan, Mosle & Co., Houston, Texas, and associates. Proceeds will be used by the company for investment.

The company, of 6517 Hillcrest Ave., Dallas, Texas, is licensed as a small business investment company under the Small Business Investment Act of 1958 and is registered as a closed-end non-diversified management investment company under the Investment Company Act of 1940. Its goal is to provide equity capital, long-term loans and management services to small business concerns in the Southwest. Authorized stock consists of 5,000,000 \$1 par common shares, of which 1,445,000 will be outstanding upon completion of this sale.

Mark Appleman Joins Francis I. duPont Staff

Mark Appleman has joined Francis I. duPont & Co., 1 Wall Street, New York City, members of the New York Stock Exchange, to head a newly created Promotion Division. A. Rhett duPont, Senior Partner has announced.

Mr. Appleman was formerly a Copy Group Head at the J. Walter Thompson Co., advertising agency. Prior to that he was a promotion consultant to publications, book publishers and motion picture companies. He is the author of the Doubleday novel, "The Liberation of Manhattan," and of the play "Stockade" produced on Broadway in 1954.

This announcement is not an offer of these securities for sale. The offer is made only by the Prospectus.

NEW ISSUE

1,000,000 SHARES

OHIO FRANKLIN FUND INC.

COMMON STOCK

OFFERING PRICE: \$20.00 PER SHARE



Ohio Franklin Fund Inc. is a diversified investment company. Without incurring federal capital gains tax at the time of exchange for Fund shares, investors have the opportunity for diversification and professional investment management. The objective of Ohio Franklin Fund Inc. is possible long-term growth of capital and income through selective participation in the progress of American business and industry.

Individual investors may exchange

blocks of acceptable securities, with a minimum market value of \$10,000, for Fund shares. The exchange is based on one share of Ohio Franklin Fund Inc. for each \$20.00 of market value of securities deposited, less compensation to the Dealer Manager, as described in the Prospectus.

Investment dealers and individuals may obtain a copy of the Prospectus, in states where authorized for distribution, from The Ohio Company, Dealer Manager of the Fund.

THE OHIO COMPANY

Member of the Midwest Stock Exchange



51 N. High St.

investments

Columbus 15, Ohio

NEWS ABOUT BANKS AND BANKERS

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

Edwin R. Williams, a Vice-President of the Chase Manhattan Bank, New York, died July 15 at the age of 58.

A banker for 35 years, Mr. Williams was named a Vice-President of Chase Manhattan in 1955. He was in the Bank's international division at his death.

First National City Bank, New York, July 12 became the first United States Bank to open a branch office in Brazil's new capital city of Brasilia.

Citibank opened its first Brazilian branch in Rio de Janeiro in 1915 and with the Brasilia Branch operates 11 throughout the country in most of the major centers of commerce and industry. The Bank now has 81 branches in 28 countries overseas.

The city of Brasilia was inaugurated on April 21, 1960.

Carlos Berringer, Manager of the Brasilia Branch, is a Brazilian and has been with First National City for 43 years. Mr. Berringer moves to the Brasilia assignment

from Sao Paulo where he was an Assistant Manager.

Joseph Pulvermacher, President of Sterling National Bank & Trust Company of New York, announced the appointment of Lloyd Edelstein as Assistant Cashier at the Bank's headquarters, 1410 Broadway.

The Board of Trustees of the Broadway Savings Bank, New York, has elected Herbert E. Borneman as a Vice-President. Mr. Borneman, who joined the Bank in 1924, has been Assistant Vice-President. The promotions of E. Harold Kimbark to Treasurer, of Edward L. New to Assistant Vice-President and of Frederick W. Lange to Assistant Secretary also were announced.

The Security National Bank, Long Island, N. Y., figures published in the July 13, issue of *The Chronicle* page 182 as of June 30, 1961 were not given correctly. The June 30, 1961 figures should have been as follows: Total resources \$226,727,022; Deposits \$205,991,342. United States Securities \$49,385,417; Cash and Due from Banks \$25,049,184; Loans, Discounts and Mortgages \$122,648,382 and Undivided Profits \$788,731.

On July 3 the Comptroller approved an application of **The First National Bank of New Milford, New Milford, Conn.** and **The Sharon National Bank, Sharon, Conn.** to consolidate under the charter of the former and under the title of "Litchfield County National Bank, New Milford." The effective date is to be determined.

THE FAIRFIELD COUNTY TRUST COMPANY, STAMFORD, CONN.

	June 30, '61	Mar. 31, '61
Total resources	195,312,844	183,740,337
Deposits	173,892,620	164,267,842
Cash and due from banks	18,982,890	16,189,748
U. S. Government security holdings	38,318,295	37,111,469
Loans & discounts	116,711,291	109,020,958
Undivided profits	2,732,017	2,176,368

The Second National Bank of New Haven, New Haven, Conn., with common stock of \$1,819,125, and **The Community Bank and Trust Company, New Haven, Conn.**, with common stock of \$500,000 consolidated effective as of the close of business June 30. The consolidation was effected under the charter and title of "The Second National Bank of New Haven," with capital stock of \$2,319,125, divided into 185,530 shares of common stock of the par value of \$12.50 each.

Plans of merger of the **First National Bank of Bradley Beach, N. J.**, into the **Central Jersey Bank and Trust Company, Freehold, N. J.**, was approved by stockholders of both institutions. The combined institutions will have \$75,000,000 in assets.

Union National Bank in Newark, Newark, N. J. converted its \$148,800 of preferred stock, divided into 3,100 shares of a par value of \$48 a share, into 3,720 shares, of common stock of the par value of \$30 a share, thereby increasing the aggregate amount of the common stock to \$449,100, divided into 14,970 shares, of a par value of \$30 a share. Effective date June 30.

Western Pennsylvania National Bank, McKeesport, McKeesport, Pa. with common stock of \$6,668,140 and **The Bank of McKees Rocks, McKees Rocks, Pa.**, with

common stock of \$100,000 consolidated effective as of the close of business June 30. The consolidation was effected under the charter and title of "Western Pennsylvania National Bank, McKeesport," with capital stock of \$6,868,140, divided into 686,814 shares of common stock of the par value of \$10.00 each.

Jenkintown Bank and Trust Company, Jenkintown, Pa. Immediately after its withdrawal from the Federal Reserve System on July 3, this bank and **Industrial Trust Company, Philadelphia, Pa.**, consolidated under charter of Jenkintown Bank and Trust Company and title of Industrial Valley Bank and Trust Company, Jenkintown, Pa.

The Peoples National Bank of Mifflin, Mifflin, Pa., with common stock of \$50,000 and **The Farmers National Bank of Thompsettown, Thompsettown, Pa.** with common stock of \$35,000 merged effective as of the close of business June 30. The consolidation was effected under the charter of The Peoples National Bank of Mifflin and under the title "The Peoples-Farmers National Bank, Mifflin, Pa.", with capital stock of \$100,000, divided into 8,000 shares of common stock of the par value of \$12.50 each.

At special stockholders' meetings held July 14, the consolidation of **Baltimore National Bank, Baltimore, Md.** and **County Trust Company of Maryland, Glen Burnie, Md.** was approved, subject to the approval of the Comptroller of the Currency, Washington, D. C., according to a joint announcement by Hooper S. Miles, Chairman of the Board of Baltimore National Bank, and Delbert Davis, President of County Trust Company of Maryland.

The new Bank will have total resources in excess of \$500,000,000 and capital funds of over \$38,000,000.

Bank of Powhatan, Incorporated, Powhatan, Va., and Cumberland County Bank, Cumberland, Va., merged July 5 under charter of Bank of Powhatan, Incorporated and title of **Bank of Powhatan**.

On July 6 the Comptroller approved an application of **The First National Bank of Wapakoneta, Wapakoneta, Ohio** and **The Home Bank, Cridersville, Ohio**, to consolidate under the charter and title of "The First National Bank of Wapakoneta." The effective date is to be as of the close of business July 31.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, ILL.

	June 30, '61	Dec. 31, '60
Total resources	2,845,558,720	2,886,321,972
Deposits	2,464,134,748	2,481,717,051
Cash and due from banks	666,305,662	584,274,201
U. S. Govt. security holds.	407,711,012	527,570,965
Loans & discts.	1,358,161,057	1,436,478,236
Undivid. profits	17,992,149	10,265,519

A State charter was issued to **United Bank of America, Chicago, Ill.** on June 26 by Conrad F. Becker, Director of the Department of Financial Institutions. The new Bank will be located in the 41-story building under construction at the southeast corner of Wacker Drive and State Street. It will open for business early next year.

Charles J. Schaniel is President and chief executive officer, O. T. Hogan, is Chairman, and J. R. Hogan is Vice-Chairman.

United Bank will have an initial capitalization of \$2,000,000.

Morton Klein Co. Opens

Morton Klein & Co., Inc. is conducting a securities business from offices at 527 Lexington Avenue, New York City.

Uris Buildings Common Offered

Public offering of 84,403 common shares of Uris Buildings Corp. (New York, N. Y.) is being made by an underwriting group headed by Kuhn, Loeb & Co., Inc. at \$18.50 a share.

The offering does not constitute new financing by the company. The shares being offered represent a part of the holdings of a small number of stockholders, including certain officers and directors of the company other than Percy and Harold D. Uris, Chairman and President, respectively. The Uris brothers, after a recent gift of 75,000 shares of Uris Buildings to Columbia University, continue to be the majority stockholders of the company, owning between them 62% of its outstanding common stock. Columbia University has registered such 75,000 shares for sale from time to time in the future independently of the current offering by the underwriting group.

Uris Buildings Corp. is one of the nation's largest organizations engaged in the construction and operation of office buildings. It owns six completed office buildings in New York City and Philadelphia and is constructing a seventh office building in the Wall Street district of New York City. In addition it is involved in two joint projects — one with Rockefeller Center, Inc. for the financing, ownership and operation of a 43-story office building in the Rockefeller Center area of New York City and the other with Rockefeller Center Inc. and Hilton Hotels Corp. for a 45-story luxury hotel, also in the Rockefeller Center area.

The new Uris building in the Wall Street district, a 38-story structure at 60 Broad St., is scheduled for completion in May, 1962, the Uris-Rockefeller Center office building in late 1962, and the Uris-Rockefeller Center-Hilton hotel in early 1963.

Amer. Photocopy Equipment Common Offered

Public offering of 435,000 shares of common stock of American Photocopy Equipment Co. (Evanston, Ill.) is being made by an underwriting group headed by Lehman Brothers, New York City. The stock is priced at \$33.25 per share.

Of the shares offered, 50,000 shares represent new financing by Apcco which will add the resultant proceeds to general funds available for general corporate purposes.

The balance of the shares is

being offered for the account of certain stockholders who, presently owning 2,939,091 shares or approximately 39% of the total shares outstanding, will own 2,554,091 shares or approximately 34% after the sale.

Apcco is a leading producer of photocopy equipment for the reproduction of copies of letters, documents and other material; manufacturer of photographic-type paper used in the equipment; and producer of office laminating and binding equipment.

Net sales in the three months ended Feb. 28, 1961 were \$8,258,433 compared with \$6,843,884 in the quarter ended Feb. 29, 1960. Net income in the respective periods of 1960, was \$1,195,847 and \$999,507.

Authorized stock consists of 10,000,000 no par common shares of which 7,483,136 will be outstanding upon completion of this sale.

Indust. Control Products, Inc. Common Offered

Pursuant to a July 14, 1961 prospectus, Edward Hindley & Co., New York City, and associates, publicly offered 165,000 common shares of Industrial Control Products Inc. at \$3 per share. Proceeds will be used by the company for advertising and selling expenses, research and development, inventory, equipment, plant expansion and working capital.

The company, of 78 Clinton Road, Caldwell Township, N. J., is engaged in subcontract machining and the design and manufacture of products in the field of electrical and hydraulic components and systems. Authorized stock consists of 1,500,000 10-cent par common shares, of which 430,000 will be outstanding upon completion of this sale.

Basis Club to Hold Outing

DETROIT, Mich.—The Basis Club, an association of young men in the municipal bond field in Detroit, will hold its Fourth Annual Summer Outing on August 11, 1961 at the St. Clair Inn and Country Club, St. Clair, Mich. Activities will include golf, swimming and cards.

In the evening, following the awarding of golf and door prizes, a cocktail party, dinner and dancing for members, guests and their wives will be held at the Shore Hill House which is across the highway from the Country Club.

Arrangements and reservations may be made with Jerome W. Kelly, Kenower, MacArthur & Co., 1824 Ford Building, Detroit 26, Michigan.

REPORT OF CONDITION OF

Underwriters Trust Company

of 50 Broadway, New York 4, N. Y., at the close of business on June 30, 1961, published in accordance with a call made by the Superintendent of Banks pursuant to the provisions of the Banking Law of the State of New York.

ASSETS	
Cash, balances with other banks, and cash items in process of collection	\$9,154,706.23
United States Government obligations, direct and guaranteed	20,471,083.50
Obligations of States and political subdivisions	2,157,084.81
Other bonds, notes, and debentures (including \$481,186.15 securities of Federal agencies and corporations not guaranteed by U. S.)	481,186.15
Loans and discounts (including \$3,435.44 overdrafts)	26,019,248.95
Bank premises owned, none; furniture and fixtures	265,816.82
Real estate owned other than bank premises	233,328.25
Other assets	273,124.19
TOTAL ASSETS	\$59,055,578.90
LIABILITIES	
Demand deposits of individuals, partnerships, and corporations	\$22,256,009.24
Time and savings deposits of individuals, partnerships, and corporations	9,432,736.66
Deposits of United States Government	433,207.40
Deposits of States and political subdivisions	19,523,306.97
Deposits of banks	1,428,677.78
Certified and officers' checks, etc.	1,667,201.03
TOTAL DEPOSITS	\$54,741,139.08
(a) Total demand deposits	\$25,136,290.86
(b) Total time and savings deposits	\$29,604,848.22
Other liabilities	310,059.99
TOTAL LIABILITIES	\$55,051,199.07
CAPITAL ACCOUNTS	
Capital: (a) Common stock, total par value	\$2,000,000.00
Surplus fund	1,000,000.00
Undivided profits	1,004,379.83
TOTAL CAPITAL ACCOUNTS	\$4,004,379.83
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	\$59,055,578.90
MEMORANDA	
Assets pledged or assigned to secure liabilities and for other purposes	14,801,229.04
Loans as shown above are after deduction of reserves of	164,000.14
Securities as shown above are after deduction of reserves of	168,495.00
I. KENNETH W. LANDFARE, Treasurer, of the above-named institution, hereby certify that this report of condition is true and correct to the best of my knowledge and belief.	
KENNETH W. LANDFARE	
Correct Attest:	
CHRISTIAN W. KORELL	Directors
JOHN E. BOOTH	
JOSEPH B. V. TAMNEY	

All of these shares having been sold, this announcement appears as a matter of record only.

NEW ISSUE

100,000 Shares

Photronics Corporation

Common Stock
(Par Value 10c per Share)

Price \$5 per Share

L. D. SHERMAN & CO.

July 20, 1961

AS WE SEE IT

Continued from page 1

have come to the conclusion that they want more out of life than they are getting. Of course, this individual speaker had reference only to Pakistan, but if what he says of that relatively small country is true, then it is true of most of the rest of the world not now under the rule of the Kremlin or of Peiping, and where people are backward and poverty ridden. That is precisely what we are being told, not only by representatives of these indigent countries but by a substantial element in our own population. Mohammed Ayub Khan has been a little more explicit and certainly more articulate than some of the others, but that seems to be about the only difference.

Human nature is strange. It may be that millions of people who now have been repeatedly told that the world has not dealt with them fairly would turn from this country (should we be something less than profligate in our gifts) to others which could not and would not do anything to afford real and lasting relief, but which would, without a shadow of doubt, place the yoke of serfdom upon them. We should, perhaps, be naive to expect ignorant and prostrate people to detect the sham of communistic advances, or to accept the obvious fact (obvious at least to the rest of us) that in the end they will find it necessary to work their own way out of their plight—with only such capital assistance as they can show themselves deserving of. These are some of the imponderables of the day upon the answer to which the fate of the world may well turn. We hesitate to be dogmatic about them.

Pertinent Facts

Meanwhile, though, certain basic facts, now all too often apparently overlooked, may well be reviewed. One of the first of these is that the tasks set forth in arguments such as that of Pakistan's President are far and away beyond the capacities of this and all the other countries whose aid is being solicited. Pakistan itself is, of course, a relatively small country, but alongside it is India, a much larger country. All about them in Asia and neighboring islands are hundreds of millions of people who could say with just as much right as Pakistan that they need "this and we need that"—and add the threat that if they do not get it they may well bow their heads to the tyranny of the Kremlin or Peiping. Africa has many, many others in about the same category. Closer home, we are being told that should we fail to do for Latin America what is now being asked for Pakistan, Mr. Castro of Cuba will take

over in the name of the Kremlin. Salvation of the poverty ridden and backward peoples of the world by the mere generosity of the more fortunate simply is not in the cards.

Another fact often overlooked is the circumstance that the conditions lamented are not of recent origin. This widespread poverty, this almost universal ignorance, and this universality of disease have been with us a long, long time. To this the usual reply is that these hundreds of millions, not to say billions, of men and women have only recently become aroused and insistent upon a better life. This often is but another way of saying that there has been an extraordinary amount of fishing in troubled waters, and that well meaning, "socially conscious" elements throughout the various countries have been at work aiding and abetting the troublemakers—without, of course, in the least intending to do so. But whatever the state of mind of these peoples today, and whatever may be the natural wish of well-intentioned peoples elsewhere, the fact is that a mere conclusion by these unfortunates that they "deserve" a better fate will not bring what is desired. The more fortunate among the peoples of the world did not attain their present status by merely insisting that they deserved better than they were getting!

More Than "Aid" Required

Again let it be said with emphasis that a great deal more than "aid" is required to right the situation about which we now hear so much complaint. Obviously a never ending stream of food and clothing and the rest to all these areas (were it possible to find these things in sufficient quantities) would not, and, in the nature of the case could not do more than relieve suffering so long as the stream continued—and make loafers of the recipients. And what about the machine tools, the machines and the "this and that" listed by Pakistan's President? Suppose by some stroke of magic it proved possible for us to equip the population of Pakistan with all the capital equipment common in this country. Could that be expected to end their difficulties within a reasonable length of time? The obvious answer is in the negative. Large numbers of people able and willing to operate the equipment, and capable of knowing how and where it would bring the best results would obviously also be necessary. There are not enough such individuals available in the world to do these things for all these countries now screaming for aid.

PUBLIC UTILITY SECURITIES BY OWEN ELY

The Columbia Gas System, Inc.

Columbia Gas, which began operations in 1926, is the largest U. S. integrated natural gas system, with net assets of over one and a quarter billion dollars. It serves portions of seven mid-Atlantic states, a wide area of Pennsylvania, including parts of Pittsburgh; most of Ohio, including Cincinnati and Columbus; in Maryland, an area extending from Cumberland to Baltimore, and the city of Washington is served by one of Columbia's wholesale customers, Washington Gas Light. Directly and indirectly a population of about 15 million is served, in some 1,900 communities.

Among the principal cities served at retail are: Columbus, Toledo and Springfield, O.; part of Pittsburgh, Charleston and Wheeling, W. Va.; Binghamton, N. Y.; Cumberland, Md., and Frankfort, Ky. Principal wholesale markets include: Washington, D. C.; Baltimore, Md.; Cincinnati and Dayton, O.; Richmond and Norfolk, Va.; Bethlehem, Reading, Allentown and Harrisburg, Pa., and Nyack and Poughkeepsie, N. Y.

The system includes the parent company, Columbia Gas System Service Corp., 14 operating gas companies, an oil company and a hydro-carbon company. A number of years ago Columbia Gas began a program of corporate streamlining, largely to simplify regulatory problems, and when it has been completed the system (in addition to the parent company and the service corporation) will comprise a single gas transmission company in the Appalachian area, one distribution company in each of the seven states in which the system operates, its southwest pipeline company (Columbia Gulf Transmission) and the oil and hydrocarbon companies.

The area served by Columbia, while largely industrial in character, is well diversified. For example, new industrial loads connected last year included such varied industries as the following: brick, tile and pottery, glass, steel and non-ferrous metals, petroleum refining, steam genera-

tion, air conditioning, and the manufacture of petro-chemicals.

The Columbia System has grown rapidly during the past decade—plant increased 177%, sales 131%, revenues 223%, and net income 161%; the number of customers was up 31% and the number of stockholders 173%. In 1960, despite the industrial recession, revenues increased 12.4%; residential and commercial gained 10.2% and industrial 14.4%. Expenses were up 12.6%—the cost of purchased gas increasing 16.0% and other expenses 9.1%. Notable events of 1960 included the first use of an aircraft jet engine for stationary power; putting compressor stations on automatic control; use of plastic pipe for an entire local distribution system and completion of a new microwave system.

Providing adequate gas supplies has been a major problem for the system since the Appalachian field long ago proved inadequate. Columbia companies buy gas from local producers in Ohio, West Virginia and Pennsylvania and have expanded their Appalachian production and purchases to New York, Kentucky, Maryland and Virginia. They are also customers of all of the major pipeline companies, and the system buys huge quantities of Louisiana gas. Columbia has also drilled exploratory wells to depths as great as 13,000 feet in its own continuing search for gas. In 1960 the system obtained 8% of its supply from owned Appalachian reserves, 8% from Appalachian producers, 28% from controlled Southwest gas, and 56% from Southwest pipeline companies.

Many years ago Columbia began a program of underground storage of natural gas and it now has 43 storage fields with total capacity of half a trillion cf. The system has a peak day send-out capacity of 5.3 billion cubic feet. Total proven reserves of all kinds amount to nearly 15 trillion cf, of which, however, only 1.4 billion cf are fully owned. The system in 1960 drilled 130 new producing gas wells and entered into approximately 260 new con-

tracts for purchase of gas from producers.

Columbia Gas has a huge construction program which last year approximated \$100 million. While bank loans are used to finance the purchase of gas for storage as well as to supply temporary working capital, the company last year raised about \$56 million from sale of debentures and stock. The capital structure is conservative, with an equity ratio of 46% as of Mar. 31, 1961. There is no preferred stock.

Columbia's rate situation is complicated because of the number of regulatory commissions involved; as of last December there were 18 cases pending, of which 12 were before the Federal Power Commission. Twenty-two million dollars was being collected annually on wholesale rates and over \$2 million on retail rates. However, this reflected considerable progress made in 1960 in negotiating settlements of a large number of old cases; 15 cases before the FPC were settled obtaining about \$8.7 million in wholesale rates and nearly \$17 million of retail increases. At present suppliers (both pipelines and producers) are charging the system nearly \$40 million in increased rates, which are pending before the Federal Power Commission; offsetting raises in the company's own rates have been filed.

While the reported earnings of Columbia Gas, like those of most other pipeline systems, are thus complicated by the large amounts of revenue involved in litigation, the company's reported earnings since 1953 have been reasonably good, though irregular. On an overall basis since 1950, however, per share earnings have shown a net gain of only 28% (from \$1.18 to \$1.51) or less than 3% per annum. The dividend rate was increased from 75 cents to 90 cents in 1951, to \$1 during the year 1956 and to \$1.10 last year. The stock is noted for its stability. At the recent price around 26½, it yields 4.2% and sells at only 16.7 times the earnings of \$1.59 for the 12 months ended Mar. 31.

Packer, Wilbur in N. Y. C.

Packer, Wilbur & Co. Inc. has been formed with offices at 165 Broadway, New York City, to engage in a securities business. Officers are Wilbur Hyman, President; Archie Packer, Vice-President and Treasurer; and Milton Zlotnick, Secretary. Mr. Packer was previously with R. F. Dowd & Co. Inc.

This announcement is not an offer to sell nor a solicitation of an offer to buy any of these securities. The offer is made only by the Prospectus.

NEW ISSUE

July 14, 1961

165,000 Shares

Industrial Control Products, Inc.

Common Stock

(par value 10¢ per share)

Price: \$3.00 Per Share

Copies of the Prospectus may be obtained from the undersigned and from such dealers as may legally offer these securities in this State.

Edward Hindley & Co.

Draper Sears & Co.

Keller & Co.

Jos. Friedman Opens

Joseph A. Friedman has formed Joseph A. Friedman Co. with offices at 6 Harrison Street, New York City, to engage in a securities business.

Form Ind. Securities

GROTON, Conn. — William L. Gary is engaging in a securities business from offices at 79 West Elderkin Avenue under the firm name of Independent Securities Co. He was previously with Peoples Planning Corp.

MUTUAL FUNDS

BY JOSEPH C. POTTER

Report on a Report

Yankeeland, with its diverse growth industries, is on "the make" once more, after having been written off by the men of little faith as the economic graveyard of America. In its heyday, Yankeeland played a major role in American finance and in this generation, which has given rise to the \$20-billion mutual fund business, its part has not been inconsiderable.

This is by way of a salute to Investment Trust of Boston, which early this month put into the mail to 19,600 shareholders a special anniversary report marking its 30th year. It was founded in Boston when not only New England's, but the whole nation's fortunes were at a low ebb. Robert L. Moore and Ernest Henderson founded the fund as World Finance Investment Trust.

Today Bob Moore, its President, is best known as Chairman of the Board of Sheraton Corp. and Ernie Henderson, along with Mr. Moore among the six ITB trustees, is President of Sheraton. The co-founders were guided by three basic beliefs. They reasoned:

"The Depression could not destroy fundamental values. Stocks with leverage offered prime opportunities for profit especially in such markets as then prevailed. The value of leverage could be compounded by exercising borrowing power, when conditions indicated."

They were indeed shrewd men and, more than that, possessed of considerable vision. From the outset they envisaged the need for a continuous investment program, the forerunner of our mutual fund periodic buying plans. The initial paragraph of their original circular stated flatly:

"The principal purpose for establishing this trust is to provide employees of business houses an opportunity to set aside weekly from their salary for five years a small portion of their income for investment."

For the most of the life of the fund, Mr. Moore and Mr. Henderson represented two-thirds of the Board of Trustees. However, since 1949 the management group has been expanded to embrace the six trustees and a five-man advisory board.

But how did they fare as an open-end investment company back in the dim days of the 1930's and 1940's when they were pretty much the whole show?

Well, when they closed up shop at the end of 1931, after eight months in business, net asset value per share was 27 cents. The figure rose steadily with the passing years, reaching \$1.24 by the end of 1936. That was the year of their initial capital-gains distribution, the equivalent of a nickel per share. Still, that wasn't bad, considering that the original offering price was a shade under 42 cents a share.

Then came the crash of 1937 and before the twelvemonth had passed the asset value behind each share had shrunken to 53 cents. Yet that very year there was a capital-gains distribution of 18 cents.

Mr. Moore and Mr. Henderson picked themselves up and went on to build asset value behind each share of about \$4 before the 1940s had passed. With their expanded management group and a resurgent economy, they went on to push values to above \$12 a share this year. As the latest annual report notes, total net assets amount to \$73,500,000. (A footnote to fund history: when the fund was founded in 1931 the

total net assets of all mutual funds in the United States were about \$64,000,000.)

If you guessed that the largest single holding of ITB is Sheraton, then you were not too wide of the mark. The market value of Sheraton, as shown in the anniversary report, is around \$1,200,000. But that's topped by over \$1,400,000 worth of Eastman Kodak, in excess of \$1,300,000 worth of U. S. Steel and \$1,400,000 of International Nickel. And those three are topped in turn by \$2,333,000 worth of Philips Lamp Works. Its holdings of International Business Machines is just a trifle bigger than the value of Sheraton.

And is case you haven't already guessed, the biggest holding is nearly \$3,000,000 of American Telephone & Telegraph. That's well over 4% of the fund's total net assets.

This leverage-minded trust, of course, has used its borrowing power in varying amounts from time to time. The effect of borrowing is that the net asset value of shares is likely to increase more in a rising market and decline more in a falling market than would be the case for non-leverage funds. During the 12 months from May 31, 1960, the ratio of convertibles (preferreds and bonds) declined.

What, is the inevitable question, have the trustees of ITB been up to this year? Well, they've been increasing their holdings of Armour, Gulf Oil, Kentucky Utilities, Montana Power, Pittston Company, R. J. Reynolds Tobacco and Standard Oil of California. At the same time they've been eliminating Consolidated Edison of New York and Jones & Laughlin Steel. They've also been reducing holdings in Aluminium Ltd., Cities Service, Detroit Edison, North American Aviation, Philips Lamp, Polaroid and Reynolds Metals.

Happy Anniversary!

The Funds Report

Sales of shares of the **Broad Street Group of Mutual Funds** set a new record in the first half of 1961 and were at an all-time high in June, according to Robert H. Brown, Jr., President of Broad Street Sales Corp., general distributor of shares for the Group. For the first six months, Mr. Brown reported, sales at net asset value of shares of Broad Street Investing Corp., National Investors Corp., and Whitehall Fund, Inc., totaled \$45,372,818, 61% above the corresponding period of 1960. June sales amounted to \$8,596,361, topping sales of shares for May by 13% and June of a year ago by 57%.

Chemical Fund, Inc. reports increases in total assets, stockholders and net assets per share for the first six months of 1961. Total assets at June 30 amounted to \$297,769,781, compared with \$268,478,795 at the close of 1960 and with \$269,526,978 on June 30, 1960. Stockholders numbered 65,126 at latest report, up from 64,374 at June 30 last year.

During the latest quarter Chemical Fund eliminated International Nickel and Owens-Illinois Glass preferred and added for the first time securities of Purex.

Dominick Fund reports that at June 30 net asset value was \$43,633,212, equivalent to \$24.90 for each of the 1,752,085 shares outstanding. Comparable figures on June 30, 1960, were \$38,216,604, or \$22.36 per share, and on Dec.

31, 1960, \$38,152,745, or \$22.32 per share.

Among the changes in common stock holdings during the June quarter were sales of holdings in Continental Can, Dow Chemical, Medallion Petroleum Ltd., Merck & Co., Newmont Mining, Prentice-Hall and Radio Corp. of America. Included in the stocks purchased were American Machine & Foundry, Avco Corp., Beech Aircraft, Eastman Kodak and General Precision Equipment Corp.

Changes in the dividend and periodic withdrawal policies of **Financial Industrial Income Fund** were announced by its sponsoring organization, FIF Management Corp. Holders of 500 or more shares of the fund may now elect to receive dividend payments monthly instead of on a quarterly basis. This option was previously limited to holders of 1,000 or more shares.

In addition, holders of shares worth \$5,000 or more, computed at the offering price, are now eligible for the fund's periodic withdrawal privileges. The previous minimum requirement was \$10,000.

General American Investors Co., Inc. reports that at June 30 net assets were \$62,670,510, equal to \$32.31 per common share. Share value was \$31 at the end of the previous quarter and amounted to \$27.70 on Dec. 31, 1960.

During the latest quarter the company purchased Brockway Glass and Celanese and stepped up holdings of Foster Grant, Industrial Acceptance Corp. Ltd. and Olin Mathieson. It eliminated Deere & Co., Dominion Stores Ltd., Freeport Sulphur, General Portland Cement and United Carbon Holdings of American Metal Climax, American Viscose, Cyprus Mines and Tennessee Corp. were reduced.

General Public Service Corp. reports net assets on June 30 amounted to \$55,857,732, or \$7.07 a share. This compares with \$51,255,601 and \$6.49 a share at Dec. 31. At June 30, 1960, net assets were \$50,859,633, or \$6.63 a share. During the quarter additions were made to investments in Gulf Oil, Newmont Mining, Sierra Pacific Power and Tennessee Gas Transmission. A part of cash assets were invested in corporate bonds and holdings in General Electric, Westinghouse Electric, Goodyear, Northern Indiana Public Service, Yale & Towne and Parke, Davis were eliminated.

Net assets of the **Lazard Fund** on June 30 totaled \$125,029,843, or \$17.17 a share. This compares with \$16.66 a share at March 31 and \$15.72 a year earlier. Lazard has added to its portfolio British Columbia Forest Products Ltd., Commonwealth Oil Refining Co., Inc., W. R. Grace & Co., MacMillan, Bloedel & Powell River Ltd., St. Regis Paper and Ventures Ltd.

Lazard's ten largest holdings, in order of market value, are Georgia-Pacific, Royal Dutch Petroleum, Bestwell Gypsum, Philips Incandescent Lamp Works, B. F. Goodrich, Travelers Insurance, Gulf Oil, Aetna Life Insurance, Newmont Mining and Olin Mathieson.

Directors of **Southwestern Investors, Inc.** have recommended to shareholders a two-for-one split of the company's shares. Approval of shareholders is necessary before the split can become effective and a special meeting of shareholders will be held July 26 to vote on the proposal. On July 10, record date for shareholders entitled to vote, the diversified open-end investment company had 260,491 shares outstanding owned by 1,286 shareholders.

In a special quarterly report on operations of the company for

the first nine months of the fiscal year, company said total net assets were at a record high of \$4,247,413. This was a gain of 44% from the \$2,944,889 reported at the start of the fiscal year. Asset value per share on June 30 was \$16.44. Adjusted for a capital gains distribution of 57½ cents in November, the June 30 per share asset value of \$16.44 represents a gain of 25% in the nine months. On June 30 the shares were offered at \$17.77 per share.

Tri-Continental Corp. reports record midyear highs in assets per common share and investment assets. Investment assets were at a quarter-end high of \$463,857,695, up \$51,476,082 from the figure at the start of the year. Assets per common share were \$55.19 at June 30, compared with \$49.15 at the start of the year and \$49.58 at mid-1960.

New common stock positions were taken during the latest quarter by purchase of American Metal Climax and Weyerhaeuser. Holdings were increased in Allegheny Ludlum Steel, International Paper, Lehigh Portland Cement, R. J. Reynolds Tobacco, Texas Gulf Sulphur and Union Bag-Camp Paper. Holdings of Bethlehem Steel, Bristol-Myer, Continental Can and Kroger were reduced.

United States & Foreign Securities Corp. reports total net assets as of June 30, amounting to \$115,568,307, equal to \$34.91 per share on the 3,310,815 outstanding shares of capital stock before provision for Federal income taxes in controversy. After such provision, net assets equaled \$32.24 per share. This compares with total net assets on Dec. 31, 1960, of \$104,539,183, equivalent to \$31.58 per share before the tax provision and to \$28.96 per share after.

Named Atlanta Mgr.

ATLANTA, Ga.—Ralph Williams has been appointed manager of the Atlanta office of Francis I. duPont & Co., Trust Company of Georgia Building.

Mr. Williams was in the investment field in Atlanta with the First Southeastern Corporation and was serving as assistant manager of its office when it was absorbed by Francis I. duPont & Co.

Wien Incorporates

JERSEY CITY, N. J.—M. S. Wien & Co., Inc. has been formed to continue the investment business of M. S. Wien & Company, 1 Exchange Place.

THE LAZARD FUND, INC.**Report**

for the six months ended
June 30, 1961

Available upon request

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

Investors!
CONSIDER . . .
EATON & HOWARD
Balanced Fund
Investing in bonds, preferred, and common stocks for current income and possible growth of principal and income . . . since 1932.

Stock Fund
Investing primarily in selected common stocks for possible growth of principal and income . . . since 1931.

Prospectuses available from your Investment Dealer or
EATON & HOWARD, Incorporated
24 Federal St., Boston 10, Mass.
 BALANCED FUND STOCK FUND
Name _____
Address _____

FUNDAMENTAL INVESTORS, INC.
Investing in common stocks selected for possibilities of growth in income and capital over the years.

DIVERSIFIED INVESTMENT FUND, INC.
A balanced investment in bonds, preferred stocks and common stocks.

DIVERSIFIED GROWTH STOCK FUND, INC.
Investing for long term growth possibilities in securities of companies in many fields of scientific and economic development.

Hugh W. Long and Company
Incorporated
Westminster at Parker • Elizabeth, New Jersey

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The Treasury, in its first refunding operation of the new fiscal year went pretty much according to expectations when short- and intermediate-term obligations were offered in a package deal to the owners of the August, September and October maturities. In addition, the holders of the securities that are coming due had the exclusive right to subscribe to the refunding issues. This means that the "rights" method was used instead of the "cash" refunding idea.

Terms of Refunding

The owners of the \$7.8 billion of 3½% certificates due Aug. 1; \$2.1 billion of 4% notes also due Aug. 1; \$2.2 billion of 2¾% bonds payable on Sept. 15; and \$332 million of 1½% notes maturing on Oct. 1, were given a choice of cash or the following new obligations: A 3¼% note, due Nov. 15, 1962; a 3¼% note, maturing Aug. 15, 1964; along with a reopening of the 3½% bond, due May 15, 1968. This 3½% bond was offered to the owners of the maturing obligations at a price of 99½ to yield 3.98%.

The financial community evidently liked what was put out by the Treasury. In addition, the Treasury offered to the general public \$3.5 billion of tax anticipation bills coming due Mar. 23, 1962. Also, the government indicated that by the end of 1961, the Treasury will have need for new money in the amount of about \$9,500,000,000, with the current new money-raising operation taking care of about \$4 billion, leaving some \$5,500,000,000 to be provided for later on in the year, some of which will be obtained in October or a little bit earlier.

Even though there is a short bond in the refunding offer (the reopened 3½% due May 15, 1968) this obligation is in the intermediate term maturity range, so that the prevailing policy of the Treasury in both its new money and refunding operations remains just about as it has been all along.

Interest Rates to Remain Steady

There are growing opinions now in the money and capital markets that the future foresee-

able trend of interest rates will be pretty much as it has been in the recent past. In other words, in the last half of 1961, with the government an active borrower of new money and with refunding operations also to be part of these financial ventures, it is believed that the monetary authorities will not be making any changes of importance in its policies unless there is a return to the boom and bust psychology which usually accompanies a revival of inflation fears. Accordingly, it appears as though the Treasury should be able to get its new money at a cost which would compare favorably with what has been paid for these funds in the recent past.

In addition, the refunding of securities as they come due should also be provided for at rates that should be in line with those which have been obtained by the government in this last one and other such operations in 1961.

Larger Corporate Financing Expected

In spite of the uptrend in business, there is more than a passing amount of opinion around that the demand for loanable funds will be below what is considered to be a normal seasonal rise this fall. On the other hand, there are strong beliefs in capital market circles that spending for business purposes to cut costs and to improve competitive conditions will pick up with the passing of the summer. This might mean that bond offerings by corporations will again be on the incline in the not too distant future, in spite of the opinions that an important amount of these funds, which would be needed for business as a whole, should be obtained from the sale of common stocks.

Emphasis on Short-Term Area

The current new money and refunding operation of the Treasury appeared to follow pretty much the pattern which has been in use as far as the Administration is concerned. The emphasis is still on keeping short-term rates attractive enough so that the money which can be moved readily from one free world center to another will find it profitable to stay right here in the United States. In addition, the recovery should not be slowed down or retarded by higher interest rates or by a tightening of credit. This would appear to forecast an ample supply of funds so that the needs of business will be well taken care of. Such conditions would seem to indicate a short-term money market which will provide for the liquid needs of those who must have such issues.

In addition, the government will be able to raise money and refund maturities through the use mainly of money market obligations. The long-term area or the capital market will still be pretty much the exclusive property of non-Federal borrowers.

Grant, Jones Co. Formed

WASHINGTON, D. C. — Grant, Jones & Company, Inc., has been formed with offices in the Mills Building, to engage in a securities business. Officers are Thomas W. Jones, President and Treasurer; Harold E. Grant, Vice-President and Secretary; and Avis R. Grant and Dorothy C. Jones, Assistant Secretaries. Mr. Grant and Mr. Jones were formerly with Balogh & Co., Inc.

Atlas Chemical Industries, Inc. Finance Program

Ralph K. Gottshall, Chairman and President of Atlas Chemical Industries Inc., formerly Atlas Powder Co., has announced that the company recently completed a major financing program. The financing included \$9,000,000 of revolving credit agreements with a group of leading commercial banks and \$9,000,000 of 4½% 15-year notes placed privately with institutional investors.

A major portion of the new funds will be used in connection with the construction of the company's new glycerin and related higher alcohols project and the remainder for other related capital improvements to existing facilities. The new plant, which will be located at Atlas Point, near Wilmington, Del., will have an initial capacity of 50,000,000 pounds annually.

The private placement of the long-term notes was arranged through F. Eberstadt & Co., New York City, which also assisted in arranging the bank credit agreements.

Action Discount Dollars Corp. Securities Sale

J. B. Coburn Associates, Inc., New York City, is publicly offering 42,500 units of Action Discount Dollars Corp., at \$7 per share. The units consist of one share of common and one share of class A stock. Net proceeds, estimated at \$231,875, will be used by the company for printing, advertising, equipment, training of personnel and working capital.

The company of 26 Broadway, New York City, is engaged in the business of selling and redeeming trading stamps used as an aid to stimulate business in retail establishments, savings institutions, motion picture theatres, bowling alleys, gasoline stations and a variety of other businesses.

Archer Securities Opens

FREEPORT, N. Y. — Archer Securities Corporation has been formed with offices at 30 Bedell Street, to engage in a securities business. Officers are Joseph H. Fisher, President and Treasurer, and Jeffrey Doremus, Vice-President and Secretary. Both were formerly with Dunn & Co. and First Investors Corporation.

THE SECURITY I LIKE BEST...

Continued from page 2

Curtiss Wright, TWA, Canadian Broadcasting Co., the Canadian Government and the Metropolitan Life Insurance Co., and also, leading typographers, advertising agencies and graphic-art houses throughout the United States and Hawaii. All have enjoyed success with their cameras. (Metropolitan Life Insurance published an article in the trade magazine "Photo Methods for Industries," describing their broad use of projections and slides in conferences, sales meetings, educational projects, etc., and in what way the company has made extensive use of the STATMASTER camera in this program. This is just one example of many demonstrating how companies have integrated this camera in their operations. Reprints of these articles are available from the Statmaster Corp., Hialeah, Fla.)

Until recently, the majority of sales has been on the East Coast because of limited production capacity. In March of this year, the company more than doubled capacity which will allow sales in other areas of the country, particularly the West Coast, from where the company has received many inquiries concerning the purchase of the cameras. With this phase of the company's program completed, all executive efforts are directed toward establishing sales and service throughout the country.

Another source of revenue is the sale of chemicals and papers. The company purchases these items in bulk and redistributes them under the STATMASTER label.

Also, the company currently has under development certain additional accessories for which patents have been filed. This will allow even greater versatility.

At present, these patents are issued: on the design (camera-darkroom combination) and the copy-board which has no gears or levers—instead, an exclusive counter balance device; on the platen back or film holder which operates under spring tension and travels within the confines of the darkroom.

The company was organized in late 1955, with sales of \$223,392 for the fiscal year ending July, 1959, the first full year of production. It is interesting to note the company operated at a profit that year. The following year (ending July, 1960) sales advanced to \$316,000.

Sales for the current year will be approximately 10% greater or

about \$350,000. But, orders for the cameras have increased substantially since June and sales are currently running at the rate of about \$1 million per year. Management expects this increase to continue and plans are underway to possibly hire additional employees for a night shift.

As for earnings, preliminary estimates from management are about \$35,000 before taxes compared to \$25,000 for the previous year. Management advises that pre-tax profit margin climbs to the 12-13% level above a volume of \$400,000 in sales. This would indicate pre-tax earnings for the year August, 1961-July, 1962 in the area of \$115,000-\$120,000.

The initial offering to the public was through units of \$125,000 of 6½% convertible subordinated debentures and 125,000 shares of common stock at \$100 per unit, each unit consisting of \$50 principal amount of debentures and 50 shares of common stock. Since the offering, all of the debentures have been converted, increasing the number of common shares to 312,500, including 83,000 shares owned by management.

Alvin Polland, President, was one of the organizers of the company. He has been a commercial artist and photographer for 25 years.

Sophia Polland, Vice-President, Secretary, with over 25 years experience in commercial photography and graphic arts is responsible for many of the developments incorporated in the company's products. Mrs. Polland is believed to be the only woman in the country so experienced in this phase of photography. She is an experienced saleswoman, technician, and industrial camera designer.

The shares currently sell at 6½-7 over-the-counter, and caution is advised in purchasing the stock because of the relatively small number outstanding.

In summary, I believe the company to have a promising future, producing a camera satisfying the various needs of industry at very low cost. As the foregoing indicates, the camera is a unique one. I also believe the stock offers unique possibilities to the speculator who can assume the risks involved at this early stage of the company's life.

Form Bruce-Atkind Co.

Bruce-Atkind & Co., Inc. has been formed with offices at 15 William Street, New York City, to engage in a securities business.

Specialists in

U. S. GOVERNMENT

and

FEDERAL AGENCY

SECURITIES



AUBREY G. LANSTON
& Co.

INCORPORATED

20 BROAD STREET
NEW YORK

★ ★ ★

CHICAGO BOSTON

All these shares having been sold, this advertisement appears only as a matter of record.

NEW ISSUE

July 13, 1961

100,000 Shares

TRANS-AIRE ELECTRONICS

INC.

Common Stock

(Par Value \$.10 per share)

Underwriters

Bertner Bros.

Earl Edden Co.

Investing for Banks

Continued from page 4

United States Treasury Bonds maturing in 1996, purchased at \$99 in the spring of 1958 when money was plentiful would only have returned about \$80 if liquidated in late 1959, when money became scarce. Thus, the loss of principal would have amounted to about four times the total income received over the year-and-a-half holding period. Such a sacrifice as this could hardly be justified on the basis of an initially supposed need for income.

By contrast, the shorter the term of an obligation the smaller becomes the exposure to marked price fluctuation, inasmuch as the closer a security approaches maturity the smaller becomes the price adjustment required to produce a given change in the rate of return.

Interest Rates and the Money Market

The foregoing considerations invite closer attention to the matter of interest rates and the money market. Interest rates are simply prices established in the course of the transfer of the use of money. Since the price mechanism incident to the transfer of any economic good is termed its market, the term "money market" merely means the price mechanism as applied to the transfer of the use of money. While this may seem but a statement of the obvious, it is made to give particular emphasis to the price aspect of the money market. It is an accepted fact that prices are governed by demand and supply considerations, and this is as true of money as it is of eggs. Thus, money market fluctuations are essentially reflections of the varying demand for money in relation to its supply. Since money demand is greatest when business is most active, the tempo of aggregate business activity may be considered the primary determinant of money or credit demand.

In a managed economy like ours, money demand is met from two basic sources of supply—(1) savings or other surplus deposits, and (2) credit in the form of deposits newly created by the banking system itself. While in practice these two sources of money supply are constantly intertwined, for the

time being they will be considered separately for purposes of clarification.

Initially, assume a supply of savings more than adequate to satisfy all existing demands. Under such circumstances the competition among savers to lend abundant funds will tend to drive the price of their use—the interest rate—down. As demand grows to the point of a substantial reduction in the supply of savings, the competition among borrowers for use of the reduced supply of funds will in turn tend to drive the price of their use—the interest rate—up.

As the supply of savings or other surplus deposits becomes exhausted, the banking system is called upon to furnish additional money through the extension of credit in the form of new bank deposits. This bank credit-creating power is limited by the minimum cash reserves that banks are legally required to maintain as a percentage of deposits. Under our central banking system, the Board of Governors of the Federal Reserve System possesses both the means and the authority to regulate the amount of these credit-limiting cash reserves, that is, the potential size of the money supply. Thus, by allowing cash reserves to become scarce in relation to loan demands, the Federal Reserve may contribute to the tendency of the price of money—interest rates—to rise. On the other hand, by generating abundant cash reserves in relation to loan demands, the Federal Reserve authorities may contribute to such an increase in the supply of money as to cause the price of its use—interest rates—to decline.

In addition to Federal Reserve policy, fiscal and debt management policies of the Federal Government are also powerful money market factors. For example, when the Federal Government borrows to meet a budgetary deficit, these borrowings may be reflected in increased bank deposits, which in turn may serve as a base for still further expansion of the money supply. At the same time, the borrowings themselves represent an increased demand for money, the effect of which is also to be considered.

In summary, in attempting to

predict the trend of money rates, the bank investor is constantly to bear in mind that fundamentally he is dealing with a demand-supply relationship. The major influence on the demand side is the amount of credit sought to support present or prospective business activity. The principal influences on the supply side are savings or surplus deposits, the credit policy of the Federal Reserve authorities, and the fiscal and debt-management policies of the United States Treasury.

The extent to which the money demand-supply relationship is conditional upon governmental actions is to be especially noted. Those who possess marked talent for gauging accurately impending changes in these demand and supply influences may be confident of their ability to make timely adjustments in their investment portfolios.

Practical vs. Ideal Investment Portfolio

The ideal investment portfolio would be one composed of high quality, readily marketable securities affording reasonable income and maturing at exactly the time the resultant proceeds might be required. However, what may be so simply stated in theory is hardly attainable in practice, for it is impossible to accurately foretell all customer demands. In short, the practical problem with which the bank investor is constantly confronted is instant availability of adequate funds for penalty-free adjustment to unexpected as well as expected loan and deposit fluctuations, without keeping maturities so short as to subject income to needless sacrifice, nor so long as to expose capital to excessive market risk.

The United States Government Securities Portfolio

As earlier noted, United States Treasury obligations constitute roughly 75% of the investments of all commercial banks. These holdings not only serve as a safeguard for the adequacy of a bank's capital, but constitute the primary type of securities that may be pledged to support governmental deposits. They also represent the kind of collateral that a bank may most conveniently use to secure temporary borrowings of its own.

Perhaps some idea of an appropriate structure for the United

States Government securities portion of the investment account might be suggested through examination of the composite commercial bank holdings of United States Treasury marketable securities as reflected in the United States Treasury Bulletin. Such an examination revealed the following:

Maturity of Issues	Per Cent (rounded)
Within 1 year	28%
1-2 years	16
2-3 years	17
3-4 years	13
4-5 years	12
5-10 years	10
Over 10 years	4
Total	100%

It is to be noted that about 86% of all commercial bank holdings of United States Government obligations are spaced to mature through the first five years; and about 28% of the total holdings within the first year. Such a pattern of maturities may generally be expected to satisfy reasonable near-term liquidity requirements, as well as to provide new short-term investments automatically with the passage of time. If needed, the proceeds of maturing issues may be applied to loan expansion or the satisfaction of deposit demands, while the shortening maturities of the remaining issues provide increasing protection against potential losses that may arise from forced sales in a depressed market.

A program of averaging maturities also serves as a hedge against fluctuating interest rates. For when interest rates are rising, new funds automatically become available for reinvestment at higher rates; while when interest rates are falling, only a portion of the investment portfolio is maturing, the previous level of earnings being correspondingly protected by the longer term issues.

To summarize, one suitable pattern of maturities with respect to United States Treasury issue holdings, especially for the inexperienced, might be found in the investment of say 25% to 30% of available funds in securities maturing within one year, and the remainder in equal portions each maturing annually during four succeeding years. An extremely contrary program of concentrating investment in a single maturity area imposes upon the investor the formidable task of constantly attempting to outguess the market and successfully rearrange maturities accordingly. An appropriate middle course is found in a combination of the preceding two practices—shifting maturities within the framework of an averaging program to the extent that

changes in interest rates seem to impend.

The Other Securities Portfolio

Aggregate holdings of securities other than United States Treasuries might be so arranged that equal portions mature annually over a period of approximately ten years.

The credit risks inherent in most of these securities provide adequate explanation for their secondary role in most investment portfolios. Indeed, aggregate holdings of other securities are to be limited to the extent that these will not cause total risk assets to exceed capital funds more than six times.

Since no portion of the yields afforded by Governments is to be regarded as compensating for credit risks, their rates of return are the purest reflection of the overall market yield structure. Accordingly, before investing in other securities, it is prudent to compare their effective net yields, allowing for other characteristics, with those afforded by United States Treasury issues of like maturity.

While general standards for appraising credit quality of various securities other than United States Treasury issues have previously been discussed, the simplest practical tool readily available for this purpose is found in the quality ratings published by recognized investment advisory services. For example, Moody's Bond Survey rates various bond issues in nine separate classifications. Bank regulating authorities generally deem securities falling in the four highest ratings as suitable for bank investment. Nevertheless, the decision as to how low to go in the four acceptable ratings is one that should be made only after the most careful consideration of all collateral factors.

Recent Money Market Fluctuations

Reference has already been made to market uncertainties occasioned by fluctuations in interest rates. Some attention has also been accorded the influence of changing business conditions and policies of governmental authorities in shaping them. Such fluctuations are illustrated by Chart I, depicting separate individual yields of three classes of marketable Treasury issues.

The chart reflects two cycles of interest rate fluctuations. At the beginning of 1954, business activity had been declining for almost a year. Federal Reserve monetary policy accordingly had been shaped to furnish the banking system with an abundant supply of loanable funds. As time passed

CHART I
YIELDS ON U.S. GOVERNMENT SECURITIES
FULLY TAXABLE ISSUES

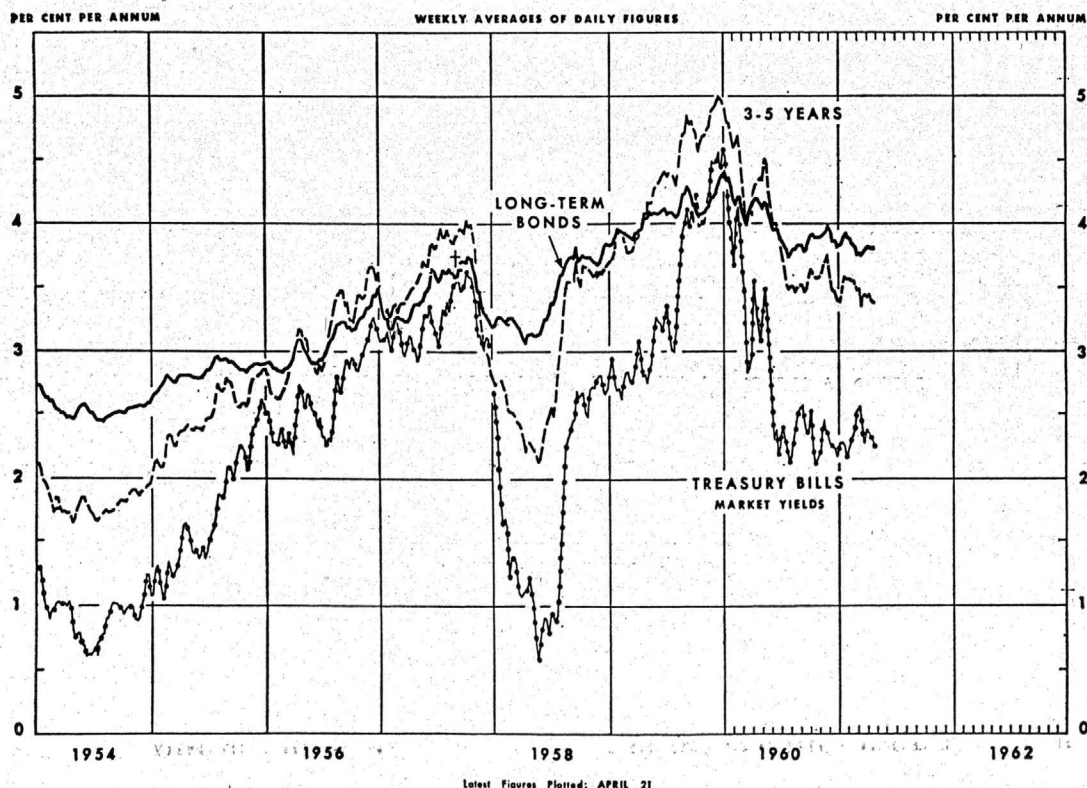
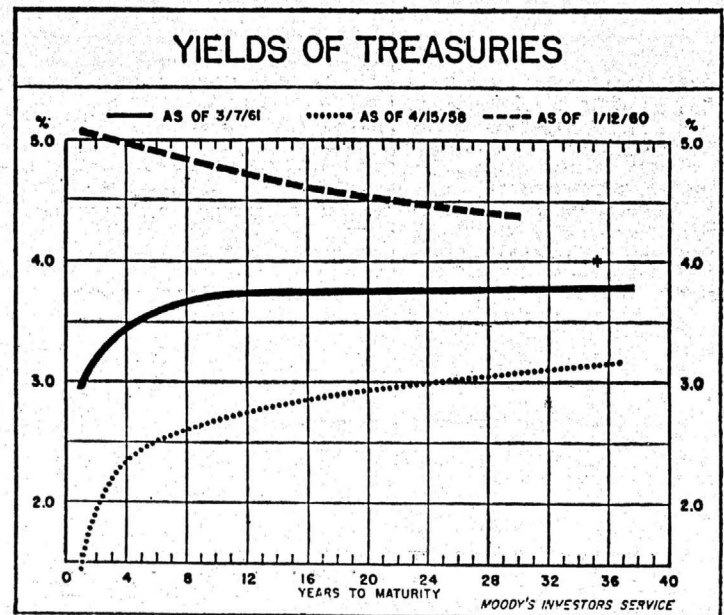


CHART II
YIELDS OF TREASURIES



*3s, 1995 plotted as of January 12, 1960.

and the loan demand became small in relation to an ample money supply, the level of interest rates declined markedly. Investment yields fell as banks turned increasingly to the securities market to employ otherwise unusable funds. Midway in 1954 a prospect for increased business activity began to develop. As demand for money increased, interest rates started to rise, and this trend continued through the third quarter of 1957 as Federal Reserve monetary policy became increasingly restrictive.

In the fourth quarter of 1957, when it became evident that the economy had definitely entered a recessionary period, Federal Reserve monetary policy was again shifted to active ease. The resulting increase in bank reserves was further augmented during early 1958 by a progressive repayment of loans. The swollen supply of investable funds was fully reflected in a marked decline in open market money rates and a sharp rise in bond prices.

By early summer 1958, a combination of excessive speculation in United States Treasury securities; a disturbing forecast of a rapidly growing Federal budget deficit; and some indications of economic recovery generated ominous softness in the bond market. In August 1958, when sustained recovery in business activity became virtually certain, Federal Reserve policy again shifted to monetary restriction. This restrictive credit policy was pursued throughout 1959, which witnessed the protracted steel strike that practically closed down the industry. The heavy stocking of steel products in anticipation of the steel strike had so stimulated the economy that business activity continued at high levels even during the strike period. By the end of the year, short- and longer-term open market money rates had risen to levels unequalled for the preceding thirty years, and bond prices had suffered sizable declines.

Early in 1960, after final settlement of the strike, it became evident that inventory accumulation had reached excessive proportions—particularly in view of the growth in productive capacity of industry generally, and the waning of inflationary forces. Business activity receded and Federal Reserve monetary policy was relaxed to one of ease; whereupon open market money rates declined substantially and bond prices rose accordingly. There has been no change in monetary policy at this writing, near the end of the first half of 1961.

Variations of Yields With Maturities

The relatively greater cyclical fluctuations in short-term as compared to long-term rates is a circumstance which warrants examination. The United States Treasury and others, periodically publish charts depicting how yields of marketable Treasury obligations vary in relation to their maturities, as of given points in time. Since all of these obligations are riskless credit-wise, each of the subject yield charts pictures accurately the relationship between short- and long-term pure interest rates at a particular time. By choosing an interest rate curve depicting these variations in yield with maturity at a time of relatively low business activity, one is enabled to observe the relationship between short- and long-term rates when money supply is plentiful relative to demand, and by choosing a graph constructed at a moment of relatively high business activity, one can readily determine the same relationship under reversed conditions. The foregoing is illustrated in Chart II.

Supplementary Considerations

In conclusion, several considerations may be of interest or prove of value to managers of bank investment portfolios. One is the peculiarly favorable Federal Income Tax provisions which sanction the deduction of a bank's investment capital losses from ordinary income to the extent that such losses exceed capital gains. This occasionally enables a bank to replace securities which have depreciated from cost or carrying value with suitable like ones, to the bank's considerable net advantage. It is to be noted, however, that owing to the offset requirements, long-term gains and losses should not be taken in the same reporting year.

Another consideration is the privilege periodically accorded banks by the United States Treasury of subscribing to new issues on a comparatively favorable basis. Sometimes payment for the new securities may be made by means of credits to the purchasing bank's Treasury Tax and Loan account. The resulting deposits usually remain with the bank for several weeks, but are only of advantage if directly invested or used to support additional loans.

Finally, the key to successful investment lies in keeping well informed. The interplay of human reactions and decisions that constantly tend to alter demand and supply relationships, can only be perceived through awareness of the factors contributing to them. Therefore, full advantage should be taken of the wealth of financial and related information which is made available, particularly that offered by public authorities at negligible cost to the investor. Such information is found in abundance in such publications as the following: *The Federal Reserve Bulletin*, and also the *Federal Reserve Chart Book of Financial and Business Statistics*, each published monthly by the Federal Reserve Board; the *Treasury Bulletin*, published monthly by the United States Treasury Department; *Economic Indicators* prepared monthly for the Joint Economic Committee of Congress by its Council of Economic Advisors and published by the United States Government Printing Office; and the *Survey of Current Business* issued monthly by the Office of Business Economics of the United States Department of Commerce. It is also advisable to follow the weekly releases of the Federal Reserve System such as the Consolidated Statements of the Twelve Federal Reserve Banks, and the Statements of Condition of the Reporting Member Banks.

Obviously all this may be quite an assignment for officers of smaller banks who may only have a limited amount of time available for such activities. A practical alternative is for such banks to keep in constant touch with City Correspondents that are adequately staffed to gauge the complex factors which affect and influence the trend of the money and security markets.

R. F. Toth Opens

FAIR LAWN, N. J. — Robert F. Toth is engaging in a securities business from offices at 6 Ramsey under the firm name of Robert F. Toth Co.

Jack Steinberg Opens

(Special to THE FINANCIAL CHRONICLE)
ENCINO, Calif. — Jack Steinberg has opened offices at 5109 Genesta Avenue to engage in a securities business.

A. Sussel Co. Opens

PHILADELPHIA, Pa. — Allan I. Sussel is conducting a securities business from offices at 1033 Chestnut Street under the firm name of A. Sussel & Company.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Sales Training?

Recently it has been my privilege to talk with some of the young men who have completed training courses with certain investment banking firms. Right at the outset, I do not wish to infer that I am making a blanket indictment of the preparatory courses that many organizations are offering to their sales trainees. Some of the educational training for the positions of salesmen and registered representatives that are offered today is very thorough, particularly when it applies to a knowledge of procedure, S.E.C. and N.A.S.D. rulings, and even some of the fundamentals of investment analysis, trading, and the handling of customer accounts.

But the main difficulty that many of these young men have expressed to me (and to others) is that there is insufficient emphasis placed upon their primary education in the technique of building a clientele and in the actual SELLING of securities. These young men know the rules, they are conscientious, they know where to find the answers to the questions they may have to answer; they know how to write up an order, or fill out a new account form; but many of them after months of training don't know how to go out and GET CUSTOMERS unless they can depend upon some friends or relatives for a start.

Clerical Work Is Not Sales Education

Often these trainees spend six months in preparation before they are allowed to take the examinations required by the Stock Exchange and the National Association of Securities Dealers. In recent months, during the active markets, I have been informed that some trainees have been used to help in the clerical departments doing the most routine sort of work. I don't know how prevalent this has been, but I know of such cases.

There used to be an accepted opinion in the investment business that every salesman should spend several months in the cashier's department in order to familiarize himself with the actual handling of securities. I agree. Such training is very helpful to a salesman providing he spends

time in different departments assisting in the work that is done in the cashier's department. But when trainees are used to sort confirmations, punch I.B.M. machines, help out in a dividend claim department that is weeks behind in its work, and are shifted around from one department to another to handle tasks that an office boy could do without working up a sweat, I'd like to know of what value such experience will be to any future security salesman.

A Salesman Is Paid to Sell

The most important department in any business is to have people who can go out and get customers. If you don't have them you won't have a business. When a salesman devotes his time to selling, he is doing the job for which he is particularly qualified. He isn't supposed to be a cashier, margin clerk, a research analyst, an advertising manager, or a trader—it's his job to find customers and to service his accounts.

Every minute that a salesman devotes to other duties, outside the field of selling, is an expense to him which is unfairly placed upon his shoulders. His most important assets are his knowledge of how to find customers, and to keep them happy, and his TIME. When he is doing anything else but selling he is expending his energy, and his time, unproductively. Bookkeepers, cashiers, margin clerks, receptionists, telephone operators, traders, research analysts, syndicate managers, and yes, even the partners, are reimbursed on the basis of a regular salary. They do their work, they get paid, that's it. But a salesman only gets paid when he sells. That's why he should be afforded the most complete and effective cooperation by every member of his organization. He should not be expected to do a cashier's job, nor become a research analyst and a financial expert on hundreds of individual investment situations.

Certainly, a security salesman should have investment knowledge, background, information, and he must keep himself informed. I know men who read and study two to three hours a day; most of it after business hours, at home, when their

day's work contacting clients is over. They know how to judge the investment needs of their customers, they keep up on new issues, trends, markets, and even certain special situations. Anyone who thinks a successful investment man can sit at his desk from ten in the morning until three-thirty in the afternoon and go out and forget all about his business has a surprise coming. The men who have kept their clients over the years, and who are the big producers in this business, put in long days and sometimes week-ends, too.

But my point is just plain "A.B.C." If you are training young men to become security salesmen, teach them some of the fundamentals of clientele building. Teach them how TO SELL securities, how to find clients, how to service an account, how to use the equipment you are providing for them. Maybe I am a little old fashioned, but I think some of these willing, intelligent and able young men I see entering the sales end of this business, need a little less information on how to write up an order, and a great deal more information on how to "get one."

Income Props., Inc. Class A Sold

Public offering of 150,000 class A shares of Income Properties Inc. at \$9.75 per share is being made by Eisele & King, Libaire, Stout & Co., New York City, and associates. Net proceeds, estimated at \$1,239,250, will be used by the company for the repayment of mortgage debt and for working capital.

The company, of 1801 Dorchester Rd., Brooklyn, N. Y., constructs, owns and operates apartment houses in the metropolitan New York area. At present it operates five apartment buildings, is erecting a sixth and plans to start work on a seventh by year-end. Authorized stock consists of 5,000,000 class A and 50,000 class B shares, of which 329,006 and 24,586 shares, respectively, will be outstanding upon completion of this sale.

Form Garlaw Investing

BROOKLYN, N. Y.—Garlaw Investing Corporation has been formed with offices at 227 Monroe Street, to engage in a securities business. Officers are Garfield Davis, President; F. Levi Lord, Vice-President and Treasurer; and Eunice Ford, Secretary.

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

NEW ISSUE

July 6, 1961

112,000 Shares

DE-ELECTRONICS, INC.

COMMON STOCK

(Par Value 10c per Share)

Offering Price: \$1.00 per Share

(as to 100,000 Shares)

Copies of the Offering Circular may be obtained from the undersigned.

Theodore Arrin & Co., Inc.

82 Beaver Street
New York 5, N. Y.

T. M. Kirsh Company

54 Wall Street
New York 5, N. Y.

Basic Structure of the Corporate Bond Market

Continued from page 3

issues have conventional call provisions, that is, they are callable for up to one year on 30 days' notice, at the issue price plus the coupon, and at declining premiums thereafter.

Gas company bonds can be divided into those issued by transmission companies and those issued by distribution companies. The capital structure of gas companies may show as much as 70% debt, both mortgage and debenture. Fixed charges may be earned from 2½ to 4 times. Debt is usually issued for a 20-year term, and with substantial sinking funds. Transmission companies' sinking funds are usually designed to retire about 90% to 95% of an issue by the due date. Most gas company issues provide call protection featuring non-refunding provisions for five years or more.

Telephone company bonds are issued mostly as debentures, with maturities of 30 years or more. Most have credit ratings of double "A" or higher. The debt ratio of telephone issues is generally low, a shade over 30% of capitalization. Ordinarily fixed charges are covered in the range of from seven to 15 times. Usually there is no sinking fund. Call protection is generally of the conventional variety unless market pressures at the time of bidding make it expedient to offer either a non-refunding provision, or an extraordinarily high call price, for a term of years.

Industrial Obligations

Now let us look at the industrials. This market area has become a sort of catch-all. A good many non-private enterprise issues are traded in it, such as World Banks, Canadian Governments and Provinces, and various obligations guaranteed by instrumentalities of the Federal Government. But for our purposes the important divisions of this market are the industrials proper, and the finance company issues.

Most issues classified as industrials in the strict sense of the word are of the debenture type although there are some mortgage issues. The securities of the larger concerns get a credit rating of single "A" or better, although some fall into the "BAA" category. The bulk of smaller company issues rate "BAA" or lower.

Over-all, high grade industrial companies show a low percentage of debt in their capital structures, and their coverage of fixed charges is ample, 10 to 20 times and more. Issues are generally brought out with a 20- to 25-year term and with provisions prohibiting call or refunding for five years or longer. Sinking funds are usually quite heavy, designed to retire up to 80% of an issue by maturity. Many industrial issues have provisions permitting additional sinking fund retirements at the issuer's option.

The senior issues of large finance companies may fall into the single "A" credit category; and the junior debt may rate "BAA" or lower. Finance company issues are usually brought out with maturities in the 15- to 20-year range, and with five- to 10-years call protection, subject to escape clauses should the volume of the issuers' receivables decline below a certain point. Publicly marketed issues, as distinct from directly placed ones, rarely have sinking funds.

This industrial market area also generates most of the "with warrant" and convertible bond issues, although some "equity kicker" issues may be found in other market sectors. A few such issues are rated single "A," but most get a "BAA" or lower. They are usually debentures or subordinated

debentures with maturities of from 15 to 25 years. Some have sinking funds and virtually all have conventional call features. In theory convertible issues won't be called unless conversion into stock can be forced. In some issues the convertible or warrant feature is inoperable for a period of time after issuance. In others it begins immediately.

So much for the trading media which comprise the corporate bond market. Now let's consider the various ways in which they reach the trading arena.

New issues can be brought out by competitive sale at public bidding; by negotiation between borrower and underwriter; and by means of a "best efforts" undertaking by a selling group acting on behalf of an issuer.

Practically all publicly market utility and railroad issues are auctioned at competitive bidding. The terms of an issue are stipulated by a borrower and competing groups of underwriters bid for it at a specified time and place. After the bids are opened the issue is awarded to the group whose bid offers the lowest interest cost to the borrower.

This winning group then endeavors to sell the securities to investors either directly, or indirectly by allowing selling group concessions to other brokers and dealers as a commission for distributing the bonds. If the winning group has estimated the market correctly, and no last minute surprises have intervened to upset their calculations, the issue is distributed to investors at a profit. If not, their winning bid may eventually cost them money.

Virtually all industrial issues are negotiated. In the negotiated deal the underwriters advise the borrower of what they consider an appropriate price for the prospective issue, that is, a price that satisfies the interest cost requirements of the borrower and that meets the yield requirements of the investor. Other features, such as call price and sinking fund provisions are also agreed upon. If the borrower likes what he hears, the underwriting group signs on the dotted line, and then proceeds to distribute its merchandise, again allowing selling group commissions to brokers and dealers. The underwriters may accomplish this task at the expected profit, or, if they've miscalculated the market, a rather hard thing to do in a negotiated deal, at a loss.

In a "best efforts" undertaking the borrower authorizes a dealer group to distribute an issue at a set price. In turn, dealer commissions may be allowed to other brokers. The dealers have no inventory of merchandise and no liability for unsold goods. They merely sell as many bonds as they can for an agreed upon commission. If they can't sell as many as the borrower wants to, it's his misfortune, not their's.

So much for the several ways corporate issues are commonly brought to the public market. Now let's consider the underwriter-broker-dealer structure.

Both Sides of the Corporate Market

The primary function of the corporate market is to bring together borrowers and lenders of long-term funds. The catalytic agent in this process is the hierarchy of underwriters, dealers and commission brokers. Each of these groups has a distinct service to perform but the lines of demarcation are fluid, and while few firms pursue all functions at all times there is a lot of overlapping.

First, there are the investment bankers, the underwriters whose

prime function is to underwrite new issues. Some operate in the secondary market trading as principals and executing orders on a commission basis, as well. Then there are the trading houses whose chief allegiance is to the secondary market, although they may also act as underwriters and as commission brokers. The large trading houses, acting as principals, usually maintain primary markets in a broad list of actively traded issues, old as well as new. In addition, they stand ready, when market conditions permit, to take on substantial amounts of inventory of old issues, more or less as underwriters do with new issues.

The smaller trading houses are usually spot traders whose activities are almost exclusively concentrated in active new issues. Commission houses deal on an order basis only. Most bond issues are probably listed but since 90% of all corporate bond trading takes place over-the-counter the commission brokers generally go to the big trading houses to execute their orders.

Now let's take a look at the clientele of the corporate bond market, the enterprises it helps finance and the investment institutions which it serves.

These enterprises borrow long term funds, and issue the bonds which furnish the dealers with their inventory. These borrowers, as a group, are always in the market in one way or another, at some times more intensively than at others. Witness the beefing up of new issue calendars when business booms and the economic outlook brightens. For example, the collective activity of corporate sinking funds is a day in and day out feature of the market. But the individual corporation as distinct from the corporate group as a whole, is usually not as greatly concerned with the daily movements of the corporate bond market as is the individual investment institution. Consequently the relationship of corporate financial officers to underwriters, dealers and brokers is apt to be intermittent rather than continuous.

On the other hand, institutional investors as a group are not only the underwriters', dealers', and brokers' most important customers for new issues but, through their routine portfolio transactions, provide most of the daily stock in trade of the secondary market. Moreover, the prime objective of the institutional investment officer is to employ the funds committed to his management to the best possible advantage at all times. Daily market movements may afford him continuing opportunities to further this goal. He is, therefore, ideally if not in actual practice, always concerned with what is going on in the marketplace. So dealer contacts with investment institutions are literally on a daily basis. Most institutions have excellent analytical and research sections but for market information and, perhaps, anticipation they rely a great deal on the dealer group. For all practical purposes the corporate bond market is dominated in the daily trading by the institutional investor.

Institutional Investors

Among institutional investors probably the first in market importance at the present time are the pension funds, both public and private. Next come the trust departments of commercial banks and the eleemosynary funds. Then come the life insurance companies and savings banks.

Commercial banks, as a group, are not usually buyers of corporate bonds for bank portfolio purposes. Neither are casualty companies, although they may come into the market on a hit-run basis when poor operating results temporarily abate their need for tax sheltered investment. The mutual fund group rarely is a factor, and individual investors almost never.

With few exceptions savings and loan associations don't buy corporate bonds.

During the years since the war pension funds of all varieties have experienced a great expansion. Many new funds came into existence and old ones boomed. Many public and labor union funds, long confined to the U. S. Treasury market, were loosed from bondage.

This development was extremely fortunate for the stability of the corporate bond market because the relative percentage of trust department investment in corporates tended to remain steady, and the previously reliable stand-bys, the life insurance companies and savings banks were diverting their investment funds either to other fields, or to the same field in a different form. And to a certain extent their lead was followed by the private pension funds. Nevertheless pension funds as a group, public, private and labor union, together with the trust departments, provided the bulk of the funds needed to absorb the flood of new money new issues which came into the corporate market in the postwar years.

Trust departments continue to be major factors in the corporate bond market although the growth of "prudent man" investment practices, and the continuing heavy incidence of taxation has channelled a substantial proportion of their funds into the equity and the tax exempt markets. Eleemosynary funds also continue to be important.

The former market importance of savings banks may not be regained in the visible future but savings bank investors still contribute to the corporate bond market's activity on a restricted scale. As a group, however, the savings banks have learned from the phenomenal growth of their rivals, the savings and loan associations, that real estate mortgages which afford high yields and heavy pro rata amortization permit their possessors to pay higher interest rates than corporate bond investment usually allows, and, in addition, keep the investor more closely attuned to developing changes in the interest rate structure.

The life insurance companies, in the postwar years, deserted the buy side of the corporate market en masse. They were sellers, on balance, of public market corporates as they swung into directly placed issues. Only an improbable serious and sustained dearth of direct placements, or a change in the terms of public offerings, will bring these institutions back into the corporate market at their old level of importance. They are still, however, a factor in the corporate market over-all.

Unimportance of Individual Investor

The individual investor is of virtually no importance in the corporate bond market today. When yields on top grade bonds shoot well above the 5% level there is a scattering of individual investor interest but it quickly subsides when rates decline. In one area of the corporate bond market, however, the individual investor is still a factor of major importance. That is the convertible or "with warrant" bond area, where the issues are selling on the flash points, and the trading patterns resemble those of the stock market rather than the bond market.

Some convertible bonds have a sort of defensive capital gains appeal for institutions. That is, the stock into which they are convertible is selling so far below the conversion points that it has no influence on the pricing of the bonds. However such bonds may be money good and may afford yields comparable to those obtainable on straight bonds, which, other things being equal

makes them eligible for institutional investment. And, if the issuer's earnings improve with the passage of time, the convertible bond could appreciate handsomely in price.

A Roller Coaster

The words roller coaster can best describe this market. It never stands still. It keeps moving up and down. Its larger price movements are influenced by an intricate array of economic variables. Other price movements may be generated by the influence of changing yields in other areas of the bond market or the mortgage market. And still others may be generated within the corporate market itself by shifts in the yield relationships of the various securities traded in it.

Illustrations of the over-all economic variables which influence price movements in the corporate bond market are, for example, the general economic outlook; the state of business; the trend of bank loans; of consumer loans, of mortgage financing; the fiscal needs of the Treasury and how they are to be satisfied; the inflow and outflow of gold; the objectives and the present prospective actions of the monetary authorities.

External Factors

Let's consider two of these external factors, the trend of bank loans and the actions of the monetary authorities. As to the first, high interest costs and onerous borrowing terms sometimes make it advantageous for long-term borrowers to stay out of the long-term bond market and to resort to bank term loans which eventually can be renegotiated and funded in the bond market should long-term rates ease at some later date.

As to the second, Federal Reserve actions have always had great influence on the money market, and now that such activities are no longer confined to the strictly short-term area they have become, perhaps, even more so. Its purchases and sales of Treasury securities, adjustments of the banking system's required reserves and the rediscount rate have pronounced effects on the bond market.

A chief causative factor in bond market movements is the demand for and supply of long-term capital funds versus long-term investments. It is axiomatic that when demand for capital is heavy and supply light, interest rates go up and vice versa.

All these general factors motivate the money market as a whole, including the corporate area, on the same principle as that of the stone cast into the pond causing ripples over the entire surface; i.e., starting a chain reaction of cause and effect financial relationships.

However, there is one factor which nowadays seems to be less significant than it used to be years ago; that is, the yield relationship of U. S. Treasury securities to the entire body of corporates.

In the short term area of the money market it is universally recognized that the U. S. Treasury bill rate acts as a bellwether for that entire market area. And at one time the long-term U. S. Treasury market had a similar effect on the entire long-term market area.

In recent years, however, the influence of long-term Treasury bond prices on long-term corporate bond prices seems to be less powerful than formerly. Perhaps in part this is because it is no longer simple to define a long-term government security.

Are the several varieties of government guaranteed real estate mortgages long-term government securities? Are government guaranteed ships' mortgages? Are government guaranteed railroad and airline obli-

gations government securities? Are the International Bank issues in their presently outstanding volume properly to be regarded as U. S. Treasury obligations? If it's hard to define the basic security how do you arrive at a practical basis point differential in the yield spread relationship with the so-called junior security? Anyway, the long-term government market has become so thin that its utility as a yardstick is no longer what it used to be.

Market's Internal Movement

Now let's examine the internal movements of the corporate market. Fluctuation is constant. A block of bonds is retailed. The price of another is raised or lowered, depending on the demand and supply of the particular issue, or on its yield relationship to another similar issue, or to its market area as a whole. The news tape prints a flash about a coming new issue, maybe for new money, maybe for refunding purposes. Prices and yield relationships keep changing.

Things equal to the same thing are equal to each other. Issues of similar quality, similar maturity, similar call feature and sinking fund, similar coupon, similar size and outstanding for similar periods of time should sell at similar yields. If an issue gets out of line on the downside, everything else being equal, it becomes more attractive than the rest of the market because it affords more yield. By the same token, if it gets out of line on the upside it becomes less attractive than its in-line counterparts because it shows less yield.

Yield spreads occur for a variety of reasons. They exist between one corporate market area and another, aside from quality ratings; between new and seasoned issues; between different types of issues and gradation of credit in the same market area; between bonds with highly protected and with conventional call features; between those with and those without sinking funds; between low coupon issues brought out years ago and current coupon issues coming to market at the present time; and between publicly issued bonds and those directly placed. I suppose this litany of yield spreads could be extended indefinitely but that's enough for our purposes.

All yield spreads depend on the idea that there are more or less permanent basic standards, and that when yield spreads based on those standards get out of kilter the basic balance will eventually be restored by appropriate market action and reaction, with the issue which sells too low moving up to the norm and that which sells too high moving down to it.

Yield relationships based on simple demand and supply can depart from and return to the basic standard in a relatively brief period of time, as in the case of a yield disparity between a new and seasoned issue, otherwise similar. Or it can persist for a rather lengthy period of time, witness the greater yields available on telephone as compared with power and light issues over a period of several years.

Price differentials between gradations of credit are self-explanatory, as are those in favor of issues with heavy sinking funds when selling at a discount. Publicly marketed issues, everything else being equal, tend to be favored, price-wise, over directly placed issues.

The price differential in favor of issues with strong call protection tends to widen as yields and coupons go up, and to narrow as they go down. For obvious reasons the market puts a higher price tag on the call protection of an issue with a 5¼% coupon non-callable for five years, than on one with a 4¼% coupon non-

callable for the same period of time.

In the case of low coupon seasoned issues versus high coupon new issues just what is an appropriate price to pay for protection against involuntary redemption? We know that newly issued long-term, high coupon bonds may turn out to have a rather short span of life, and that a lower coupon bond selling at a discount while affording less yield may well prove to be the more permanent investment. But since the future isn't an open book this isn't an easy question to answer. The long-term interest rate cycle is very long indeed it's difficult to know at just what point in that cycle we are today. A substantial sacrifice of yield for the assurance of investment permanence would have to work out rather quickly to be justified, and the funds involved to have no alternative investment outlet such as mortgages. And, in the post-war years of economic expansion as contrasted with the pre-war years of moribund economic activity, the volume of issues with call protection of one kind or another has greatly increased.

For example, a large volume of directly placed issues, largely unknown before the war, has come to market, and strong call protection is invariably included in the terms of such issues. It's difficult to predict the future by studying the past but, except for brief interludes, the post-war bond market has placed little premium on the call protection afforded by deep discount issues. But when yield differentials between low coupon and current coupon issues have narrowed drastically then discount issues have become more popular. And, regardless of other considerations, they always have a special value for the trust officer coping with the problem of satisfying remaindermen.

Yield spreads based on quality ratings may narrow markedly in a market with a heavy new issue calendar and a backlog of unsold new issues. The differential between triple "A" rated securities and double "A's" may disappear, and both may sell extremely close to single "A's" in such circumstances. But once the log jam clears up the usual quality yield spreads tend to reappear.

Supply and demand factors have a very pronounced effect on yield spreads between market areas. For example, the over-all supply of industrial issues is not as large as that of the utilities. Moreover, most industrial issues have substantial sinking funds. So, industrial bonds, credit rating for credit rating, tend to yield less than utility bonds.

The influence of supply and demand on yields within the same market sector is demonstrated by what happened in the utility area a few years back. Right after the war when large-scale corporate borrowing began, double "A" rated power and light issues were selling in the range of 3¼%, and telephone issues around a 3.10% basis. A year later, when large size telephone issues were flooding the new issue market, the yields on telephone bonds went to the 3¼% level, and those on power and light issues, in lesser supply, went to 3%. Then, as the volume of new flotations by both groups began to run even Stephen, yield spreads narrowed considerably.

Still another illustration of this process is provided by the industrial market. Several years ago this area was swamped by a heavy volume of finance company issues. As a result yield spreads of finance company bonds widened markedly against other similar quality industrial groups, as much as 30 to 40 basis points. When the flood of new finance company

issues subsided the yield spreads narrowed.

In general, investment actions based on yield spread changes caused by supply-demand imbalances of similar securities can be counted on to work out favorably. On the other hand, those based on historically sanctioned assumptions as to future market behavior overall, may prove to be less reliable.

Continuous Change

In closing, I should like to emphasize again the constancy of change in the corporate bond market. A good example of this is the post-war change in methods of financing as evidenced by the increasing volume of corporate bonds being issued privately rather than publicly. This is done by placing an unregistered issue directly with one or more "sophisticated" (institutional) investors by means of direct negotiation between borrower and lender, either with or without the blessing of an investment banker. Such directly placed issues, with the passage of time, may become legitimate trading media for the public market.

Also noteworthy is the changing market importance of the various types of investors. Individuals,

nowadays, are apt to be unprofitable, time-consuming customers in a corporate market geared to the requirements of institutional investors.

There is also the increasing number of quasi-public borrowers, such as the International Bank, whose financial requirements are met in this market rather than in the government market. Does this portend the extension to the financial markets of the trend towards wholesale homogenization so evident in our social and political life today? If it keeps up, will it eventually eradicate the credit differentials between different bond issues? Perhaps some day the rigorous application of the techniques of managerial efficiency and social togetherness, now so popular, may even wipe out the distinction between equities and obligations.

On a more practical plane other changes seem indicated. Should, for example, sinking funds of publicly marketed issues be pro-rated as are sinking funds of directly placed issues? Should publicly marketed issues customarily be brought out in fully registered form so that the present regular way, good delivery trade, the \$1,000 coupon bond, becomes

the exception, to be so specified when traded, rather than the rule? In some ways the present mechanics of bond trading are anachronistic. Perhaps the corporate bond market could learn something from the supermarket. As the years roll by I think we will. At any rate, based on the record, there'll be some changes made.

*An address by Mr. Kelly before the Eleventh Annual Summer Course of the University of Vermont and the New York Financial Community, New York City, July 7, 1961.

Form Jay Company

ROCHESTER, N. Y.—Jay Company has been formed with offices at 1037 Jay Street, to engage in a securities business. Partners are Lucille F. Williams and Marion M. Slavin.

Form Carroll, Finch Co.

DETROIT, Mich.—Carroll, Finch, Hutzel & Co. has been formed with offices in the Penobscot Building, to engage in a securities business. Officers are Albert J. Goodman, President; Lionel J. Stober, Secretary-Treasurer; and Sam H. Goodman, Vice-President.

LET US RESERVE SPACE FOR YOU NOW!



Riviera Hotel, Palm Springs, California

THE COMMERCIAL AND FINANCIAL CHRONICLE will, for the twentieth year, cover the proceedings of the NATIONAL SECURITY TRADERS ASSOCIATION Convention, both pictorially and editorially in our issue of Nov. 9. Make your advertising space reservation now so that your firm will be represented in this outstanding issue. Regular advertising rates prevail.

For further information, write:

The COMMERCIAL and FINANCIAL
CHRONICLE

25 PARK PLACE • NEW YORK 7, N. Y.

STATE OF TRADE AND INDUSTRY

Continued from page 16

ended July 13 from the holiday low of 220 in the preceding week, reported Dun & Bradstreet, Inc. Considerably more casualties occurred than in the similar week of 1960 when there were 258 or in 1959 when 242 were recorded. As well, failures remained about 12% above the pre-war level of 272 in 1939.

All of the week's upturn was concentrated among casualties with liabilities under \$100,000, which rose to 273 from 188 a week earlier and 224 last year. On the other hand, among failures involving losses in excess of \$100,000, there was a dip to 31 from 32 in the previous week and 34 a year ago.

Electric Output 3.2% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, July 15, was estimated at 15,071,000,000 kwh. according to the Edison Electric Institute. Output was 938,000,000 kwh. above that of the previous week's total of 14,133,000,000 kwh. and 463,000,000 kwh., or 3.2% above that of the comparable 1960 week.

Lumber Shipments Were 4.8% Ahead of 1960 Volume

Lumber production in the United States in the week ended July 8, totaled 129,809,000 board feet compared with 209,740,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 141,469,000 board feet.

Compared with 1960 levels output dropped 8.2%, shipments were up 4.8%, and orders fell 9.2%.

Following are the figures in thousands of board feet for the weeks indicated:

	July 8 1961	July 1 1961	July 9 1960
Production	129,809	209,740	141,469
Shipments	152,870	207,080	145,890
Unfilled orders	159,848	201,740	175,991

Freight Car Loadings in Week Ended July 8 Were 20.4% Below Preceding Week

Loading of revenue freight in the week ended July 8, which included the second week of the coal miners' annual vacation and the Independence Day Holiday totaled 424,984 cars, the Association of American Railroads announced. This was a decrease of 108,589 cars or 20.4% below the preceding week.

The loadings represented a decrease of 32,795 cars or 7.2% below the corresponding week in 1960, and a decrease of 127,329 cars or 23.1% below the corresponding week in 1959.

There were 11,925 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended July 1, 1961, (which were included in that week's over-all total). This was an increase of 229 cars or 2.0% above the corresponding week of 1960 and an increase of 3,505 cars or 41.6% above the 1959 week.

Cumulative piggyback loadings for the first 26 weeks of 1961 totaled 286,305 for an increase of 9,967 cars or 3.6% above the corresponding period of 1960 and 82,986 cars or 40.8% above the corresponding period in 1959. There were 58 Class I U. S. railroad systems originating this type traffic in the current week compared with 53 one year ago and 50 in the corresponding week in 1959.

Intercity Truck Tonnage in Week Ended July 8 Was 0.6% Below Corresponding 1960 Week

Intercity truck tonnage in the week ended July 8, was less than 1%—or 0.6%—below the volume

in the corresponding week of 1960, the American Trucking Associations, Inc., announced. Truck tonnage was 23.5% below the previous week of this year. The week-to-week decrease is largely attributable to the Independence Day holiday which depressed traffic during the latest week reported. This tonnage decrease is consistent with that experienced during comparable periods in past years.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

Wholesale Commodity Price Index Edges Up From Prior Week

The general wholesale commodity price level rose slightly in the week just ended, edging to a new high of 271.88 on July 12 but tapering off slightly at the close of the week. Wheat, rye, oats, steers, cotton and rubber prices moved up, offsetting mild dips in the prices of corn, flour, lard, sugar, lambs and hogs.

The daily wholesale commodity price index stood at 271.71 (1932=100) on Monday, July 17, compared with 271.37 a week ago. It was moderately higher than the 269.73 on the corresponding date last year.

Wholesale Food Price Index Holds Steady in Latest Week

The wholesale food price index, compiled by Dun & Bradstreet, Inc., held steady in the latest week but continued slightly higher than a year ago. On July 17, the index remained at \$5.93, the same as in the preceding week. Edging above last year's levels for the fourth consecutive week, it was up 0.3% from the \$5.91 in the comparable week of 1960.

Steel Production Data for the Week Ended July 15

According to data compiled by the American Iron and Steel Institute, production for week ended July 15, 1961, was 1,860,000 tons (*99.8%), 4.6% above output of 1,779,000 tons (*95.5%) in the week ended July 8.

Production this year through July 15 amounted to 48,710,000 tons (*93.4%) or 22.8% below the 63,065,000 tons (*120.9%) in the period through July 16, 1960.

The institute concludes with Index of Ingot Production by Districts, for week ended July 15, 1961, as follows:

	*Index of Ingot Production for Week Ending July 15, 1961
North East Coast	95
Buffalo	81
Pittsburgh	88
Youngstown	88
Cleveland	110
Detroit	120
Chicago	106
Cincinnati	112
St. Louis	104
Southern	112
Western	118
Total industry	99.8

*Index of production based on average weekly production for 1957-1959.

Car Production Rises 47.9% Over Preceding Week

U. S. passenger car production, in a final surge of 1961 model making, last week rose to 127,005 units, up 47.9% from the 85,889 autos assembled in the previous week, and compared with 105,113 in the same week of a year ago, Ward's Automotive Reports said.

But the statistical agency said that several volume producers reached the build-out stage at the

week's end, and predicted a sharp drop in industry output next week.

Ward's said that Pontiac, Oldsmobile and Buick divisions of General Motors Corp. will phase-out 1961 model production this week. One plant, assembling the three makes was scheduled to close after July 14 for the change-over to 1962 models. A combination plant at South Gate (Calif.) worked but one day this week. Other such plants at Atlanta and Kansas City operated but two days and the Arlington, Va., site shared by the three divisions has closed for the rest of the week.

Chrysler Corp. will conclude current model production of Dodge and Plymouth cars at its Los Angeles plant today (July 20), with other plants, including those in the Detroit area, scheduled to close by the end of next week. The company's 1962 model making will begin Aug. 14.

Ford Motor Co., Ward's said, will be the last of the Big Three auto makers to complete 1961 model making. Last week the company's Louisville plant was shut down for a production adjustment, and along with plants at Los Angeles and Wixom (Mich.), were closed again this week. Ford's Falcon-Comet site at San Jose, however, was on overtime last Saturday.

American Motors Corp., at Kenosha (Wis.), worked a full five days last week, and indicated no change for this week. Studebaker-Packard, idled since June 21, will begin 1962 model making Aug. 7.

Of production for the week ending July 7, General Motors Corp. accounted for 48.8%; Ford Motor Co. 31.4%; Chrysler Corp. 12.2%; and American Motors 7.6%.

Retail Trade Up Fractionally From Last Year

Despite unseasonably cool weather in some areas, numerous clearance sales promotions on Summer merchandise helped over-all retail trade in the week ended this Wednesday rise somewhat from the prior period and fractionally exceed that of a year ago. Gains from last year in apparel, food products and some appliances helped offset declines in furniture, new passenger cars, draperies and floor coverings. Interest in linens held close to the comparable 1960 week.

The total dollar volume in retail trade in the week ended this Wednesday ranged from 1% below to 3% higher than a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from the comparable 1960 levels by the following percentages: South Atlantic and East South Central +1 to +5; West North Central, Mountain, and Pacific 0 to +4; New England and Middle Atlantic -1 to +3; East North Central and West South Central -2 to +2.

Nationwide Department Store Sales Increase 6% Above The 1960 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended July 8, 1961, showed a rise of 6% over the like period last year. For the week ended July 1, a decline of 1% was reported. The four-week period ended July 8, 1961, sales advanced 4% over last year.

According to the Federal Reserve System, department store sales in New York City for the week ended July 8, sales were 4% higher than same period last year. In the preceding week ended July 1, sales were unchanged over the same period last year. For the four weeks ending July 8 a 4% increase was reported above the 1960 period, while from Jan. 1 to July 8, showed a 2% increase over last year's sales.

BANK AND INSURANCE STOCKS

This Week — Bank Stocks

FIRST SIX MONTHS' PERFORMANCE

Earnings of many of the major commercial banks for the first six months of 1961 are now available. Although the majority of those banks shown below have experienced lower earnings, the decline for the six-month period was generally less than that for the first quarter of the year.

In spite of declines in earnings, deposits are up and in many cases loans have also increased. In addition to these favorable factors, the recovery in the economy and the inflationary implications of the deficit financing by the Federal Government should produce higher interest rates. Therefore, most of the major banks should show earnings for the year equivalent to those of last year and in some cases earnings should be higher.

New York City banks had an average decline in earnings of 5% for the second quarter of this year. As was the case in the first quarter all banks showed declines with the exception of the Chemical, whose 1960 earnings were depressed due to costs of merger.

Away from New York City, earnings tended to be more divergent, however, there were increases in many cases—some of which are noted below. Those banks away from New York showed lower declines for this period—a fact which points up the more cyclical nature of the central reserve city wholesale bank. It is interesting to note that in spite of the "cyclical" nature of New York banks' earnings, that most of the major banks increased gross income in the first half of the year but that increased expenses reduced net to lower figures than those of a year ago. These are obviously due to rising interest costs on time deposits and to salary adjustments. The spread in interest paid and interest earned eventually adjusts itself; here, this will not be a rising cost factor.

Banks stocks have a defensive characteristic but growth in earnings have been favorable relative to industrial and utility stocks. The major New York bank shares are now selling at 16.1 times the latest 12 months' earnings. Banks away from New York sell at both higher and lower multiples of earnings with an average falling within this same range.

The Dow Jones Index of 30 Industrial Stocks is now selling at 21 times latest 12 months' earnings. It is apparent that bank stocks are one segment of the equity market which is selling at reasonable prices. In the postwar period there have been times when this differential was less favorable to banks. In view of the possibility of dividend increases—either cash or stock—bank stocks are undoubtedly good purchases at the present time.

	Earn. per Sh. First Quar '61 over '60	Earn. per Sh. First 6 Mos. '61 over '60	Deposits 6/30/61 over 6/30/60	Loans 6/30/61 over 6/30/60
Bank of America	*	-17.4	+ 4.8	+ 2.2
Chase Manhattan	- 5.4	- 5.9	+ 5.0	+ 2.0
First Nat'l City, N. Y.	-10.1	- 1.4	+ 4.0	+ 5.0
Chem'l Bank N. Y. Trust	+ 8.7	+ 7.7	+12.0	- 2.0
Morgan Guaranty Trust	-16.0	-10.3	+ 7.0	+ 9.0
Security-First, L. A.	- 1.0	- 3.9	+ 7.4	+ .1
Manufacturers Trust	- 4.0	- 3.0	+ 8.0	- 1.0
Bankers Trust	+10.8	- 7.5	+ 8.0	- 1.0
First Nat'l, Chicago	*	- 4.0	+ 6.1	+ 1.0
Wells Fargo Am. Tr., S. F.	- 4.3	- 6.0	+ 7.7	+ 3.6
Continental-Illinois	*	*	+ 8.8	- 3.0
Mellon National	- 1.7	- 3.0	+ 3.8	*
National Bank of Detroit	+ 1.0	- 2.3	- 1.0	- 2.5
Irving Trust	-13.0	-13.9	+10.0	-10.5
Crocker-Anglo Nat'l, S. F.	*	*	+13.1	+ 2.8
Hanover, N. Y.	- 7.0	- 6.7	+10.0	+ 1.0
First National, Boston	+ 2.0	+ .6	- 2.0	0
Cleveland Trust	*	*	+ 4.0	+ 2.3
1st. Pa. B.&T. Co., Phila.	- 5.0	- 3.8	-10.0	+ 6.3
Republic National Bank	+ 2.0	+ 3.5	+14.8	+ 3.7
First National, Dallas	+19.0	+20.0	+ 2.0	+ 9.0
Nat'l City Bk. of Cleveland	*	- 8.6	*	*
Wachovia B.&T. Co.	*	- 1.3	*	*

* Not available.

New Corporation

SPOKANE, Wash.—Mutual Funds Co., 429 West First Avenue, is now doing business as a corporation. Henry B. Bohannon, formerly proprietor, is President. Herman L. Hansen is Vice-President, and G. S. Bohannon, Secretary-Treasurer.

Form Creative Incomes

BROOKLYN, N. Y.—Creative Incomes Inc. of New York has been formed with offices at 885 Flatbush Avenue to engage in securities business. Officers are Herbert D. Pollack, President and Treasurer, and Harvey Horowitz, Vice-President and Secretary.

NATIONAL AND GRINDLAYS BANK LIMITED

Head Office:
26, BISHOPSGATE, LONDON, E.C.3.
London Branches
54 PARLIAMENT STREET, S.W.1.
13 ST. JAMES'S SQUARE, S.W.1.

Bankers to the Government in: ADEN, KENYA, UGANDA, ZANZIBAR

Branches in:
INDIA, PAKISTAN, CEYLON, BURMA, KENYA, TANGANYIKA, ZANZIBAR, UGANDA, ADEN, SOMALI REPUBLIC, NORTHERN AND SOUTHERN RHODESIA

Third Quarter Statistics

11 N. Y. CITY BANK STOCKS

Bulletin on Request

LAIRD, BISELL & MEEDS
Members New York Stock Exchange
Members American Stock Exchange
120 BROADWAY, NEW YORK 5, N. Y.
Telephone: BArelay 7-8500
Bell Teletype NY 1-1248-49
Specialists in Bank Stocks

Indications of Current Business Activity

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

	Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:				
Indicated steel operations (per cent capacity).....July 23	63.6	60.9	68.0	54.6
Equivalent to—				
Steel ingots and castings (net tons).....July 23	1,860,000	1,779,000	1,985,000	1,556,000
AMERICAN PETROLEUM INSTITUTE:				
Crude oil and condensate output—daily average (bbbs. of 42 gallons each).....July 7	6,969,610	6,880,060	7,053,710	6,825,460
Crude runs to stills—daily average (bbbs.).....July 7	7,954,000	7,789,000	8,172,000	8,280,000
Gasoline output (bbbs.).....July 7	28,636,000	27,668,000	29,586,000	30,677,000
Kerosene output (bbbs.).....July 7	1,995,000	2,040,000	2,360,000	2,685,000
Distillate fuel oil output (bbbs.).....July 7	12,560,000	12,151,000	12,434,000	13,051,000
Residual fuel oil output (bbbs.).....July 7	5,227,000	5,185,000	5,893,000	6,046,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—				
Finished and unfinished gasoline (bbbs.) at.....July 7	199,557,000	200,175,000	208,825,000	201,302,000
Kerosene (bbbs.) at.....July 7	29,771,000	29,837,000	28,594,000	28,755,000
Distillate fuel oil (bbbs.) at.....July 7	116,297,000	*112,511,000	99,712,000	116,730,000
Residual fuel oil (bbbs.) at.....July 7	48,641,000	47,454,000	45,149,000	42,679,000

ASSOCIATION OF AMERICAN RAILROADS:				
Revenue freight loaded (number of cars).....July 8	424,984	533,573	593,304	457,779
Revenue freight received from connections (no. of cars).....July 8	414,461	474,929	487,260	402,493
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:				
Total U. S. construction.....July 13	\$594,600,000	\$379,200,000	\$403,400,000	\$601,100,000
Private construction.....July 13	185,700,000	158,500,000	184,400,000	304,800,000
Public construction.....July 13	408,900,000	220,700,000	219,000,000	296,300,000
State and municipal.....July 13	312,200,000	110,100,000	156,600,000	228,400,000
Federal.....July 13	96,700,000	110,600,000	62,400,000	67,900,000

COAL OUTPUT (U. S. BUREAU OF MINES):				
Bituminous coal and lignite (tons).....July 8	1,300,000	*2,100,000	7,495,000	1,335,000
Pennsylvania anthracite (tons).....July 8	64,000	76,000	302,000	43,000

DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100July 8	114	125	151	108
--	-----	-----	-----	-----

EDISON ELECTRIC INSTITUTE:				
Electric output (in 000 kwh.).....July 15	15,071,000	14,133,000	15,345,000	14,608,000

FAILURES (COMMERCIAL AND INDUSTRIAL)—DUN & BRADSTREET, INC.July 13	304	220	351	258
---	-----	-----	-----	-----

IRON AGE COMPOSITE PRICES:				
Finished steel (per lb.).....July 10	6.196c	6.196c	6.196c	6.196c
Pig iron (per gross ton).....July 10	\$66.44	\$66.44	\$66.44	\$66.41
Scrap steel (per gross ton).....July 10	\$36.67	\$36.83	\$37.83	\$31.00

METAL PRICES (E. & M. J. QUOTATIONS):				
Electrolytic copper—				
Domestic refinery at.....July 12	30.600c	30.600c	40.625c	32.600c
Export refinery at.....July 12	27.850c	27.700c	29.075c	31.725c
Lead (New York) at.....July 12	11.000c	11.000c	11.000c	12.000c
Lead (St. Louis) at.....July 12	10.800c	10.800c	10.800c	11.800c
Zinc (delivered) at.....July 12	12.000c	12.000c	12.000c	13.500c
Zinc (East St. Louis) at.....July 12	11.500c	11.500c	11.500c	13.000c
Aluminum (primary pig, 99.5% at.....July 12	26.000c	26.000c	26.000c	26.000c
Straits tin (New York) at.....July 12	116.500c	117.750c	112.875c	102.500c

MOODY'S BOND PRICES DAILY AVERAGES:				
U. S. Government Bonds.....July 18	87.65	87.08	87.29	87.46
Average corporate.....July 18	86.11	86.24	87.18	85.32
Aaa.....July 18	90.06	90.06	91.19	89.92
Aa.....July 18	88.27	88.67	89.64	87.72
A.....July 18	85.33	85.59	86.24	85.07
Baa.....July 18	81.17	81.29	81.90	79.37
Railroad Group.....July 18	83.40	83.79	84.55	83.22
Public Utilities Group.....July 18	87.45	87.59	88.54	85.85
Industrials Group.....July 18	87.59	87.72	88.27	87.16

MOODY'S BOND YIELD DAILY AVERAGES:				
U. S. Government Bonds.....July 18	3.87	3.93	3.91	3.71
Average corporate.....July 18	4.70	4.69	4.62	4.76
Aaa.....July 18	4.41	4.41	4.33	4.42
Aa.....July 18	4.54	4.51	4.44	4.58
A.....July 18	4.76	4.74	4.69	4.77
Baa.....July 18	5.09	5.08	5.03	5.24
Railroad Group.....July 18	4.91	4.88	4.82	4.92
Public Utilities Group.....July 18	4.60	4.59	4.52	4.72
Industrials Group.....July 18	4.59	4.58	4.54	4.62

MOODY'S COMMODITY INDEXJuly 18	371.6	371.3	366.1	374.4
---	-------	-------	-------	-------

NATIONAL PAPERBOARD ASSOCIATION:				
Orders received (tons).....July 8	228,454	307,840	351,827	182,700
Production (tons).....July 8	202,725	335,511	332,425	174,810
Percentage of activity.....July 8	55	95	94	50
Unfilled orders (tons) at end of period.....July 8	449,261	426,706	469,154	449,939

OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100July 14	114.00	113.90	113.59	109.37
---	--------	--------	--------	--------

ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS				
Transactions of specialists in stocks in which registered—				
Total purchases.....June 23	2,485,440	2,493,330	3,063,550	3,030,790
Short sales.....June 23	413,390	404,960	508,960	612,800
Other sales.....June 23	2,179,400	1,988,880	2,419,810	2,350,990
Total sales.....June 23	2,592,790	2,393,840	2,928,770	2,963,790
Other transactions initiated off the floor—				
Total purchases.....June 23	291,870	275,260	419,200	614,670
Short sales.....June 23	24,800	21,700	26,700	82,400
Other sales.....June 23	345,140	383,910	407,030	463,820
Total sales.....June 23	369,940	405,610	433,730	546,220
Other transactions initiated on the floor—				
Total purchases.....June 23	770,937	864,690	984,324	896,918
Short sales.....June 23	133,400	101,250	153,550	130,730
Other sales.....June 23	800,361	751,087	856,629	961,143
Total sales.....June 23	933,761	852,337	1,010,179	1,091,873
Total round-lot transactions for account of members—				
Total purchases.....June 23	3,548,247	2,633,280	4,467,074	4,542,378
Short sales.....June 23	571,590	527,910	689,210	825,930
Other sales.....June 23	3,324,901	3,123,877	3,683,469	3,775,953
Total sales.....June 23	3,896,491	3,651,787	4,372,679	4,601,883

STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION				
Odd-lot sales by dealers (customers' purchases)——†				
Number of shares.....June 23	1,699,060	1,705,192	1,856,314	1,949,788
Dollar value.....June 23	\$89,780,909	\$93,323,733	\$113,362,998	\$95,863,360
Odd-lot purchases by dealers (customers' sales)——				
Number of orders—Customers' total sales.....June 23	1,664,644	1,720,052	2,056,216	1,988,507
Customers' short sales.....June 23	13,982	10,307	6,021	7,100
Customers' other sales.....June 23	1,650,862	170,745	2,050,195	1,981,407
Dollar value.....June 23	\$83,616,820	\$88,402,229	\$108,871,826	\$91,059,280
Round-lot sales by dealers—				
Number of shares—Total sales.....June 23	527,180	545,070	665,400	600,200
Short sales.....June 23	527,180	545,070	665,400	600,200
Other sales.....June 23	527,180	545,070	665,400	600,200
Round-lot purchases by dealers—Number of shares.....June 23	546,380	499,160	553,150	570,920

TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):				
Total round-lot sales—				
Short sales.....June 23	733,490	659,570	776,770	914,900
Other sales.....June 23	16,021,130	16,131,700	19,318,720	18,262,700
Total sales.....June 23	16,754,620	16,791,270	20,095,490	19,177,600

WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):				
Commodity Group—				
All commodities.....July 11	119.0	118.9	118.7	119.7
Farm products.....July 11	87.1	86.7	86.2	89.3
Processed foods.....July 11	107.8	107.8	107.2	108.4
Meats.....July 11	93.3	93.2	91.3	98.3
All commodities other than farm and foods.....July 11	127.8	127.7	127.7	128.3

*Revised figure. †Number of orders not reported since in production of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
AMERICAN PETROLEUM INSTITUTE—Month of April:			
Total domestic production (barrels of 42 gallons each).....	249,899,000	262,432,000	239,298,000
Domestic crude oil output (barrels).....	219,846,000	231,596,000	211,132,000
Natural gasoline output (barrels).....	30,040,000	30,883,000	28,118,000
Benzol output (barrels).....	13,000	13,000	48,000
Crude oil imports (barrels).....	26,969,000	33,276,000	33,877,000
Refined product imports (barrels).....	27,878,000	27,877,000	24,614,000
Indicated consumption domestic and export (barrels).....	280,611,000	*308,862,000	283,178,000
Increase all stocks (barrels).....	24,135,000	14,783,000	14,611,000
BUSINESS INVENTORIES—DEPT. OF COMMERCE NEW SERIES — Month of May (Millions of dollars):			
Manufacturing.....	\$53,700	*\$53,700	\$55,000
Wholesale.....	13,300	*13,300	12,900
Retail.....	25,000	*25,200	25,800
Total.....	\$92,100	*\$92,300	\$93,700

COAL EXPORTS (BUREAU OF MINES)—Month of May:			
U. S. exports of Pennsylvania anthracite (net tons).....	94,809	11,768	59,625
To North and Central America (net tons).....	81,239	10,235	55,920
To Europe (net tons).....	13,451	904	—
To South America (net tons).....	45	—	—
To Asia (net tons).....	—	629	3,705

CONSUMER PRICE INDEX — 1947-49 = 100—Month of May:			
All items.....	127.4	127.5	126.3
Food.....	120.7	121.2	119.7
Food at home.....	117.7	118.3	117.0
Cereal and bakery products.....	139.7	139.7	135.6
Meats, poultry and fish.....	108.7	110.5	109.7
Dairy products.....	117.5	117.9	115.0
Fruits and vegetables.....	132.2	131.4	132.9
Other food at home.....	105.8	106.4	104.9
Food away from home (Jan. 1953=100).....	120.9	120.8	118.6
Housing.....	132.2	132.3	131.2
Rent.....	143.4	143.3	141.4
Gas and electricity.....	126.2	125.8	124.7
Solid fuels and fuel oil.....	136.5	139.9	132.9
Houseturnishings.....	103.5	103.8	104.3
Household operation.....	138.7	138.7	137.2
Apparel.....	109.6	109.5	108.9
Men's and boys'.....	111.7	111.7	109.7
Women's and girls'.....	99.3	99.1	99.4
Footwear.....	140.8	140.8	139.8
Other apparel.....	92.8	92.8	93.2
Transportation.....	146.6	145.8	145.6
Private.....	134.2	133.4	133.9
Public.....	206.5	206.5	199.4
Medical care.....	160.4	159.9	155.9
Personal care.....	133.8	133.8	133.2
Reading and recreation.....	123.9	124.1	121.4
Other goods and services.....	133.1	132.6	131.9

FACTORY EARNINGS AND HOURS—WEEKLY AVERAGE ESTIMATE — U. S. DEPT. OF LABOR—Month of June:			
Weekly earnings—			
All manufacturing.....	\$94.24	*\$92.90	\$91.60
Durable goods.....	101.66	*100.50	98.98
Nondurable goods.....	84.53	*83.07	82.76
Hours—			
All manufacturing.....	40.1	*39.7	40.0
Durable goods.....	40.5	*40.2	40.4
Nondurable goods.....	39.5	*39.0	39.5
Hourly earnings—			
All manufacturing.....	\$2.35	\$2.34	\$2.29
Durable goods.....	2.51	2.50	2.45
Nondurable goods.....	2.14	2.13	2.08

MOODY'S WEIGHTED AVERAGE YIELD—100 COMMON STOCKS—Month of June:			
Industrials (125).....	193.90	197.56	178.62
Railroads (25).....	66.10	68.45	64.20
Utilities (not incl. Amer. Tel. & Tel.) (24).....	85.87	88.57	71.51
Banks (15).....	128.45	126.17	99.61
Insurance (10).....	209.56	208.63	161.32
Average (200).....	3.16	3.09	3.52

MOTOR VEHICLE FACTORY SALES FROM PLANTS IN U. S.—AUTOMOBILE MANUFACTURERS' ASSN.—Month of June:			
Total number of vehicles.....	672,494	646,764	728,204
Number of passenger cars.....	559,975	542,866	613,769
Number of motor trucks.....	112,149	103,443	114,075
Number of motor coaches.....	370	365	360

REAL ESTATE FINANCING IN NONFARM AREAS OF U. S.—HOME LOAN BANK BOARD—Month of April
--

Securities Now in Registration

★ INDICATES ADDITIONS
SINCE PREVIOUS ISSUE
● ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

A.G.E. Funds, Inc.

June 30, 1961 filed 200 co-ownership participations in the company's 1961 exploration and development fund H. Price—\$5,000 per unit. Proceeds—To evaluate, acquire and develop oil and gas leaseholds. Office—120 South La Salle St., Chicago, Ill. Underwriter—None.

A. T. U. Productions, Inc.

June 1, 1961 ("Reg. A.") 100,000 shares of common stock (par 10 cents). Price—\$3. Business—TV film productions. Proceeds—For general corporate purposes. Office—130 W. 57th St., New York, N. Y. Underwriter—Marshall Co., New York.

Abbey Automation Systems, Inc.

June 6, 1961 filed 100,000 common shares. Price—\$3. Business—The design manufacture and sale of automation equipment for industry. Proceeds—For new facilities, sales program, demonstration laboratory and working capital. Office—37-05 48th Ave., Long Island City, N. Y. Underwriter—John Joshua & Co., Inc., New York.

Accesso Corp.

Jan. 30, 1961 filed 40,000 shares of common stock and 40,000 shares of preferred stock (par \$10) to be offered for public sale in units consisting of one share of common and one share of preferred stock. Price—\$15 per unit. Business—The company is engaged in the design, manufacture and sale of fluorescent lighting systems, acoustical tile hangers, metal tiles and other types of acoustical ceiling systems. Proceeds—For the repayment of loans and general corporate purposes. Office—3425 Bagley Avenue, Seattle, Wash. Underwriter—Ralph B. Leonard & Sons, Inc., New York City (managing).

A-Drive Auto Leasing System, Inc.

Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. Price—\$10 per share. Business—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. Proceeds—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks. Office—1616 Northern Boulevard, Manhasset, N. Y. Underwriter—Hill, Darlington & Grimm, New York City (managing).

Adelphi Electronics, Inc.

May 29, 1961 ("Reg. A.") 100,000 common shares (par 10 cents). Price—\$3. Business—Distributes electronic products. Proceeds—To repay a loan, acquire new quarters, for expansion, inventory, and working capital. Office—142 Mineola Blvd., Mineola, N. Y. Underwriter—H. B. Crandall Co., New York.

Admiral Photo Corp.

June 23, 1961 ("Reg. A.") 60,000 common shares (par 10 cents) of which 54,000 are to be offered by the company and 6,000 by the underwriter. Price—\$5. Proceeds—For furniture, fixtures and equipment and repayment of debt. Office—1407 Broadway, New York. Underwriter—D. Klapper Associates, Inc., New York.

Advanced Electronics Corp.

May 31, 1961 ("Reg. A.") 150,000 class A shares (par 10 cents). Price—\$2. Business—Designs and manufactures radio telemetry systems, frequency filters and power supplies for the missile, rocket and space programs. Proceeds—For research and development, equipment, repayment of loans and working capital. Office—2 Commercial St., Hicksville, N. Y. Underwriter—Edward Hindley & Co., New York City.

Advanced Scientific Instruments, Inc. (8/15)

May 19, 1961 filed 875,000 shares of common stock. Price—\$1.15 per share. Business—The company was formed in March, 1961 to engage in the development, manufacture, sale and lease of electronic, electro-mechanical and electro-optical equipment. Proceeds—For equipment, developmental work and working capital. Office—1208 Title Insurance Building, Minneapolis, Minn. Underwriter—Naftalin & Co., Minneapolis.

Aileen Inc.

June 27, 1961 filed 200,000 outstanding common shares. Price—By amendment. Proceeds—For the selling stockholders. Office—29 W. 38th St., New York City. Underwriter—Goodbody & Co., New York.

Ainslie Corp.

June 29, 1961 ("Reg. A.") 75,000 common shares (par \$1). Price—\$4. Proceeds—For purchase of equipment, repayment of debt and working capital. Office—531 Pond St., Braintree, Mass. Underwriter—First Weber Securities Corp., Boston, Mass.

Air Master Corp.

May 26, 1961 filed 200,000 shares of class A common stock, of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and sale of aluminum storm windows and doors, and other aluminum products. Proceeds—For working capital, and other corporate purposes. Office—20th Street, and Allegheny Avenue, Philadelphia, Pa. Underwriter—Francis I. du Pont & Co., New York City (managing).

Airtronics International Corp. of Florida

June 29, 1961 filed 199,000 common shares of which 110,000 shares are to be offered by the company and 89,000 shares by stockholders. Price—By amendment. Business—The manufacture of electronic, mechanical and electro-mechanical rocket and missile system parts and components. Proceeds—For repayment of loans, expansion and working capital. Office—6900 West Road 84, Fort Lauderdale, Fla. Underwriters—Stein Bros. & Boyce, Baltimore & Vickers, MacPherson & Warwick, Inc. (managing). Offering—Expected in late August.

All Star World Wide, Inc.

July 7, 1961 filed \$250,000 of 5% convertible subordinated debentures due 1971 and 150,000 common shares. Price—For debentures, at par; for stock, \$5. Business—The operation of bowling centers. Proceeds—For expansion and general corporate purposes. Office—100 W. Tenth St., Wilmington, Del. Underwriters—Alessandrini & Co., Inc. and Hardy & Hardy, New York (managing).

Alix of Miami, Inc.

June 8, 1961 filed 100,000 class A common shares, of which 70,000 are to be offered by the company and 30,000 by stockholders. Price—\$9. Business—Manufacturers of women's wear. Proceeds—For working capital. Office—2700 N. W. 5th Ave., Miami, Fla. Underwriter—Clayton Securities Corp., Boston (managing).

Allstate Bowling Centers, Inc. (7/27)

May 19, 1961 filed 300,000 shares of capital stock, of which 200,000 shares will be sold for the account of the company and 100,000 shares for All-State Properties, Inc., parent. The stock will be offered for subscription

by holders of All-State Properties on the basis of one share for each nine shares held. Price—\$10. Business—The construction and operation of bowling centers in several states. Proceeds—For expansion and working capital. Office—30 Verbena Avenue, Floral Park, N. Y. Underwriter—Bear, Stearns & Co., New York City.

Almar Rainwear Corp. (8/7)

April 28, 1961 filed 120,000 shares of common stock. Price—To be supplied by amendment. Business—The manufacture and sale of plastic film raincoats and related items for men, women and children. Proceeds—For inventory, taxes, accrued sales commissions and working capital. Office—Washington, Ga. Underwriter—D. H. Blair & Co., New York City (managing).

Amcrete Corp.

May 4, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). Price—\$4 per share. Business—The sale of pre-cast and pre-stressed concrete panels for swimming pools and pumps, filters, ladders, etc. Proceeds—For building test pools; advertising, inventory and working capital. Office—102 Mamaroneck Avenue, Mamaroneck, N. Y. Underwriter—Alexandria Investments & Securities, Inc., Washington, D. C.

Amerford International Corp.

June 28, 1961 ("Reg. A.") 75,000 common shares (par 10 cents). Price—\$3.50. Business—International air and ocean freight forwarding. Proceeds—For expansion, advertising and working capital. Office—80 Wall St., New York. Underwriters—V. S. Wickett & Co., Inc., and Williams & Lee, Inc., New York.

American Electronic Laboratories, Inc.

May 26, 1961 filed 10,632 shares of class A common stock to be offered for subscription by stockholders at the rate of one new share for each 10 shares held. Price—To be supplied by amendment. Business—The company is engaged in research and development in the field of electronic communication equipment. Proceeds—For construction, new equipment, and other corporate purposes. Office—121 North Seventh Street, Philadelphia. Underwriter—Supplee, Yeatman, Mosley Co., Inc., Philadelphia, Pa.

American Facsimile Corp.

April 28, 1961 (letter of notification) 40,000 shares of common stock (par 25 cents). Price—\$3 per share. Business—The manufacture of facsimile communication equipment. Proceeds—For equipment; sales promotion and advertising; research and development, and working capital. Office—160 Coit Street, Irvington, N. J. Underwriter—Shell Associates, Inc., New York, N. Y. Offering—Imminent.

American Finance Co., Inc.

April 21, 1961 filed \$500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one \$200 debenture, 30 common shares and 10 warrants. Price—\$500 per unit. Business—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. Proceeds—For the retirement of debentures, and capital funds. Office—1472 Broadway, New York City. Underwriter—Lomasney, Loving & Co., New York City. Offering—Expected in September.

American Mortgage Investment Corp.

April 29, 1960 filed \$1,800,000 4% 20-yr. collateral trust bonds and 1,566,000 shares of class A non-voting common stock. It is proposed that these securities will be offered for public sale in units (2,000) known as Investment Certificates, each representing \$900 of bonds and 783 shares of stock. Price—\$1,800 per unit. Proceeds—To be used principally to originate mortgage loans and

Youngwood Electr. Metals, Inc. Stock All Sold

Pursuant to a July 13, 1961 prospectus, Amos Treat & Co., Inc., New York City and Bruno-Lencher, Inc., Pittsburgh, Pa., publicly offered 75,000 shares of Youngwood Electronic Metals, Inc., common stock at \$4 per share. The issue was oversubscribed. Proceeds will be used by the company for the retirement of loans, payment of taxes, purchase of inventory, research and development, and working capital.

The company, of 204 North Fifth Street, Youngwood, Pa., is engaged in the design, development and manufacture of precision parts or stampings used primarily in the semi-conductor industry. For the six months ended Feb. 28, 1961 it had net sales of \$160,701 and net earnings

of \$3,846. Authorized stock consists of 500,000 no par common shares, of which 140,000 are now outstanding.

Trans-Aire Electronics, Inc. Stock All Sold

Bertner Brothers and Earl Edden Co., New York City, report that the recent offering of 100,000 common shares of Trans-Aire Electronics, Inc., at \$2.75 per share has been all sold. Net proceeds of approximately \$228,000 will be used by the company for moving expenses, purchase of equipment and inventory, salaries, research and development, repayment of loans and working capital.

The company, of 195-02 Jamaica Ave., Jamaica 23, N. Y., manufactures a line of transistorized radios, radio phonographs and similar consumer items. In addition it imports other transistor-

ized products such as a miniature radio and a battery-operated tape recorder, and is the exclusive U. S. distributor for a Japanese trading company which imports a line of semi-conductors from Kobe Kogyo, a Japanese electronic manufacturer. Authorized stock consists of 1,000,000 common shares (par 10 cents), of which 250,000 are now outstanding.

Allyn to Open Branch in Oakbrook Shopping Center

CHICAGO, Ill. — A. C. Allyn & Co., 122 South La Salle Street, members of the New York and Midwest Stock Exchanges, will open its first Chicago suburban office in the new Oakbrook Shopping Center in March, 1962, it was announced by Douglas Casey, general partner.

Oakbrook will be Allyn's 38th office. Virgil Otto of the Chicago office has been named resident manager.

YOUR PRIME SOURCE FOR

all **NEW**
ISSUES

BOUGHT - SOLD - QUOTED
for Banks, Brokers, Institutions

Sidney A. **SIEGEL**
& Co., Inc.

39 Broadway, New York 6, N. Y.

Dlgb 4-2370 Teletype No. N.Y. 1-5237

carry them until market conditions are favorable for disposition. **Office**—210 Center St., Little Rock, Ark. **Underwriter**—Amico, Inc. Offering—In late August.

American Orbitronics Corp.

June 1, 1961 ("Reg. A") 100,000 common shares (par one cent). **Price**—\$3. **Proceeds**—For raw material, machinery, and working capital. **Office**—1730 K St., N. W., Suite 309, Washington, D. C. **Underwriter**—H. P. Black & Co., Washington, D. C.

American Packing Co.

June 29, 1961 filed 150,000 common shares. **Price**—\$4.50. **Business**—The processing and sale of canned salmon. **Proceeds**—For general corporate purposes. **Office**—303 N. E. Northlake Way, Seattle. **Underwriter**—Joseph Nadler & Co., Inc., New York (managing).

American Recreation Centers, Inc.

June 26, 1961 filed \$1,250,000 of series A convertible subordinated debentures due 1973. **Price**—By amendment. **Business**—The operation of seven bowling centers. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—1721 Eastern Ave., Sacramento, Calif. **Underwriter**—York & Co., San Francisco (managing).

American Sports Plan, Inc.

June 29, 1961 filed 200,000 common shares. **Price**—\$6. **Business**—The operation of bowling centers. **Proceeds**—For expansion. **Office**—473 Winter Street, Waltham, Mass. **Underwriter**—None.

American Univend Corp. (8/1-4)

May 29, 1961 filed 100,000 common shares. **Price**—By amendment. **Business**—The leasing of vending machines and the sale of merchandise for distribution therein. **Proceeds**—For the repayment of debt, purchase of additional machines, and other corporate purposes. **Office**—120 E. 56th St., New York. **Underwriter**—Robert A. Martin Associates, Inc., New York.

Amerline Corp.

July 3, 1961 filed 150,000 outstanding class A common shares. **Price**—By amendment. **Business**—The manufacture of components and products for sale to manufacturers of magnetic tape, electronic computers, data processing machines, etc. **Proceeds**—For selling stockholders. **Office**—2727 W. Chicago Ave., Chicago. **Underwriter**—Dean Witter & Co., San Francisco (managing).

Amity Corp.

Jan. 17, 1961 filed 88,739 shares of common stock (par \$1). **Price**—\$3 per share. **Business**—Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. **Proceeds**—For general corporate purposes, including \$170,000 for construction and \$12,000 for debt reduction. **Office**—Equitable Building, Baltimore, Md. **Underwriter**—Karen Securities Corp., New York City. **Note**—This statement is expected to be refilled.

Amphicar Corp. of America

June 15, 1961 filed 100,000 common shares. **Price**—\$5. **Business**—The manufacture of amphibious automobiles. **Proceeds**—To establish a parts depot in Newark, N. J., set up sales and service organizations, and for working capital and general corporate purposes. **Office**—660 Madison Avenue, New York. **Underwriter**—Herbert Edmond & Co., Inc., 115 Broadway, New York.

Animal Insurance Co. of America

June 29, 1961 filed 40,000 common shares. **Price**—\$15.50. **Business**—The insuring of animals, primarily race horses, trotters and pacers. **Proceeds**—For expansion and general corporate purposes. **Office**—92 Liberty St., New York. **Underwriter**—Bernard M. Kahn & Co., Inc., New York (managing).

Anodyne, Inc.

June 20, 1961 filed \$625,000 of 5% convertible subordinated debentures, 156,250 common shares reserved for issuance on conversion of the debentures and 5-year warrants to purchase 125,000 common shares to be offered in 6,250 units, each consisting of \$100 of debentures and warrants to purchase 20 shares. The units will be offered for subscription by common stockholders on the basis of one unit for each 100 common shares held. **Price**—\$100 per unit. **Proceeds**—For expansion and working capital. **Office**—1270 N. W. 165th St., North Miami Beach, Fla. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., New York.

Apache Corp. (8/15)

May 29, 1961 filed \$750,000 of participating units in the Apache Canadian Gas & Oil Program 1961 to be offered for public sale in 100 units. **Price**—\$7,500 per unit. **Business**—The acquisition, holding, testing, developing and operating of gas and oil leaseholds. **Proceeds**—For general corporate purposes. **Office**—523 Marquette Ave., Minneapolis. **Underwriter**—APA, Inc., Minneapolis.

Apache Corp. (8/15)

March 31, 1961 filed 300 units in the Apache Gas and Oil Program 1962. **Price**—\$15,000 per unit. **Business**—The acquisition, holding, testing, developing and operating of gas and oil leaseholds. **Proceeds**—For general corporate purposes. **Office**—523 Marquette Ave., Minneapolis, Minn. **Underwriter**—The company and its subsidiary, APA, Inc., will act as underwriters for the Program.

Apache Realty Corp. (8/15)

March 31, 1961 filed 1,000 units in the First Apache Realty Program. **Price**—\$5,000 per unit. **Business**—The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation of shopping centers, office buildings and industrial properties. **Proceeds**—For investment. **Office**—523 Marquette Ave., Minneapolis, Minn. **Underwriter**—Blunt Ellis & Simmons, Chicago (managing).

Applied Research Inc.

June 23, 1961 filed 120,000 common shares, of which 60,000 shares are to be offered by the company and 60,000 shares by stockholders. **Price**—\$6.50. **Business**—Manufacture of devices used in connection with space and earth communications, radio frequency analysis, missiles and satellites and radar and telemetry systems. **Proceeds**—For leasehold improvements, equipment and general corporate purposes. **Office**—76 S. Bayles Avenue, Port Washington, N. Y. **Underwriters**—Cruttenden, Podesta & Co., Chicago and Spear, Leeds & Kellogg, New York.

Aqua-Lectric, Inc.

June 19, 1961 filed 1,000,000 common shares. **Price**—\$1.15. **Business**—The marketing of an electric hot water heating system. **Proceeds**—For inventory, salaries, advertising and promotion, and working capital. **Office**—1608 First National Bank Building, Minneapolis. **Underwriter**—None. **Offering**—Expected the last of September.

Arcs Industries, Inc. (7/26)

May 19, 1961 filed \$1,630,000 of 6% convertible subordinated debentures due 1971, to be offered for subscription by common stockholders on the basis of \$500 of debentures for each 100 shares held. **Price**—At par. **Business**—The manufacture of electronic, electrical and electro-mechanical devices for use in the missile and computer fields. **Proceeds**—To repay loans, purchase a building, and for working capital. **Office**—755 Park Avenue, Huntington Station, L. I., N. Y. **Underwriter**—Lomasney, Loving & Co., New York City (managing).

Arizona Color Film Processing Laboratories, Inc.

March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. **Price**—22 cents per share. **Business**—The processing of black and white and color film. **Proceeds**—To repay loans and for working capital. **Office**—2 North 30th Street, Phoenix, Ariz. **Underwriter**—None. **Offering**—Expected in early August.

Arlian's Dept. Stores, Inc.

July 5, 1961 filed 300,000 common shares of which 60,000 shares are to be offered by the company and 240,000 shares by the stockholders. **Price**—By amendment. **Business**—The operation of 12 self-service discount stores. **Proceeds**—For working capital and expansion. **Office**—350 Fifth Ave., New York. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

Atlantic Fund for Investment in U. S. Government Securities Inc. (7/31)

July 22, 1960, filed 2,000,000 shares of common stock. **Price**—\$25 per share. **Business**—A diversified investment company, which will become an open-end company with redeemable shares upon the sale and issuance of the shares being registered. **Proceeds**—For investment in U. S. Government securities. **Office**—50 Broad Street, New York City. **Underwriter**—Capital Counsellors, 50 Broad Street, New York City. **Note**—This company was formerly the Irving Fund for Investment in U. S. Government Securities, Inc.

Atmos-Pak, Inc.

June 27, 1961 filed 100,000 common shares (par 40 cents). **Price**—\$5. **Business**—The design, manufacture and sale of roof-mounted air conditioning systems. **Proceeds**—For the repayment of debt, inventory expansion and working capital. **Office**—88 North Highland Ave., Ossining, N. Y. **Underwriters**—Christopher & Co., Inc. (managing); Alessandrini & Co., Inc., and Hardy & Hardy, New York.

Audiographic Inc.

Feb. 27, 1961 filed 150,000 shares of common stock. **Price**—\$4 per share. **Business**—The manufacture and sale of fire and burglar warning systems. **Proceeds**—To establish subsidiaries, buy equipment to make component parts of warning systems now manufactured by others, reduce indebtedness, add to inventory, and for working capital. **Office**—Bellemore, L. I., N. Y. **Underwriter**—First Broad Street Corp., New York City (managing).

Audio Visual Teaching Machines, Inc.

June 8, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—\$4. **Business**—The manufacture and distribution of teaching machines, language laboratories and program texts. **Proceeds**—For repayment of debt, purchase of equipment, research and development and working capital. **Office**—216 E. Diamond Street, Gaithersburg, Md. **Underwriter**—To be named.

Automated Gift Plan, Inc.

June 12, 1961 ("Reg. A") 100,000 common shares (par 10c). **Price**—\$3. **Business**—The manufacture and sale of "Gift Bookards" designed to provide simplified gift giving for business and industry. **Proceeds**—For advertising, sales promotion, repayment of loans, working capital and the establishment of national dealerships. **Office**—80

NEW ISSUE CALENDAR

July 21 (Friday)	
Chock Full O' Nuts Corp. (F. Eberstadt & Co.) \$7,500,000	Debentures
Development Corp. of America (Amos Treat & Co. Inc.) \$600,000	Common
Model Vending, Inc. (Milton D. Blauner & Co., Inc.; Hallowell, Sulzberger, Jenks, Kirkland & Co. and M. L. Lee & Co., Inc.) 150,000 shares	Common
Progressitron Corp. (Netherlands Securities Co.) \$300,000	Common
Riverview ASC, Inc. (Albion Securities Co., Inc.) \$300,000	Common
Wayne Manufacturing Co. (Witchum, Jones & Templeton and Schwabacher & Co.) \$490,000	Capital
Wej-It Expansion Products, Inc. (Amos C. Sudler & Co.) \$300,000	Common
July 24 (Monday)	
BBM Photocopy Manufacturing Corp. (Shields & Co.) 50,000 shares	Common
Diversified Industries, Inc. (Offering to stockholders—underwritten by R. E. Bernhard & Co.; Hardy & Co.; Arthur B. Hogan, Inc.; Webdush & Co.; Wheeler & Cruttenden Inc.; M. S. Walker & Co. and V. E. Anderson & Co.) \$120,295	Preferred
Hupp Systems, Inc. (Bayes, Rose & Co. Inc.) \$150,000	Common
Northern Natural Gas Co. (Blyth & Co. Inc.) \$35,000,000	Debentures
Space Technology & Utilities Corp. (Henry Pricke Co.) \$300,000	Common
Speed-O-Print Business Machines Corp. (Rodman & Renshaw) 125,000 shares	Common
Spellman Engineering, Inc. (Pierce, Carrison, Wulburn, Inc.) 150,000 shares	Common
Suval Industries Inc. (Milton D. Blauner & Co. and Brukenfeld & Co.) \$500,000	Common
Taffet Electronics, Inc. (Fialkov & Co. Inc.) \$396,000	Common
Universal Manufacturing Co. (Naftalin & Co. Inc.) \$270,000	Common
Vinco Corp. (S. D. Fuller & Co.) \$2,000,000	Debentures
July 25 (Tuesday)	
Bookshelf of America, Inc. (D. H. Blair & Co.) \$299,800	Common
Bramalea Consolidated Developments, Ltd. (Shields & Co.) \$12,000,000	Units
Union Electric Co. (Bids 11 a. m. EDT) \$30,000,000	Bonds
United Foods, Inc. (Dempsey-Tegeer & Co.) \$1,062,500	Common
Washington Water Power Co. (Kidder, Peabody & Co.; Blyth & Co., Inc.; White, Weld & Co. and Dean Witter & Co.) 160,000 shares	Common
July 26 (Wednesday)	
Arcs Industries, Inc. (Offering to stockholders—underwritten by Lomasney, Loving & Co.) \$1,630,000	Debentures
Bid D Chemical Co. (Donald J. Hinkley & Co. Inc.) \$300,000	Common
Canandaigua Enterprises Corp. (S. D. Fuller & Co.) 8,000 units	Units
Capital Properties, Inc. (Hodgdon & Co. Inc.) \$600,000	Units
Ets-Hokin & Galvan, Inc. (Van Alstyne, Noel & Co.) 209,355 shares	Common
Florida Steel Corp. (McDonald & Co. and Kidder, Peabody & Co.) 100,000 shares	Common
Giannini Scientific Corp. (Kidder, Peabody & Co. Inc.) \$300,000	Common
Metropolis Bowling Centers, Inc. (Russell & Saxe Inc.; Thomas, Williams & Lee Inc. and V. S. Wickett & Co.) \$990,000	Common
Southern Pacific Co. (Bids 12 noon) \$4,845,000	Equip. Trust Cfts.
William Brothers Co. (Reynolds & Co. Inc.) 350,000 shares	Common
July 27 (Thursday)	
Allstate Bowling Centers, Inc. (Offering to stockholders—underwritten by Bear, Stearns & Co.) \$3,000,000	Capital
Devonbrook, Inc. (Globus, Inc.) \$600,000	Common
Goodway Printing Co. (Paine, Webber, Jackson & Curtis) 247,500 shares	Capital
Pickwick Organization, Inc. (Theodore Arrin & Co. Inc.; Katzenberg, Sour & Co. and Underhill Securities Corp.) \$550,000	Common
Swingline Inc. (Paine, Webber, Jackson & Curtis) 200,000 shares	Common
July 28 (Friday)	
Kane-Miller Corp. (Netherlands Securities Co., Inc.; Seymour Blauner Co. and J. J. Bruno & Co.) \$600,000	Common
Security Acceptance Corp. (No underwriting) \$800,000	Units
July 31 (Monday)	
Atlantic Fund for Investment in U. S. Government Securities, Inc. (Capital Counsellors) \$50,000,000	Common
Dallas Airmotive, Inc. (Eppler, Guerin & Turner, Inc.) 390,000 shares	Common
Federal Factors, Inc. (Thomas Jay, Winston & Co.; Maltz, Greenwald & Co. and Globus, Inc.) \$700,000	Debentures
Federal Factors, Inc. (Thomas Jay, Winston & Co.; Maltz, Greenwald & Co. and Globus, Inc.) 70,000 shares	Common
Garan Inc. (J. R. Williston & Beane) \$780,000	Common
Gulf-Southwest Capital Corp. (Harriman Ripley & Co. and Underwood, Neuhaus & Co., Inc.) 1,250,000 shares	Common
Lease Plan International Corp. (Hayden, Stone & Co.) 125,000 shares	Common
Northwestern Public Service Co. (Bids to be received) \$4,000,000	Bonds
Radiation Instrument Development Laboratory, Inc. (Hayden, Stone & Co.) 100,000 shares	Common

STOCK OWNERSHIP CLIMBING

In five years the number of individual shareholders in Mid America has increased 54%. Chicago alone has more owners of stock in publicly held corporations than any city in the nation save New York. The newspaper most widely circulated among professional investors and the general public in this thriving market is the Chicago Tribune. It is your best medium for advertising security issues and services. Why not call your Tribune representative today for details?

Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER

Mid America's most widely circulated market table pages

Continued on page 30

Continued on page 30

Continued from page 29

Tassette, Inc.-----Class A
(Amos Treat & Co., Inc.; Bruno Lenchner, Inc. and
Karen Securities Corp.) \$2,400,000

Thoroughbred Enterprises, Inc.-----Common
(Sandkuhl & Co., Inc.) \$340,000

Versapak Film & Packaging Machinery Corp.-----Units
(Hill, Thompson & Co.; Hampstead Investing Corp.
and Globus, Inc.) \$468,750

August 1 (Tuesday)

American Univend Corp.-----Common
(Robert A. Martin Associates, Inc.) 100,000 shares

Automated Merchandising Capital Corp.-----Common
(Blair & Co., Inc.) 400,000 shares

California Computer Products, Inc.-----Common
(Mitchum, Jones & Templeton) \$300,000

Electrarc, Inc.-----Common
(P. de Rensis & Co., Inc.) \$500,000

International Cablevision Corp.-----Common
(James Anthony & Co., Inc.) \$1,648,500

Interstate Department Stores, Inc.-----Debentures
(Lehman Brothers and Shearson, Hammill & Co.) \$5,859,400

Northern Pacific Co.-----Equip. Trust Cifs.
(Bids to be received) \$7,200,000

Patent Resources, Inc.-----Common
(Darius Inc.; N. A. Hart & Co. and E. J. Roberts
& Co. Inc.) 150,000 shares

August 2 (Wednesday)

Long Island Bowling Enterprises, Inc.-----Common
(Trinity Securities Corp.) \$300,000

Triangle Instrument Co.-----Common
(Armstrong & Co., Inc.) \$300,000

Vic Tanny Enterprises, Inc.-----Common
(S. D. Fuller & Co.) 320,000 shares

August 3 (Thursday)

Consolidated Production Corp.-----Common
(Shearson, Hammill & Co.) 200,000 shares

Cosnat Record Distributing Corp.-----Common
(Amos Treat & Co.) 150,000 shares

Famous Artists Schools, Inc.-----Common
(Bear, Stearns & Co.) 336,625 shares

Fifth Dimension Inc.-----Common
(Milton D. Blauner & Co., Inc.) 60,000 shares

Ihnen (Edward H.) & Son, Inc.-----Common
(Amos Treat & Co., Inc.) \$375,000

Instrument Systems Corp.-----Common
(Milton D. Blauner & Co.; M. L. Lee & Co. Inc.
and Lieberbaum & Co.) \$750,000

Magna Pipe Line Co., Ltd.-----Common
(Bear, Stearns & Co. and W. C. Pitfield & Co. Ltd.)
750,000 shares

Mohawk Insurance Co.-----Common
(R. F. Dowd & Co., Inc.) \$900,000

Packer's Super Markets, Inc.-----Common
(Milton D. Blauner & Co., Inc.) \$600,000

August 4 (Friday)

First Surety Corp.-----Capital
(Dempsey-Tegeer & Co.) 754,730 shares

August 7 (Monday)

Almar Rainwear Corp.-----Common
(D. H. Blair & Co.) 120,000 shares

CMC Finance Group, Inc.-----Common
(Auchincloss, Parker & Redpath) 150,000 shares

Reher Simmons Research Inc.-----Capital
(McLaughlin, Kaufmann & Co.) \$900,000

Transvision Electronics, Inc.-----Common
(Adams & Peck) 140,000 Shares

August 8 (Tuesday)

Kimberly-Clark Corp.-----Debentures
(Blyth & Co. Inc.) \$30,000,000

Northern States Power Co.-----Bonds
(Bids to be received) \$20,000,000

August 9 (Wednesday)

Texas Capital Corp.-----Common
(Dempsey-Tegeer & Co.) 1,000,000 shares

August 10 (Thursday)

Business Funds, Inc.-----Capital
(Clark, Dodge & Co. Inc.; Alex. Brown & Sons
and Rotan, Mosle & Co.) \$14,300,000

Harper (H. M.) Co.-----Common
(Blunt Ellis & Simmons) 180,000 shares

August 14 (Monday)

Pell Pharmaceuticals, Inc.-----Common
(R. P. & R. A. Miller & Co. Inc.) \$300,000

August 15 (Tuesday)

Advanced Scientific Instruments, Inc.-----Common
(Naftalin & Co.) \$1,006,250

Apache Realty Corp.-----Units
(Blunt Ellis & Simmons) \$5,000,000

Apache Corp.-----Units
(APA, Inc. Minneapolis, Minn.) \$4,500,000

Apache Corp.-----Units
(APA Inc.) \$750,000

City Gas Co. of Florida-----Common
(Kidder, Peabody & Co.) 112,278 shares

Consumers Power Co.-----Bonds
(Bids 11:30 a.m. EDT) \$40,000,000

Parkview Drugs, Inc.-----Common
(Scherck, Richter Co.) 141,000 shares

Superstition Mountain Enterprises, Inc.-----Common
(No underwriting) \$5,000,000

Wisconsin Power & Light Co.-----Preferred
(Offering to preferred stockholders and employees—under-
written by Smith, Barney & Co. and Robert
W. Baird & Co. Inc.) 15,000 shares

Wisconsin Power & Light Co.-----Preferred
(Smith, Barney & Co. and Robert W. Baird & Co. Inc.)
50,000 shares

August 16 (Wednesday)

Douglas Microwave Co., Inc.-----Common
(J. R. Williston & Beane and Hill, Darlington & Grimm)
100,000 shares

Industrial Gauge & Instrument Co., Inc.-----Common
(R. F. Dowd & Co. Inc.) \$225,000

Mite Corp.-----Capital
(Kidder, Peabody & Co. and Charles W. Scranton
& Co.) 325,000 shares

Mortgage Guaranty Insurance Co.-----Common
(Bache & Co.) 155,000 shares

Supronics Corp.-----Common
(Amos Treat & Co. Inc.; Standard Securities Corp.
and Bruno-Lenchner Inc.) 90,000 shares

Technical Materiel Corp.-----Common
(Kidder, Peabody & Co.) 50,000 shares

TelePromPTer Corp.-----Debentures
(Bear, Stearns & Co.) \$5,000,000

August 17 (Thursday)

Trinity Funding Corp.-----Common
(Trinity Securities Corp.) \$1,500,000

U. S. Home & Development Corp.-----Capital
(Auchincloss, Parker & Redpath) 300,000 shares

August 18 (Friday)

Cellomatic Battery Corp.-----Common
(Armstrong & Co. Inc.) \$250,000

Lytton Financial Corp.-----Capital
(William R. Staats & Co. and Shearson, Hammill & Co.)
300,000 shares

Shelley Urethane Industries, Inc.-----Common
(Garat & Polonitzka Inc.) 200,000 shares

August 22 (Tuesday)

Glory Knitting Mills, Inc.-----Common
(Shields & Co.) 125,000 shares

August 25 (Friday)

Intercontinental Dynamics Corp.-----Common
(M. H. Woodhill Inc.) \$300,000

Service Photo Industries, Inc.-----Class A
(N. A. Hart & Co.) \$600,000

August 28 (Monday)

Cressey, Dockham & Co., Inc.-----Common
(Mann & Cressy) \$300,000

Philadelphia Laboratories, Inc.-----Common
(Woodcock, Moyer, Fricke & French, Inc.) \$600,000

August 30 (Wednesday)

Conolite, Inc.-----Class A
(Amos Treat & Co. Inc.) \$850,000

Tresco, Inc.-----Common
(Amos Treat & Co. Inc.) \$500,000

September 7 (Thursday)

Rodney Metals, Inc.-----Common
(Amos Treat & Co. Inc.) \$1,400,000

September 8 (Friday)

Western Union Telegraph Co.-----Common
(Offering to stockholders—underwritten by Kuhn, Loeb & Co.
and Lehman Brothers) 1,075,791 shares

September 13 (Wednesday)

King's Department Stores, Inc.-----Common
(Shearson, Hammill & Co.) 500,000 shares

September 15 (Friday)

Walter Sign Corp.-----Common
(Amber, Burstein & Co.) \$300,000

September 18 (Monday)

Parish (Amos) & Co., Inc.-----Common
(The James Co.) 208,000 shares

September 27 (Wednesday)

Rochester Gas & Electric Corp.-----Bonds
(Bids to be received) \$15,000,000

October 18 (Wednesday)

Georgia Power Co.-----Bonds
(Bids to be received) \$15,500,000

Georgia Power Co.-----Preferred
(Bids to be received) \$8,000,000

October 25 (Wednesday)

New England Power Co.-----Bonds
(Bids to be received) \$20,000,000

December 5 (Tuesday)

Virginia Electric & Power Co.-----Bonds
(Bids to be received) \$15,000,000

December 7 (Thursday)

Gulf Power Co.-----Bonds
(Bids to be received) \$5,000,000

Continued from page 29

Park Ave., New York. Underwriter—J. Laurence & Co.,
Inc., New York.

Automated Merchandising Capital Corp. (8/1-4)
May 24, 1961 filed 400,000 shares of common stock. Price
—To be supplied by amendment. Business—A closed-
end non-diversified management investment company
formed to provide financial assistance to concerns active
in the vending industry. Proceeds—For investment.
Office—10 East 40th St., New York City. Underwriter
—Blair & Co., Inc., New York City (managing).

Automatic Canteen Co. of America
June 14, 1961 filed \$12,000,000 of sinking fund debentures due 1981. Price—By amendment. Business—The
manufacture, sale and lease of vending machines. Proceeds—
For expansion and general corporate purposes. Office—
Merchandise Mart Plaza, Chicago. Underwriter
—Glore, Forgan & Co., New York (managing).

Automotive Vacuum Control Corp.
March 30, 1961 (letter of notification) 60,000 shares of
common stock (par \$1). Price—\$5 per share. Proceeds
—For advertising, new products and working capital. Office—
1007 East Second Street, Wichita, Kan. Underwriter
—Donald J. Hinkley & Co., Inc., Denver, Colo.

BBM Photocopy Manufacturing Corp. (7/24-28)
May 26, 1961 filed 50,000 shares of common stock. Price
—To be supplied by amendment. Business—The assembly
and sale of accessory equipment for photocopy machines.
Proceeds—For acquisition of the Bohn Dupli-
cator Co. a division of Willmor International Corp.
Office—42 W. 15th St., New York City. Underwriter—
Shields & Co., New York City (managing).

BSF Company
June 30, 1961 filed \$2,500,000 of 5% convertible sub-
ordinated debentures due 1966. Price—At par. Proceeds
—To repay debt and as a reserve for possible acquisitions.
Office—818 Market St., Wilmington, Del. Underwriter—
None.

Badger Northland, Inc.
June 16, 1961 filed 100,000 common shares, of which 68,
000 shares are to be offered by the company and 32,000
shares by stockholders. Price—By amendment. Business—
The manufacture of farm equipment. Proceeds—
For a plant, purchase of land, retirement of preferred

stock and working capital. Address—Kaukauna, Wis.
Underwriter—Loewi & Co., Inc., Milwaukee (managing).

Bel-Aire Products, Inc.
April 14, 1961 (letter of notification) 150,000 shares of
common stock. Price—At par (\$2 per share). Proceeds
—For repayment of a loan, new equipment, lease of a
plant, and working capital. Office—25970 W. 8 mile
Road, Southfield, Mich. Underwriter—International
Equities Co., Miami, Fla.

Bid D Chemical Co. (7/26)
May 17, 1961 (letter of notification) 60,000 shares of
class A common stock (par \$1). Price—\$5 per share.
Office—1708 W. Main St., Oklahoma City, Okla. Under-
writer—Donald J. Hinkley & Co., Inc., Denver, Colo.

Blackman Merchandising Corp.
June 8, 1961 filed 72,500 class A common shares. Price
—By amendment. Business—The wholesale distribution
of soft goods lines and artificial flowers. Proceeds—For
expansion; inventory and working capital. Office—1401
Fairfax Trafficway, Kansas City, Kan. Underwriter—
Midland Securities Co., Inc., Kansas City, Mo.

Bloch Brothers Tobacco Co.
July 3, 1961 ("Reg. A") 4,000 common shares (par \$12.50).
Price—By amendment. Proceeds—For the selling stock-
holders. Office—4000 Water St., Wheeling, W. Va. Under-
writer—Fulton, Reid & Co., Inc., Cleveland.

Bloomfield Building Industries, Inc.
June 29, 1961 filed 300,000 class A common shares. Price
—\$5. Proceeds—For advances to a subsidiary, purchase
of additional land and the construction of buildings
thereon. Office—3355 Poplar Ave., Memphis, Tenn.
Underwriter—Lieberbaum & Co., New York.

Bloomfield Industries, Inc.
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 100,000 outstanding shares by the
present holders thereof. Price—To be supplied by
amendment. Business—The manufacture and sale of food
service equipment (for restaurants, hotels, etc.) and
houseware and hospital products. Proceeds—For product
expansion, working capital and other corporate pur-
poses. Office—4546 West 47th St., Chicago, Ill. Under-
writers—Westheimer & Co., Cincinnati and Divine &
Fishman, Inc., Chicago and New York City. Offering—
Expected in mid-July.

Blue Haven Industries, Inc.
March 30, 1961 (letter of notification) 70,000 shares of
common stock (par 10 cents). Price—\$4 per share. Pro-
ceeds—To increase inventory, reduce indebtedness and
for working capital. Office—11933 Vose St., North Holly-
wood, Calif. Underwriter—Pacific Coast Securities Co.
Offering—Expected in late July.

Blue List Publishing Co., Inc.
June 26, 1961 filed 100,000 outstanding common shares.
Price—By amendment. Business—General printing. Pro-
ceeds—For the selling stockholders. Office—130 Cedar
Street, New York. Underwriter—White, Weld & Co.,
Inc., New York (managing).

Bookshelf of America, Inc. (7/25)
April 17, 1961 (letter of notification) 74,950 shares of
common stock (par 10 cents). Price—\$4 per share.
Business—The mail order sale of religious books. Pro-
ceeds—For moving expenses, new equipment and work-
ing capital and general corporate purposes. Office—889
Broadway, New York, N. Y. Underwriter—D. H. Blair
& Co., New York, N. Y.

Boulder Lake Corp.
June 28, 1961 filed 315,000 common shares. Price—\$2.50.
Business—The acquisition, exploration and development
of mineral properties. Proceeds—For construction of
roads and buildings, purchase of machinery and explora-
tion of properties. Address—P. O. Box 214, Twin Bridges,
Mont. Underwriter—Wilson, Ehli, Demos, Bailey & Co.,
Billings, Mont.

Bowling Internazionale, Ltd.
June 30, 1961 filed 200,000 common shares. Price—\$5.
Proceeds—For the construction or acquisition of a chain
of bowling centers principally in Italy, and for expansion
and working capital. Office—80 Wall St., New York.
Underwriters—V. S. Wickett & Co., and Thomas, Wil-
liam, & Lee, Inc., New York City.

Brzmalea Consolidated Developments, Ltd. (7/25)
May 19, 1961 filed \$6,000,000 (U. S.) of 6½% sinking
fund debentures due July 1, 1973, 600,000 shares of com-
mon stock and 240,000 12-year warrants (exercisable at
\$10 per share) to be offered for public sale in units, each
consisting of \$50 of debentures, five common shares and
two warrants. Price—\$100 per unit. Business—The
company is building a planned industrial-commercial-

residential community at Chinguacousy, Ont., near Toronto. **Proceeds**—To repay debt and for working capital. **Office**—P. O. Box 129, Brampton, Ont., Canada. **Underwriter**—Shields & Co., New York City (managing).

Brisker Corp.

June 2, 1961 ("Reg. A") 160,000 common shares (par 25 cents). **Price**—\$1. **Proceeds**—For repayment of loans, machine rental, working capital and general corporate purposes. **Office**—2833 St. Charles Ave., Suite 4, New Orleans, La. **Underwriter**—Copley & Co., Colorado Springs, Colo.

British-American Construction & Materials Ltd.

July 7, 1961 filed \$3,500,000 (U. S.) debentures, 6% sinking fund series due 1981 (with warrants) and 300,000 outstanding common shares. **Price**—By amendment. **Business**—A construction company. **Proceeds**—Debentures—For repayment of debt, construction, acquisition and working capital. Stock—For the selling stockholders. **Office**—Jarvis Ave., at Andrews St., Winnipeg, Manitoba, Canada. **Underwriter**—P. W. Brooks & Co., Inc., New York (managing).

Brown (W. A.) Manufacturing Co.

June 12, 1961 filed 170,680 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of photo-mechanical equipment. **Proceeds**—For selling stockholders. **Office**—Prudential Plaza, Chicago. **Underwriters**—Loewi & Co., Inc., Milwaukee and Blunt Ellis & Simmons, Chicago.

Builtwell Homes, Inc.

May 25, 1961 filed \$1,000,000 of convertible subordinated debentures due 1981 and 300,000 shares of common stock, to be offered for sale in 100,000 units, each consisting of \$10 of debentures and three common shares. **Price**—To be supplied by amendment. **Business**—The construction financing and sale of shell homes. **Proceeds**—For the repayment of debt, the opening of additional sales offices and the financing of home sales. **Office**—Adrian, Ga. **Underwriter**—The Robinson-Humphrey Co., Inc., Atlanta, Ga. (managing).

Business Funds, Inc. (8/10)

June 2, 1961 filed 1,300,000 shares of capital stock. **Price**—\$11. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—201 Main St., Houston, Texas. **Underwriters**—Clark, Dodge & Co., Inc., New York; Alex. Brown & Sons, Baltimore, and Rotan, Mosle & Co., Houston.

Byer-Rolnick Hat Corp.

June 27, 1961 filed 100,000 outstanding common shares. **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—601 Marion Dr., Garland, Tex. **Underwriters**—Dallas Rupe & Son, Inc., Dallas, Tex., and Straus, Blosser & McDowell, Chicago.

CMC Finance Group, Inc. (8/7-11)

April 28, 1961 filed 150,000 shares of class A common stock. **Price**—To be supplied by amendment. **Business**—The company, through its 20 subsidiaries, is engaged in the consumer finance business in North Carolina, South Carolina and Georgia. **Proceeds**—For working capital. **Office**—1009 Wachovia Building, Charlotte, N. C. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C.

Cable Carriers, Inc.

March 23, 1961 filed 196,109 shares of capital stock. **Price**—\$1.15. **Business**—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. **Proceeds**—For working capital. **Office**—Kirk Boulevard, Greenville, S. C. **Underwriter**—To be named. **Offering**—Expected in August.

Calandra Photo, Inc.

May 29, 1961 filed 170,000 class A shares, including 50,000 to be sold by the company and 120,000 by stockholders. **Price**—By amendment. **Business**—The processing of photographic film, wholesale distribution of photographic equipment, and operation of retail camera stores. **Proceeds**—For expansion, equipment, and working capital. **Office**—116 North 42nd Street, Omaha, Neb. **Underwriter**—Cruttenden, Podesta & Co., Chicago (managing).

California Computer Products, Inc. (8/1)

July 3, 1961 ("Reg. A") 75,000 common shares (par 50 cents). **Price**—\$4. **Proceeds**—For new products, inventory, repayment of loans and working capital. **Office**—8714 E. Cleta St., Downey, Calif. **Underwriter**—Mitchum, Jones & Templeton, Los Angeles, Calif.

California Growth Capital Inc.

July 18, 1961 filed 600,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—111 Center St., San Francisco, Calif. **Underwriters**—H. M. Bylesby & Co., Inc., Chicago and Birr & Co., Inc., San Francisco.

Cal-Val Research & Development Corp.

June 16, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—Engineering research and development in ground support equipment in the missile, rocket and space fields. **Proceeds**—To repay loans and for general corporate purposes. **Office**—19607 Ventura Boulevard, Woodland Hills, Calif. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C. **Offering**—Expected in late August.

Calvideo Electronics, Inc.

May 29, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Proceeds**—For repayment of debt and working capital. **Office**—18601 S. Santa Fe Ave., Compton, Calif. **Underwriters**—J. K. Norton & Co. and Stern, Zeiff & Co., Inc., New York.

Canada Dry Corp.

June 8, 1961 filed \$7,138,400 of 4¾% convertible subordinated debentures due July 1, 1981 being offered for

subscription by common stockholders on basis of \$100 of debentures for each 33 shares held of record July 11, with rights to expire July 27. **Price**—At par. **Business**—The manufacture and distribution of carbonated and alcoholic beverages, extracts and syrups in the U. S. and Canada. **Proceeds**—To prepay short term loans, for expansion and working capital. **Office**—100 Park Ave., New York. **Underwriters**—Eastman Dillon, Union Securities & Co., Hornblower & Weeks and Winslow, Cohu & Stetson, Inc., New York.

Canandaigua Enterprises Corp. (7/26)

May 2, 1961 filed \$4,000,000 of 7% sinking fund debentures due 1976 (convertible on or before July 1, 1966), and 240,000 shares of class A stock, to be offered for public sale in units, each consisting of \$500 of debentures, and 30 class A shares. **Price**—To be supplied by amendment. **Business**—The company owns a majority stock interest in Finger Lakes Racing Association, Inc., which is erecting a thoroughbred race track at Canandaigua, New York. The company plans to engage in recreational and entertainment activities and may construct hotels, motels or restaurants adjacent to the race track. **Proceeds**—For construction, working capital and general corporate purposes. **Office**—26 Broadway, New York City. **Underwriter**—S. D. Fuller & Co., New York City (managing).

Capital Income Fund, Inc.

July 3, 1961 filed 30,000 common shares. **Price**—By amendment. **Business**—A mutual fund. **Proceeds**—For investment. **Office**—900 Market St., Wilmington, Del. **Underwriter**—Capital Management Corp., Miami (managing).

Capital Properties Inc. (7/26)

April 21, 1961 filed \$600,000 of 9½% debentures due 1977 and 12,000 shares of common stock to be offered for public sale in units of \$1,000 of debentures and 20 common shares. **Price**—\$1,000 per unit. **Business**—The company plans to purchase and lease back three buildings to be erected by Tower's Marts, Inc., for use as retail discount department stores. **Proceeds**—For acquisition of the above properties. **Office**—36 Pearl St., Hartford, Conn. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Capitol Research Industries, Inc.

June 28, 1961 filed 165,000 common shares and 75,000 common stock purchase warrants. **Price**—For stock, \$2; for warrants, 20 cents. **Business**—The manufacture of X-ray film processing machines. **Proceeds**—For repayment of loans and working capital. **Office**—4206 Wheeler Avenue, Alexandria, Va. **Underwriter**—None.

Cellomatic Battery Corp. (8/18)

June 20, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$2.50. **Proceeds**—For repayment of debt, inventory and working capital. **Office**—300 Delaware Avenue, Archbald, Pa. **Underwriter**—Armstrong & Co., Inc., New York.

Center Laboratories, Inc.

June 20, 1961 filed \$200,000 of convertible subordinated debentures due 1976 and 80,000 common shares underlying such debentures, and 70,000 outstanding common shares to be sold by stockholders. **Price**—(Debentures) At par. (Common) \$2 per share. **Proceeds**—For construction of a new building. **Office**—Port Washington, N. Y. **Underwriters**—Brand, Grumet & Seigel, Inc., and Kesselman & Co., Inc., New York.

Central Investment Corp. of Denver

June 19, 1961 filed 600,000 common shares. **Price**—\$3.75. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—611 Central Bank Building, Denver. **Underwriters**—Boettcher & Co.; Bosworth, Sullivan & Co., Inc., and Peters, Writer & Christensen, Inc., Denver.

Certain-Teed Products Corp.

June 26, 1961 filed 127,632 common shares being offered for subscription by stockholders on the basis of one new share for each 15 shares held of record July 19, with rights to expire Aug. 3. **Price**—\$34. **Business**—The manufacture of building materials, principally asphalt roofing. **Proceeds**—For working capital. **Office**—120 E. Lancaster Ave., Ardmore, Pa. **Underwriter**—Lazard Freres & Co., New York (managing).

Chalco Engineering Corp.

Jan. 30, 1961 filed 171,428 shares of common stock. **Price** \$3.50 per share. **Business**—The company is engaged in the business of engineering, research, development, manufacturing and installation of custom communication systems and electronic, electro-mechanical and mechanical systems and devices for ground support facilities for missile and space programs of the U. S. Government. The company also manufactures special purpose products sold for military use. **Proceeds**—For the repayment of loans and for working capital. **Office**—15126 South Broadway, Gardena, Calif. **Underwriter**—First Broad Street Corp., New York City (managing).

Challenger Products, Inc.

June 30, 1961 filed 125,000 common shares. **Price**—\$5. **Proceeds**—For the repayment of debt, purchase of new equipment, and working capital. **Office**—2934 Smallman St., Pittsburgh, Pa. **Underwriter**—Pistell, Crowe, Inc., New York.

Charles Jacquinet et Cie, Inc.

July 7, 1961 filed 140,000 common shares of which 20,000 shares are to be offered by the company and 120,000 shares by stockholders. **Price**—By amendment. **Business**—The production of cordials, vodka, rum, brandy, etc. **Proceeds**—For working capital, sales promotion and advertising. **Office**—2633 Trenton Ave., Philadelphia. **Underwriter**—Stroud & Co., Inc., Philadelphia (managing). **Offering**—Expected in early September.

Charter Industries, Inc.

June 22, 1961 filed 100,000 common shares. **Price**—\$4. **Business**—The manufacture of molded plastic products. **Proceeds**—For starting up production and plant expansion. **Office**—388 Codwise Ave., New Brunswick, N. J. **Underwriter**—Standard Securities Corp., New York (managing).

Chemonics Corp.

Nov. 14, 1960 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—\$3 per share. **Business**—Manufacturers of printed circuits for the missile industries. **Proceeds**—For general corporate purposes and working capital. **Office**—990 S. Fair Oaks Ave., Pasadena, Calif. **Underwriters**—Grant, Fontaine & Co., Oakland, Calif. (managing); Evans MacCormack & Co., Los Angeles, Calif.; Stone & Youngberg, San Francisco and Selgren, Miller & Co., Oakland, Calif.

Chock Full O' Nuts Corp. (7/21-8/7)

April 7, 1961 filed \$7,500,000 of subordinated debentures, due Aug. 1, 1981 to be offered for subscription by stockholders on the basis of one \$100 debenture for each 50 common shares held of record July 21 with rights to expire Aug. 7. **Price**—At par. **Business**—The operation of a chain of restaurants in the New York City area; and the packaging and retail sale of coffee. **Proceeds**—For expansion. **Office**—425 Lexington Ave., New York 17, N. Y. **Underwriter**—F. Eberstadt & Co., New York City (managing).

Chrislin Photo Industries Corp.

June 15, 1961 ("Reg. A") 50,000 shares of class A stock (par five cents). **Price**—\$6. **Business**—Developing and designing products. **Proceeds**—For general corporate purposes. **Office**—17 Jeffrey Lane, Hicksville, N. Y. **Underwriter**—Lewis Wolf, Inc., New York. **Note**—This letter was withdrawn June 15.

Church Builders, Inc.

Feb. 6, 1961 filed 50,000 shares of common stock, series 2. **Price**—\$5.50 per share. **Business**—A closed-end diversified investment company of the management type. **Proceeds**—For investment. **Office**—501 Bailey Avenue, Fort Worth, Texas. **Distributor**—Associates Management, Inc., Fort Worth, Texas.

Churchill Stereo Corp.

July 17, 1961 ("Reg. A") 105,000 common shares and 105,000 attached five-year warrants to be offered in units of one share and one warrant. **Price**—\$3.60 per unit. **Business**—The manufacture of stereophonic, hi-fidelity, radio and/or television equipment and the operation of six retail stores. **Proceeds**—For expansion, repayment of loans, working capital and other corporate purposes. **Office**—200 E. 98th Street, Brooklyn, N. Y. **Underwriter**—Lieberbaum & Co., New York (managing).

City Gas Co. of Florida (8/15)

June 15, 1961 filed 112,278 common shares. **Price**—By amendment. **Proceeds**—For repayment of loans, purchase of tank cars, and expansion. **Office**—955 E. 25th Street, Hialeah, Fla. **Underwriter**—Kidder, Peabody & Co., New York (managing).

Clark Equipment Credit Corp.

April 21, 1961 filed \$200,000 of debentures, series A, due 1981. **Price**—To be supplied by amendment. **Business**—The financing in the U. S. and Canada of retail time sales of products manufactured by Clark Equipment Co., parent. **Proceeds**—For the repayment of debt. **Office**—324 East Dewey Ave., Buchanan, Mich. **Underwriters**—Lehman Brothers and Blyth & Co., Inc., New York City (managing). **Offering**—Temporarily postponed.

Clarkson Laboratories, Inc.

April 27, 1961 filed 200,000 shares of common stock. **Price**—\$2 per share. **Business**—The company plans to engage in the development, manufacture, packaging and sale of industrial chemicals and latex, resins and plastic compounds for industrial and commercial use. **Proceeds**—For plant additions, repayment of debt, and working capital. **Office**—1450 Ferry Avenue, Camden, N. J. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., both of New York City.

Clute (Francis H.) & Son, Inc.

July 3, 1961 filed 1,000,000 common shares. **Price**—\$1.50. **Business**—The manufacture of farm and industrial equipment. **Proceeds**—For materials and inventory, research and development and working capital. **Office**—1303 Elm St., Rocky Ford, Colo. **Underwriter**—Stone, Altman & Co., Inc., Denver.

Coastal Acceptance Corp.

June 6, 1961 ("Reg. A") \$125,000 of 10-year registered series notes to be offered in denominations of \$100 to \$1,000. **Price**—At par. **Proceeds**—For working capital. **Office**—36 Lowell St., Manchester, N. H. **Underwriter**—Eastern Investment Corp., Manchester, N. H.

Coburn Credit Co., Inc.

July 18, 1961 filed \$1,500,000 of convertible subordinated debentures due 1976. **Price**—At par. **Business**—A consumer finance company. **Proceeds**—For general corporate purposes. **Office**—53 N. Park Ave., Rockville Center, N. Y. **Underwriters**—Brand, Grumet & Seigel, Inc. and Kesselman & Co., Inc., New York.

Color Reproductions, Inc.

May 10, 1961 (letter of notification) 950 units of \$95,000 of 6% subordinated debentures, due June 30, 1971, and 47,500 shares of common stock (par one cent) to be offered in units, each unit consisting of \$100 of debentures and 50 shares of common stock. **Price**—\$287.50 per unit. **Business**—The company makes color photographs and reproductions for churches, institutions, seminars and schools. **Proceeds**—For equipment; sales promotion; repayment of loans; construction of buildings and improvements of facilities. **Office**—202 E. 44th St., New

Continued on page 32

Continued from page 31

York, N. Y. **Underwriter**—William, David & Motti, Inc., New York, N. Y.

Columbia Research Group

June 20, 1961 filed 5,000,000 preferred shares (par one cent). **Price**—\$1. **Business**—The production of religious and educational phonograph records. **Proceeds**—For general corporate purposes. **Office**—3600 Market Street, Salt Lake City, Utah. **Underwriter**—None.

★ Columbian Bronze Corp.

July 13, 1961 filed 150,000 common shares. **Price**—\$5. **Business**—The manufacture of marine propellers and electronic equipment, hydraulic products and metal furniture. **Proceeds**—For repayment of loans and expansion. **Office**—216 N. Main St., Freeport, N. Y. **Underwriter**—Lomasney, Loving & Co., New York (managing).

Components Specialties, Inc.

April 20, 1961 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—\$3.50 per share. **Business**—The importation and sale of electronic subminiature components. **Proceeds**—For repayment of debt; advertising, inventory and working capital. **Office**—3 Foxhurst Road, Baldwin, L. I., N. Y. **Underwriter**—Fund Planning, Inc., New York, N. Y.

Comptometer Corp.

March 31, 1961 filed 160,401 shares of common stock to be offered for subscription by holders of outstanding common stock; 6½% subordinated convertible sinking fund debentures, series A, due 1970; and option agreements for the purchase of common shares. Warrants will be issued on the basis of one right for each common share held on the record date, one right for each share issuable upon conversion of a series A debenture, as if such debenture had been converted, and one right for each share issuable under the option agreements. The warrants will provide that one new share will be issuable for each eight rights tendered. **Price**—To be supplied by amendment. **Business**—The company's activities are organized on a divisional basis—Business Machines, Communications and Electronics, Business Forms, Burke Golf and Worthington Golf Ball Divisions. **Proceeds**—For the repayment of debt and for working capital. **Office**—5600 West Jarvis Ave., Chicago, Ill. **Underwriters**—To be named.

★ Computer Instruments Corp.

July 13, 1961 filed 160,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of precision potentiometers, electronic components and measuring instruments. **Proceeds**—For the selling stockholders. **Office**—92 Madison Ave., Hempstead, N. Y. **Underwriter**—Hayden, Stone & Co., New York (managing).

Concrete Designs, Inc.

June 21, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—\$4. **Business**—The design, manufacture and installation of pre-cast reinforced concrete buildings and building products. **Proceeds**—For repayment of loans, expansion, inventory and working capital. **Office**—S. W. 44th Avenue, and Griffin Road, Fort Lauderdale, Fla. **Underwriter**—A. M. Shulman & Co., Inc., 37 Wall Street, New York.

● Conolite, Inc. (8/30)

June 1, 1961 filed 170,000 class A shares. **Price**—\$5. **Business**—Manufacturers "Conolite," a laminate used in the construction, furniture and aircraft industries and for electrical insulation. **Proceeds**—For the purchase of the "Conolite" business of Continental Can Co., Inc.; the repayment of debt; moving expenses, and working capital. **Office**—Suite 414, 52 Broadway, New York. **Underwriter**—Amos Treat & Co., Inc., New York.

Consolidated Marine Industries, Inc.

June 20, 1961 filed 200,000 common shares. **Price**—\$6. **Business**—A holding company for concerns engaged in the pleasure-boat industry. **Proceeds**—For working capital and other corporate purposes. **Office**—809 Cameron Street, Alexandria, Va. **Underwriter**—Alexandria Investments & Securities, Inc., Washington, D. C.

● Consolidated Production Corp. (8/3)

May 26, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company, which plans to change its name to Consolidated Production Corp., buys and manages fractional interests in producing oil and gas properties. **Proceeds**—For investment, and working capital. **Office**—14 North Robinson, Oklahoma City, Okla. **Underwriter**—Shearson, Hammill & Co., New York City (managing). **Note**—This company formerly was named Cador Production Corp.

Consumers Power Co. (8/15)

June 23, 1961 filed \$40,000,000 of first mortgage bonds due Aug. 1, 1991. **Office**—212 West Michigan Ave., Jackson, Mich. **Underwriters**—(Competitive) Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co. and Shields & Co. (jointly); Harriman Ripley & Co., and First Boston Corp. (jointly); Morgan Stanley & Co. **Bids**—Aug. 15, 1961 at 11:30 a.m. (EDST) at 300 Park Ave., New York. **Information Meeting**—Aug. 10, 1961 at 11 a.m. (EDST) at Bankers Trust Co., 2nd floor, 16 Wall St.

Continental Fund Distributors, Inc.

April 13, 1961 filed 296,000 common shares and 296,000 warrants for the purchase of stock of Continental Management Corp., advisor to Continental Growth Fund, Inc. The securities will be offered for public sale in units of one common share and one warrant. **Price**—\$1 per unit. **Business**—The company is the sponsor of Continental Growth Fund, Inc. **Proceeds**—For expansion. **Office**—366 Fifth Ave., New York City. **Underwriter**—Niagara Investors Corp., New York.

Continental Leasing Corp.

June 19, 1961 ("Reg. A") 100,000 common shares (par one cent). **Price**—\$3. **Proceeds**—For purchase of new automobiles, advertising and promotion, and working

capital. **Office**—527 Broad St., Sewickley, Pa. **Underwriter**—H. B. Crandall Co. and Cambridge Securities, Inc., New York.

Cooperative Grange League Federation Exchange, Inc.

July 3, 1961 filed \$250,000 of 4% subordinated debentures due 1966, 10,000 shares of 4% cumulative preferred stock (par \$100) and 250,000 common shares. **Price**—For debentures, at par; for preferred, \$100 and for common, \$5. **Business**—An incorporated agricultural cooperative association. **Proceeds**—For redemption of securities of two subsidiaries and working capital. **Office**—Terrace Hill, Ithaca, N. Y. **Underwriter**—None.

Copycat Corp.

June 19, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—The distribution and sale of photocopy and distributing machines. **Proceeds**—For working capital, advertising, research and expansion. **Office**—200 Park Ave., S., New York. **Underwriters**—Treves & Co. and Reich & Co., New York.

Cortez Life Insurance Co.

Jan. 12, 1961 filed 500,000 shares of common stock. **Price**—\$3 per share. **Business**—The company is engaged in the business of writing life insurance, annuity policies and re-insurance. **Proceeds**—For general corporate purposes. **Office**—304 Main St., Grand Junction Colo. **Underwriter**—None.

Cosmetic Chemicals Corp.

June 28, 1961 filed 100,000 common shares (par one cent). **Price**—\$4. **Business**—The distribution of cosmetics. **Proceeds**—For advertising, sales expenses, inventory, research, working capital and other corporate purposes. **Office**—5 E. 52nd Street, New York. **Underwriter**—Nance-Keith Corp., New York.

Cosmo Book Distributing Co.

July 6, 1961 filed 110,000 common shares. **Price**—\$3. **Business**—The wholesale distribution of books. **Proceeds**—For repayment of a loan, inventory, working capital and general corporate purposes. **Office**—1130 Madison Ave., Elizabeth, N. J. **Underwriter**—Frank Karasik & Co., Inc., New York.

Cosmodyne Corp.

June 12, 1961 filed 100,000 common shares. **Price**—By amendment. **Business**—The manufacture of equipment for the storage of super-cold liquids and gases. **Proceeds**—For manufacture of new equipment, repayment of loans; general corporate purposes and working capital. **Office**—3232 W. El Segundo Blvd., Hawthorne, Calif. **Underwriter**—Dean Witter & Co., San Francisco. **Offering**—Expected in Mid-August.

● Cosnat Record Distributing Corp. (8/3)

May 26, 1961 filed 150,000 shares of common stock, of which 105,556 shares are to be offered for public sale by the company and 44,444 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of phonograph records. **Proceeds**—For the repayment of debt, and working capital. **Office**—315 W. 47th St., New York. **Underwriter**—Amos Treat & Co., New York City (managing).

Cott Bottling Co., Inc.

June 29, 1961 filed 335,000 common shares of which 170,000 shares are to be offered by the company and 165,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of carbonated beverages. **Proceeds**—To repay loans, increase inventory and for expansion. **Office**—177 Granite Street, Manchester, N. H. **Underwriter**—R. W. Pressprich & Co., New York.

Crank Drug Co.

July 3, 1961 filed 130,000 common shares. **Price**—By amendment. **Business**—The operation of retail drug stores. **Proceeds**—For repayment of loans, and for expansion. **Office**—1947 E. Meadowmere St., Springfield, Mo. **Underwriter**—Reinholdt & Gardner, St. Louis (managing).

★ Crawford Stores, Inc.

July 10, 1961 ("Reg. A") 10,000 preferred (par \$25) and 50,000 common shares (par \$1) to be offered in units of one preferred and five common shares. **Price**—\$30 per unit. **Proceeds**—For repayment of debt and working capital. **Office**—1217 S. New Ave., Alhambra, Calif. **Underwriter**—None.

Cressey, Dockham & Co., Inc. (8/28-9/1)

June 15, 1961 ("Reg. A") 100,000 common shares (par \$1). **Price**—\$3. **Proceeds**—For working capital. **Office**—1 IGA Way, Salem, Mass. **Underwriter**—Mann & Cressey, Salem, Mass.

Custom Shell Homes, Inc.

May 8, 1961 (letter of notification) 120,000 shares of common stock (par 10 cents). **Price**—\$2.50 per share. **Proceeds**—To erect sample homes, repay a loan, and for expansion and working capital. **Office**—412 W. Saratoga St., Baltimore, Md. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

Dadan, Inc.

June 29, 1961 ("Reg. A") 160,000 common shares (par 50 cents). **Price**—\$1.15. **Business**—The manufacture of games. **Proceeds**—For repayment of loans; development of new products and working capital. **Office**—209 Wilder Bldg., Rochester 14, N. Y. **Underwriter**—McDonald, Anderson, Peterson & Co., Inc., Minneapolis.

● Dallas Airmotive, Inc. (7/31-8/4)

May 26, 1961 filed 390,000 shares of common stock, of which 350,000 shares are to be offered for public sale by the company and 40,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The overhaul of aircraft engines for commercial and military customers. **Proceeds**—For realty acquisitions, the repayment of debt, and for expansion. **Office**—6114 Forest Park Road, Dallas, Texas. **Underwriter**—Eppler, Guerin & Turner, Inc., Dallas.

Data Components, Inc.

June 6, 1961 ("Reg. A") 120,000 common shares (par 10 cents). **Price**—\$2. **Business**—The marking and fabrication for metal parts. **Proceeds**—For moving expenses, plant equipment, sales promotion and working capital. **Office**—2212 McDonald Ave., Brooklyn, N. Y. **Underwriter**—A. J. Frederick Co., Inc., New York.

★ Datom Industries, Inc.

July 17, 1961 filed 112,500 common shares. **Price**—\$4. **Business**—The manufacture of electrical products such as transistorized and conventional tube radios, portable phonographs and educational kits. **Proceeds**—For working capital and other corporate purposes. **Office**—350 Scotland Road, Orange, N. J. **Underwriter**—Robert L. Ferman & Co., Miami, Fla. (managing).

★ Deco Aluminum, Inc.

July 5, 1961 ("Reg. A") 100,000 common shares (par five cents). **Price**—\$3. **Proceeds**—For repayment of loans; inventory; equipment and working capital. **Office**—4250 Adams Ave., Philadelphia. **Underwriter**—R. P. & R. A. Miller & Co., Inc., Philadelphia.

★ Delta Venture Capital Corp.

July 13, 1961 filed 520,000 common shares. **Price**—\$3.30. **Business**—An investment company. **Proceeds**—For investment. **Office**—1011 N. Hill St., Hopkins, Minn. **Underwriter**—None.

Denver Real Estate Investment Fund

May 15, 1961 filed 600,000 shares in the Fund. **Price**—To be supplied by amendment. **Business**—The Fund will offer investors the opportunity to participate jointly in large and diversified real estate investments which offer promise of growth and increased values. **Proceeds**—For investment. **Office**—660 17th Street, Denver, Colo. **Underwriters**—Bosworth, Sullivan & Co., Inc., and Boettcher & Co., both of Denver, Colo. (managing).

● Development Corp. of America (7/21)

March 30, 1961 filed 200,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—The development and construction of single-family residences and communities in Florida. **Proceeds**—For general corporate purposes. **Office**—5707 Hollywood Boulevard, Hollywood, Fla. **Underwriter**—Amos Treat & Co., Inc., New York City (managing).

● Devonbrook, Inc. (7/27)

June 8, 1961 filed 120,000 outstanding common shares to be sold by stockholders. **Price**—\$5. **Business**—Manufacturers of women's apparel. **Proceeds**—For the selling stockholders. **Office**—1400 Broadway, New York. **Underwriter**—Globus, Inc., New York.

Diversified Industries, Inc. (7/24-28)

June 12, 1961 ("Reg. A") 24,059 7% convertible preferred shares (par \$5) to be offered for subscription by common stockholders on the basis of one share of preferred for each 10 shares of common held of record on June 5, 1961. **Price**—About \$5 per share. **Proceeds**—To repay debt, and for working capital. **Office**—8450 San Fernando Road, Sun Valley, Calif. **Underwriters**—R. E. Bernhard & Co., Beverly Hills, Calif.; Hardy & Co., New York; Arthur B. Hogan, Inc., Burbank, Calif.; Wedbusch & Co. and Wheeler & Cruttenden, Inc., Los Angeles; M. S. Walker & Co., Long Beach, Calif., and V. E. Anderson & Co., Salt Lake City.

★ Diversified Wire & Steel Corp. of America

July 17, 1961 filed 100,000 class A common shares. **Price**—\$4. **Business**—The manufacture of cold drawn steel wire, furniture springs and related products. **Proceeds**—for repayment of debt, acquisition and improvement of property, equipment, and working capital. **Office**—3525 E. 16th St., Los Angeles. **Underwriter**—V. K. Osborne & Sons, Inc., Beverly Hills, Calif. (managing).

Dollar Mutual Fund, Inc.

April 25, 1961 filed 100,000,000 shares of capital stock. **Price**—\$1 per share. **Business**—A diversified mutual fund. **Proceeds**—For investment. **Office**—736 Midland Bank Bldg., Minneapolis, Minn. **Underwriter**—Fund Distributors, Inc.

● Douglas Microwave Co., Inc. (8/16)

June 29, 1961 filed 100,000 common shares. **Price**—By amendment. **Business**—The manufacture of microwave components, test equipment and sub-systems. **Proceeds**—For repayment of loans, research and development, advertising, purchase of equipment and other corporate purposes. **Office**—252 E. 3rd Street, Mount Vernon, N. Y. **Underwriters**—J. R. Williston & Beane and Hill, Darling-ton & Grimm, New York (managing).

★ Drug & Food Capital Corp.

July 14, 1961 filed 500,000 common shares. **Price**—\$10. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—30 N. La Salle St., Chicago. **Underwriters**—A. C. Allyn & Co., Chicago & Westheimer & Co., Cincinnati (managing).

Duke Shopping Center Limited Partnership

June 28, 1961 filed 269 units of limited partnerships interests. **Price**—\$1,000. **Business**—The acquisition and construction of a shopping center at Alexandria, Va. **Proceeds**—For the purchase of the above property. **Office**—729-15th Street, N. W., Washington, D. C. **Underwriter**—Investor Service Securities, Inc., Washington, D. C.

● Dunlap & Associates, Inc.

June 30, 1961 filed 75,000 common shares, of which 60,000 will be offered by the company and 15,000 by stockholders. **Price**—By amendment. **Business**—The company provides scientific research, engineering consulting and development services to the Armed Services, U. S. Government agencies and private industry. **Proceeds**—For purchase of building sites, expansion, and working capital. **Office**—429 Atlantic St., Stamford, Conn. **Underwriter**—Dominick & Dominick, New York. **Offering**—Expected in early September.

Dynamic Gear Co., Inc.

June 29, 1961 filed 125,000 common shares of which 100,000 shares are to be offered by the company and 25,000 shares by a stockholder. **Price**—\$3. **Business**—Manufacture of precision instrument gears. **Proceeds**—For purchase and rebuilding of automatic gear-cutting machines, prepayment of a note, inventory, a new plant and for general corporate purposes. **Office**—175 Dixon Avenue, Amityville, N. Y. **Underwriters**—Flomenhaf, Seidler & Co., Inc. and Lomasney, Loving & Co., New York (managing).

Dynamic Toy, Inc.

June 30, 1961 ("Reg. A") 81,000 common shares (par 10 cents). **Price**—\$3. **Business**—The manufacture of toys. **Proceeds**—For advertising, development of new products expansion and working capital. **Address**—109 Ainslie St., Brooklyn, N. Y. **Underwriter**—Hancock Securities Corp., New York. **Offering**—Expected in September.

E. C. P. I., Inc.

June 14, 1961 ("Reg. A") 52,500 common shares (par 25 cents). **Price**—\$5.50. **Business**—The training of personnel to operate IBM electronic computers and punch card tabulating equipment. **Proceeds**—For expansion and working capital. **Office**—116 W. 14th Street, New York. **Underwriter**—Stern, Zeiff & Co., Inc., New York.

Eastern Air Devices, Inc.

June 16, 1961 filed 150,000 common shares to be offered for subscription by common stockholders of Crescent Petroleum Corp., parent, on the basis of one share for each 10 Crescent shares held. **Business**—The manufacture of power and servo components. **Proceeds**—For the purchase of equipment and other corporate purposes. **Office**—385 Central Avenue, Dover, N. H. **Underwriters**—Sutro Bros. & Co. and Gregory & Sons, New York (managing). **Offering**—Expected in early August.

Eckerd Drugs of Florida, Inc.

June 29, 1961 filed 90,000 common shares and \$900,000 of 7% convertible subordinated debentures due 1971 to be offered in units consisting of one common share and \$10 of debentures. **Price**—By amendment. **Business**—The operation of drug stores. **Proceeds**—To open 5 new stores, repay loans and other corporate purposes. **Office**—3665 Gandy Blvd., Tampa, Fla. **Underwriter**—Courts & Co., Atlanta (managing).

Edo Corp.

June 14, 1961 filed 108,971 common shares. **Price**—By amendment. **Business**—The manufacture of electronic equipment. **Proceeds**—For the selling stockholders. **Office**—1404 111th Street, College Point, N. Y. **Underwriters**—Paine, Webber, Jackson & Curtis and Kidder, Peabody & Co., New York (managing). **Offering**—Expected in early September.

Educators Furniture & Supply Co., Inc.

June 29, 1961 ("Reg. A") 5,099 capital shares (par \$10). **Price**—\$20. **Proceeds**—For repayment of loans. **Office**—2617 Kay St., Sacramento, Calif. **Underwriter**—None.

Electra International, Ltd.

May 5, 1961 filed 70,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The manufacture of products in the automotive ignition field for sale outside of the United States. **Proceeds**—For research, and development, and working capital. **Office**—222 Park Ave., South, New York City. **Underwriters**—Robert A. Martin Associates, Inc., and Ezra Kureen Co., both of New York City. **Offering**—Expected in late July.

Electrarc, Inc. (8/1)

April 21, 1961 filed 100,000 shares of common stock. **Price**—\$5 per share. **Business**—The research and development of arc welding and wire shielding. **Proceeds**—For equipment, working capital and miscellaneous expenses. **Office**—505 Washington St., Lynn, Mass. **Underwriter**—P. de Rensis & Co., Inc., Boston, Mass.

Electro-Med, Inc.

July 17, 1961 filed \$540,000 of convertible subordinated debentures due 1971. **Price**—By amendment. **Business**—The manufacture of medical-electronic instruments. **Proceeds**—For working capital. **Office**—4748 France Avenue, N. Minneapolis. **Underwriter**—Craig-Hallum, Kinnard, Inc., Minneapolis (managing).

Electro-Miniatures Corp.

June 19, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—The manufacture of electronic and electro-mechanical devices for the aircraft, radar, missile and rocket industries. **Proceeds**—For the selling stockholders. **Office**—600 Huyler St., Hackensack, N. J. **Underwriter**—Burnham & Co., New York.

Electro-Temp Systems, Inc.

June 30, 1961 ("Reg. A") 75,000 common shares (par one cent). **Price**—\$4. **Business**—The sale of refrigeration machinery and equipment. **Proceeds**—For repayment of a loan, inventory, promotion and advertising, and working capital. **Office**—150-49 Hillside Ave., Jamaica, N. Y. **Underwriters**—Planned Investing Corp., New York and Bays, Rose & Co., Inc., 39 Broadway, New York.

Electronic Instrument Co., Inc.

June 28, 1961 filed 175,000 capital shares, of which 118,000 shares are to be offered by the company and 57,000 shares by a selling stockholder. **Price**—By amendment. **Business**—The manufacture of electronic equipment. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—33-00 Northern Blvd., Long Island City, N. Y. **Underwriter**—Goodbody & Co., New York (managing).

Electronic Products Corp.

May 11, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—\$2 per share. **Office**—4642 Belair Rd., Baltimore, Md. **Underwriters**—Bertner Bros. and Earl Edden & Co., New York, N. Y. **Offering**—Imminent.

Empire Fund, Inc.

June 28, 1961 filed 1,250,000 shares of capital stock to be offered in exchange for blocks of designated securities. **Business**—A "centennial-type" fund which plans to offer a tax free exchange of its shares for blocks of corporate securities having a market value of \$20,000 or more. **Office**—44 School Street, Boston, Mass. **Underwriter**—A. G. Becker & Co. Inc., Chicago.

Empire Life Insurance Co. of America

March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). **Price**—\$10 per share. **Proceeds**—To go to selling stockholders. **Office**—2801 W. Roosevelt Road, Little Rock, Ark. **Underwriter**—Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

Enterprise Hotel Development Corp.

May 19, 1961 filed 242,000 shares of common stock and 9,680 shares of preferred stock (par \$100) to be offered for public sale in units of one preferred and 25 common shares. **Price**—\$150 per unit. **Business**—The company was formed by the Commonwealth of Puerto Rico to build and own a luxury, beach-front hotel in San Juan. The hotel will be operated under a 30-year lease by a subsidiary of Sheraton Corp. of America. **Proceeds**—For construction. **Office**—1205 Ponce de Leon Avenue, San-turce, P. R. **Underwriter**—None.

Equitable Leasing Corp.

June 19, 1961 ("Reg. A") 90,000 common shares (par 25 cents) to be offered for subscription by stockholders. **Price**—\$2. **Proceeds**—For advertising and promotion, legal and audit fees, and working capital. **Office**—247 Charlotte St., Asheville, N. Y. **Underwriter**—Courts & Co., Atlanta.

Ets-Hokin & Galvan, Inc. (7/26)

June 1, 1961 filed 209,355 common shares, including 100,000 to be sold by the company and 109,355 by stockholders. **Price**—By amendment. **Business**—Installs electrical and electronic systems in missile installations. **Proceeds**—For general corporate purposes. **Office**—551 Mission St., San Francisco, Calif. **Underwriter**—Van Alstyne, Noel & Co., New York (managing).

Fairfield Controls, Inc.

May 19, 1961 filed 150,000 shares of common stock. **Price**—\$1 per share. **Business**—The manufacture of electronic solid state power controls designed by the company's engineers from specifications supplied by customers. **Proceeds**—For equipment, repayment of a loan, inventory, advertising and working capital. **Office**—114 Manhattan Street, Stamford, Conn. **Underwriters**—Globus, Inc., and Lieberbaum & Co., both of New York City.

Fairmount Chemical Co., Inc.

June 28, 1961 filed 150,000 common shares of which 125,000 shares are to be offered by the company and 25,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of chemicals. **Proceeds**—For purchase of equipment and the repayment of loans. **Office**—117 Blanchard Street, Newark, N. J. **Underwriter**—Andresen & Co., New York.

Famous Artists Schools, Inc. (8/3)

June 13, 1961 filed 336,625 common shares of which 100,000 will be sold by the company and 236,625 by stockholders. **Price**—By amendment. **Business**—The company provides home study courses in the visual arts, writing and photography fields. **Proceeds**—For general corporate purposes. **Office**—680 Fifth Ave., New York City. **Underwriter**—Bear, Stearns & Co., New York (managing).

Faradyne Electronics Corp.

Jan. 30, 1961 filed \$2,000,000 of 6% convertible subordinated debentures. **Price**—100% of principal amount. **Business**—The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. **Proceeds**—For the payment of debts and for working capital. **Office**—471 Cortlandt Street, Belleville, N. J. **Underwriter**—S. D. Fuller Co. **Note**—July 11, the SEC instituted "Stop Order" proceedings challenging the accuracy and adequacy of this statement.

Fashion Homes Inc.

July 18, 1961 filed \$600,000 of subordinated debentures due 1971; 100,000 common shares and 100,000 five-year warrants (exercisable at from \$4 to \$8 per share) to be offered for public sale in units of one \$60 debenture, 10 common shares and 10 warrants. The registration also covers 40,800 common shares. **Price**—\$100 per unit, and \$6 per share. **Business**—The construction of shell homes. **Proceeds**—For redemption of 8% debentures; advances to company's subsidiary; repayment of loans; advertising and promotion, and other corporate purposes. **Office**—1711 N. Glenstone, Springfield, Mo. **Underwriters**—Globus, Inc. and Ross, Lyon & Co., Inc., New York.

Federal Factors, Inc. (7/31-8/4)

May 8, 1961 filed \$700,000 of 6½% convertible subordinated debentures due 1976 and 70,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—A finance company. **Proceeds**—To repay loans, and for working capital. **Office**—400 S. Beverly Drive, Beverly Hills, Calif. **Underwriters**—Thomas Jay, Winston & Co., Beverly Hills, Calif.; Maltz, Greenwald & Co. and Globus, Inc., New York, N. Y.

Federal Manufacturing & Engineering Corp.

June 30, 1961 filed 535,002 common shares of which 92,782 shares will be offered for subscription by stockholders on basis of 1 new share for each 5 shares held, and 92,782 shares offered for subscription by stockholders of Victoreen Instrument Co., parent firm, on the basis of one new share for each Victoreen share held. **Proceeds**—For the repayment of bank loans and other corporate purposes. **Office**—1055 Stewart Ave., Garden City, N. Y. **Underwriter**—None.

Federal Tool & Manufacturing Co.

June 12, 1961 filed 300,000 outstanding common shares. **Price**—\$5. **Business**—The manufacture of short-term stampings out of metals. **Proceeds**—For the selling stockholders. **Office**—3600 Alabama Ave., Minneapolis. **Underwriter**—Jamieson & Co., Minneapolis.

Fifth Dimension Inc. (8/3)

May 25, 1961 filed 60,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The design, development, manufacture and sale of precision instruments for measurement and control applications. **Proceeds**—For research and new product development. **Office**—P. O. Box 483, Princeton, N. J. **Underwriter**—Milton D. Blauner & Co., Inc., New York (managing).

First Diversified Fund

May 15, 1961 filed 20,000 shares of the Fund. **Price**—\$100 per share. **Business**—The Fund was organized in May, 1961, to provide investors with an opportunity to own an interest in diversified income-producing properties, chiefly real estate. **Proceeds**—For investment. **Office**—627 Salem Avenue, Dayton, Ohio. **Sponsor**—The Dahio Co., Dayton, Ohio.

First Mortgage Fund

June 12, 1961 filed 1,000,000 shares of beneficial interests. **Price**—\$15. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—30 Federal St., Boston. **Underwriter**—Shearson, Hammill & Co., N. Y. **Offering**—Expected in September.

First National Real Estate Trust

June 6, 1961 filed 1,000,000 shares of beneficial interest in the Trust. **Price**—By amendment. **Business**—Real estate investment. **Office**—15 William St., New York. **Distributor**—Aberdeen Investors Program, Inc., New York.

First Small Business Investment Company of Tampa, Inc.

Oct. 6, 1960 filed 500,000 shares of common stock. **Price**—\$12.50 per share. **Proceeds**—To provide investment capital. **Office**—Tampa, Fla. **Underwriter**—None.

First Surety Corp. (8/4)

May 31, 1961 filed 754,730 outstanding shares of capital stock to be offered for sale by stockholders. **Price**—By amendment. **Business**—The company owns Surety Savings & Loan Association, a California corporation; operates an insurance agency, and acts as a trustee under deeds of trust. **Office**—237 Olive Ave., Burbank, Calif. **Underwriter**—Dempsey-Tegeler & Co., St. Louis (managing).

Fischbach & Moore, Inc.

June 29, 1961 filed 50,000 outstanding common shares. **Price**—By amendment. **Business**—Electrical contracting on office buildings, industrial plants and missile, radar and power plant installations. **Proceeds**—For the selling stockholders. **Office**—545 Madison Ave., New York. **Underwriter**—Allen & Co., New York (managing).

Flato Realty Fund

April 21, 1961 filed 2,000,000 shares of participation in the Fund. **Price**—\$10 per share. **Business**—A new real estate investment trust. **Proceeds**—For investment. **Office**—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. **Distributor**—Flato, Bean & Co., Corpus Christi.

Flora Mir Candy Corp.

May 24, 1961 (letter of notification) 85,700 shares of common stock (par 10 cents). **Price**—\$3.50 per share. **Business**—The manufacture of candy products. **Proceeds**—For repayment of loans; working capital, and expansion. **Office**—1717 Broadway, Brooklyn, N. Y. **Underwriters**—Security Options Corp.; Jacey Securities Co. and Planned Investing Corp. all of New York City.

Florida Capital Corp.

June 23, 1961 filed 488,332 common shares to be offered for subscription by stockholders on the basis of one new share for each two shares held. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—396 Royal Palm Way, Palm Beach, Fla. **Underwriter**—A. C. Allyn & Co., New York (managing).

Florida Steel Corp. (7/26)

June 8, 1961 filed 100,000 common shares to be sold by stockholders. **Price**—By amendment. **Business**—The fabricating and warehousing of steel products. **Proceeds**—For the selling stockholders. **Office**—1715 Cleveland St., Tampa, Fla. **Underwriters**—McDonald & Co., Cleveland and Kidder, Peabody & Co., New York (managing).

Foamland U. S. A., Inc.

June 22, 1961 filed 150,000 common shares, of which 90,000 shares are to be offered by the company and 60,000 shares by the stockholders. **Price**—\$5. **Business**—The manufacture and retail sale of household furniture. **Proceeds**—For acquisition of new stores, development of new furniture items, working capital and other corporate purposes. **Office**—Cherry Valley Terminal Road, West Hempstead, N. Y. **Underwriter**—Fialkov & Co., Inc., New York (managing). **Offering**—Expected in early September.

Fotochrome Inc.

June 29, 1961 filed \$3,500,000 of convertible subordinated debentures due 1981 and 262,500 outstanding common shares. The debentures are to be offered by the company and the stock by stockholders. **Price**—By amendment. **Business**—The processing of photographic films; the wholesaling of photographic supplies and the development and sale of film processing. **Proceeds**—For construction of a new plant, purchase of equipment, moving expenses and for other corporate purposes. **Office**—1874 Washington Ave., New York. **Underwriters**—Shearson, Hammill & Co., and Emanuel, Deetjen & Co., New York. **Offering**—Expected in September.

Continued on page 34

Continued from page 33

Fox-Stanley Photo Products, Inc.

March 29, 1961 filed 387,500 shares of common stock (par \$1) of which 50,000 shares are to be offered for public sale by the company and 337,500 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—In May 1961 the company plans to take over the businesses of The Fox Co., San Antonio, Tex., and the Stanley Photo Service, Inc., St. Louis, Mo., which are now engaged in the processing of photographic films and the sale of photographic equipment. **Proceeds**—For working capital and possible future acquisitions. **Office**—1734 Broadway, San Antonio, Tex. **Underwriter**—Equitable Securities Corp., Nashville, Tenn. **Offering**—Expected in mid-August.

Frederick-Willys Co., Inc.

April 20, 1961 (letter of notification) 150,000 shares of common stock (par five cents). **Price**—\$1.15 per share. **Business**—Manufacture of family recreation equipment. **Proceeds**—To repay debt, purchase additional equipment, for research and development, and working capital. **Office**—6519 Nicollet Avenue, Minneapolis, Minn. **Underwriter**—Continental Securities, Inc., Minneapolis, Minn.

Frontier Airlines, Inc.

March 16, 1961 filed 250,000 outstanding shares of common stock. **Price**—To be supplied by amendment. **Business**—The transportation by air of passengers, property and mail between 66 cities in 11 states. **Proceeds**—For the selling stockholders. **Office**—5900 E. 39th Ave., Denver, Colo. **Underwriter**—To be named.

G-W Ameritronics, Inc.

Jan. 25, 1961 filed 80,000 shares of common stock and 160,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at \$2 per share from March to August 1961 and at \$3 per share from September 1962 to February 1964. **Price**—\$4 per unit. **Business**—The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. **Proceeds**—For general corporate purposes. **Office**—Kensington and Sedgley Avenues, Philadelphia, Pa. **Underwriter**—Fraser & Co., Inc., Philadelphia, Pa. **Note**—This company plans to change its name to G-W Industries.

• Garan Inc. (7/31)

May 29, 1961 filed 120,000 shares of common stock. **Price**—\$6.50 per share. **Business**—The manufacture of men's and boys' sport shirts. **Proceeds**—To equip a new plant at Lambert, Miss., and for working capital. **Office**—112 W. 34th Street, New York City. **Underwriter**—J. R. Williston & Beane, New York City (managing).

Gelman Instrument Co.

June 6, 1961 ("Reg. A") 50,000 common shares (no par). **Price**—\$6. **Proceeds**—For repayment of debt, purchase of equipment, research and development, and working capital. **Office**—106 N. Main Street, Chelsea, Mich. **Underwriter**—Robert A. Martin Associates, Inc., N. Y. **Offering**—Imminent.

General Life Insurance Corp. of Wisconsin

June 16, 1961 filed 348,400 common shares to be offered for subscription by stockholders on the basis of one new share for each two and one-half shares held. **Price**—By amendment. **Proceeds**—For expansion and other corporate purposes. **Office**—8500 W. Capitol Drive, Milwaukee. **Underwriter**—Piper, Jaffray & Hopwood, Minneapolis (managing).

★ General Photos, Inc.

June 30, 1961 ("Reg. A") 100,000 common shares (par 50 cents). **Price**—By amendment. **Proceeds**—For new equipment, purchase of stock and working capital. **Office**—130 N. Wells St., Chicago, Ill. **Underwriter**—Divine & Fishman, Inc., 134 S. La Salle St., Chicago, Ill.

General Plastics Corp.

June 20, 1961 ("Reg. A") 60,000 common shares (par \$1). **Price**—\$5. **Proceeds**—For repayment of loans, inventory, equipment and working capital. **Office**—12414 Exposition Blvd., West Los Angeles, Calif. **Underwriters**—Pacific Coast Securities Co. and Sellgren, Miller & Co., San Francisco.

General Spray Service, Inc.

June 23, 1961 filed 90,000 class A common shares and warrants to purchase 90,000 class A common shares to be offered in units, each unit consisting of one class A share and one two-year warrant. **Price**—\$3.50 per unit. **Business**—The manufacture of a spraying machine. **Office**—156 Katonah Ave., Katonah, N. Y. **Underwriter**—Ross, Lyon & Co., Inc., New York (managing).

Geoscience Instrument Corp.

June 22, 1961 ("Reg. A") 125,000 common shares (par one cent). **Price**—\$1. **Business**—The preparation of minerals and metals for the electronic, metallurgical and geoscientific industries. **Proceeds**—For repayment of loans, purchase of equipment, expansion, working capital and other corporate purposes. **Office**—110-116 Beekman St., New York. **Underwriter**—First Philadelphia Corp., New York.

★ Gerber Scientific Instrument Co.

July 14, 1961 filed 78,000 common shares, of which 60,000 shares are to be offered by the company and 18,000 shares by the stockholders. **Price**—By amendment. **Business**—The manufacture of scientific instruments. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—140 Van Block Ave., Hartford, Conn. **Underwriter**—Estabrook & Co., Boston, Mass.

Getz (William) Corp.

June 6, 1961 filed 105,000 shares of common of which 80,000 shares are to be offered by the company and 25,000 shares by a stockholder. **Price**—By amendment. **Business**—Company manufactures dental supplies. **Proceeds**—For repayment of a bank loan and general corporate purposes. **Office**—7512 S. Greenwood Ave., Chicago. **Underwriter**—Bacon, Whipple & Co., Chicago.

• Giannini Scientific Corp. (7/26)

Feb. 27, 1961 (letter of notification) 30,000 shares of common stock (par 10 cents). **Price**—\$10 per share. **Business**—Research, development and manufacturing in technological fields. **Proceeds**—For general corporate purposes. **Office**—30 Broad Street, New York, N. Y. **Underwriter**—Kidder, Peabody & Co., Inc., New York, N. Y.

Gibbs (T. R.) Medicine Co., Inc.

May 26, 1961 filed 110,000 shares of class A stock. **Price**—\$3 per share. **Business**—The manufacture, marketing and distribution of proprietary drug products. **Proceeds**—For advertising and general corporate purposes. **Office**—1496 H Street, N. E., Washington, D. C. **Underwriter**—None.

Gilbert Data Systems, Inc.

April 14, 1961 filed 175,000 shares of common stock. **Price**—\$2 per share. **Business**—The affixing of price tags, packing, warehousing of apparel and other services for department and chain stores. **Proceeds**—For plant additions, repayment of debt and working capital. **Office**—441 Ninth Ave., New York City. **Underwriter**—Schrijver & Co., New York City. **Offering**—Imminent.

Gilbert Youth Research, Inc.

May 29, 1961 filed 65,000 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 stockholder. **Price**—To be supplied by amendment. **Business**—The company conducts consumer research, does telephone sales promotion and prepares articles and books which are related to or relate to merchandising advice to the teenage youth and student fields. **Proceeds**—For working capital. **Office**—205 E. 42nd Street, New York City. **Underwriter**—McDonnell & Co., N. Y.

• Gloray Knitting Mills, Inc. (8/22)

June 30, 1961 filed 125,000 common shares. **Price**—By amendment. **Business**—The manufacture of boys and men's knitted sweaters. **Proceeds**—For general corporate purposes. **Office**—Robesonia, Pa. **Underwriter**—Shields & Co., New York (managing).

• Goodway Printing Co. (7/27)

May 23, 1961 filed 247,500 shares of no par capital stock, of which 60,000 shares are to be offered for public sale by the company and 187,500 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—Commercial printing and the publication of technical journals for prime defense contractors. **Proceeds**—For working capital. **Office**—4030 Chestnut St., Philadelphia, Pa. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

Gordon & Breach, Science Publishers, Inc.

April 21, 1961 (letter of notification) 80,000 shares of common stock (par 10 cents). **Price**—\$1.75 per share. **Business**—Publishers of scientific textbooks. **Proceeds**—For working capital. **Office**—150 Fifth Avenue, New York. **Underwriter**—First Weber Securities Corp., N. Y.

Gordon (I.) Realty Corp.

June 20, 1961 filed 320,000 common shares. **Price**—\$5. **Business**—Real estate investment. **Proceeds**—For general corporate purposes. **Office**—112 Powers Bldg., Rochester, N. Y. **Underwriter**—George D. B. Bonbright & Co., Rochester, N. Y.

Greater Arizona Mortgage Co.

May 1, 1961 (letter of notification) 100,000 shares of common stock (par \$1). **Price**—\$3 per share. **Proceeds**—For working capital. **Office**—Mayer Central Building, Suite 115, Phoenix, Ariz. **Underwriters**—Henry Fricke Co., New York, N. Y. and Preferred Securities, Inc., Phoenix, Ariz.

Greene (M. J.) Co.

June 14, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—\$4. **Proceeds**—For expansion, and working capital. **Office**—14 Wood St., Pittsburgh. **Underwriter**—Hess, Grant & Remington, Inc., Philadelphia.

Growth, Inc.

May 17, 1961 (letter of notification) 100,000 shares of common stock (par \$1). **Price**—\$3 per share. **Address**—Lynn, Mass. **Underwriter**—Mann & Creesy, Salem, Mass.

Growth Properties

May 9, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company plans to engage in all phases of the real estate business. **Proceeds**—To reduce indebtedness, construct apartment units, buy land, and for working capital. **Office**—Suite 418, Albert Bldg., San Rafael, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif. (managing). **Offering**—Expected in late July.

• Gulf-Southwest Capital Corp. (7/31-8/4)

May 19, 1961 filed 1,250,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company is licensed as a small business investment concern. **Proceeds**—For investment. **Office**—Esperson Building, Houston, Texas. **Underwriters**—Harriman Ripley & Co., New York City and Underwood, Neuhaus & Co., Inc., Houston (managing).

Hanover Insurance Co.

June 16, 1961 filed 150,500 capital shares. **Price**—By amendment. **Proceeds**—To increase capital. **Office**—111 John Street, New York. **Underwriters**—First Boston Corp. and R. W. Pressprich & Co., New York (managing).

Harn Corp.

June 20, 1961 filed 150,000 common shares of which an undisclosed number will be offered by the company for

subscription by stockholders and the balance (amounting to \$300,000 after underwriting commissions) by a stockholder. **Price**—By amendment. **Business**—The manufacture of products for baby care such as quilts, pillows, knitted garments, etc. **Proceeds**—For the repayment of loans; purchase of raw materials and equipment, leasehold improvements, and working capital. **Office**—1800 E. 38th St., Cleveland. **Underwriter**—J. R. Williston & Beane, New York (managing).

• Harper (H. M.) Co. (8/10)

June 15, 1961 filed 180,000 common shares (par \$1) of which 150,000 shares will be sold by the company and 30,000 shares by stockholder. **Price**—By amendment. **Business**—The manufacture of stainless steel and non-ferrous corrosion resistant fasteners and parts. **Proceeds**—For working capital. **Office**—8200 Lehigh Ave., Morton Grove, Ill. **Underwriter**—Blunt Ellis & Simmons, Chicago.

Hathaway Instruments, Inc.

May 5, 1961 filed 351,280 shares of common stock, of which up to 90,000 shares are to be offered for public sale by the present holders thereof and the balance by the company. **Price**—At-the-market at time of sale. **Business**—The design, manufacture and sale of electric power recording instruments. **Office**—2401 E. Second Avenue, Denver, Colo. **Underwriters**—Bear, Stearns & Co. and Wertheim & Co., New York, N. Y. **Note**—This statement will be withdrawn. The company is expected to merge with Lionel Corp.

Hazeltine Investment Corp.

June 5, 1961 filed 13,000 5% preferred shares (\$100 par) and 13,000 common shares to be offered for sale in units of one preferred and one common share. **Price**—\$101 per unit. **Business**—The acquisition and development of real estate. **Proceeds**—For investment, repayment of debt, and working capital. **Office**—660 Grain Exchange, Minneapolis. **Underwriter**—None.

Hickory Industries, Inc.

March 9, 1961 (letter of notification) 25,000 shares of common stock (par 10 cents). **Price**—\$5 per share. **Business**—Manufacturers of barbecue machines and allied equipment. **Proceeds**—For general corporate purposes. **Office**—10-20 47th Road, Long Island City, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., New York, N. Y. **Offering**—Imminent.

• Hilco Homes Corp.

June 30, 1961 filed \$650,000 of 6½% convertible subordinated debentures due 1979 and 195,000 common shares to be offered for public sale in 6,500 units, each consisting of one \$100 debenture and 30 common shares. **Price**—By amendment. **Business**—The manufacture of pre-cut homes and components in the heating, plumbing and kitchen equipment fields. **Proceeds**—To organize a new finance subsidiary, for plant expansion, and for working capital. **Office**—70th St., and Essington Ave., Philadelphia. **Underwriter**—Rambo, Close & Kerner, Inc. Philadelphia.

★ Hoffman International Corp.

July 18, 1961 filed \$1,890,700 10% convertible subordinated debentures due 1973 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 25 shares held. **Price**—By amendment. **Business**—The manufacture of pressing and dry-cleaning equipment. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—107 Fourth Ave., New York. **Underwriter**—J. R. Williston & Beane, New York.

• Houston Corp.

June 9, 1961 filed 583,334 common shares to be offered for subscription by holders of common and class A stock. **Price**—By amendment. **Business**—The operation of a pipe line system of natural gas. **Proceeds**—For expansion, working capital and general corporate purposes. **Office**—First Federal Bldg., St. Petersburg, Fla. **Underwriters**—Blyth & Co., Inc., Lehman Brothers and Allen & Co., New York. **Offering**—Expected in late August.

Howe Plastics & Chemical Companies, Inc.

March 29, 1961 (letter of notification) 40,000 shares of common stock (par one cent). **Price**—At-the-market. **Business**—The manufacture of plastic items. **Proceeds**—For the repayment of debt; advertising and sales promotion; expansion and working capital. **Office**—4077 Park Avenue, Bronx 57, N. Y. **Underwriter**—J. I. Magaril & Co., New York, N. Y. **Offering**—Imminent.

• Hupp Systems, Inc. (7/24)

June 15, 1961 ("Reg. A") 50,000 class A common shares (par 10 cents). **Price**—\$3. **Proceeds**—For inventory, research and development, and working capital. **Office**—Commerce Center Industrial Park, Highway 301, North Sarasota, Fla. **Underwriter**—Bayes, Rose & Co., Inc., 39 Broadway, New York City.

Hydrosift Corp.

Oct. 20, 1960 filed 120,000 shares of common stock. **Price**—\$3 per share. **Business**—The firm, which was organized in February, 1957, makes and wholesales products and services for the fiberglass industry, including particularly fiberglass boats known as "HydroSwift" and "Skyliner." **Proceeds**—For general funds, including expansion. **Office**—1750 South 8th Street, Salt Lake City, Utah. **Underwriter**—Whitney & Co., Salt Lake City, Utah. **Note**—This offering has been temporarily postponed.

I C Inc.

June 29, 1960 filed 600,000 shares of com. stock (par \$1) **Price**—\$2.50 per share. **Proceeds**—To further the corporate purposes and in the preparation of the concentrate and enfranchising of bottlers, the local and national promotion and advertising of its beverages, and where necessary to make loans to such bottlers, etc. **Office**—704 Equitable Building, Denver, Colo. **Underwriter**—Industrial Securities Corp., Denver, Colo. **Offering**—Expected in September.

● I T A Electronics Corp.

April 7, 1961 (letter of notification) 60,000 shares of common stock. Price—\$5 per share. Business—Manufactures electronic equipment and components. Proceeds—For general corporate purposes. Office—Lansdown, Pa. Underwriter—Woodcock, Moyer, Fricke & French, Inc., Philadelphia, Pa. Note—This letter was withdrawn June 20, 1961.

● Inhen (Edward H.) & Son, Inc. (8/3)

May 16, 1961 filed 75,000 shares of common stock. Price—\$5 per share. Business—The construction of public and private swimming pools and the sale of pool equipment. Proceeds—To reduce indebtedness, to buy equipment, and for working capital. Office—Montvale, N. J. Underwriter—Amos Treat & Co., Inc., New York City.

★ Illinois Tool Works Inc.

July 12, 1961 filed 100,000 outstanding common shares (par \$10). Price—By amendment. Business—The manufacture of metal and plastic fasteners, gear-cutting tools, measuring instruments, etc. Proceeds—For the selling stockholders. Office—2501 N. Keeler Ave., Chicago. Underwriter—White, Weld & Co., New York (managing). Offering—Expected in early September.

Income Planning Corp.

Dec. 29, 1960 (letter of notification) 5,000 shares of cumulative preferred stock (no par) and 10,000 shares of class A common stock (par 10 cents) to be offered in units consisting of one share of preferred and two shares of common. Price—\$40 per unit. Proceeds—To open a new branch office, development of business and for working capital. Office—3300 W. Hamilton Boulevard, Allentown, Pa. Underwriter—Espy & Wanderer, Inc., Teaneck, N. J. Offering—Expected in late July.

● Industrial Electronic Hardware Corp.

June 29, 1961 filed \$1,000,000 of 6% convertible subordinated debentures due Aug. 1, 1976 to be offered by the company and 25,000 outstanding common shares by the stockholders (par 50c). Price—For debentures—100%; For stock—By amendment. Business—The manufacture of basic component parts for the electrical and electronic equipment industry. Proceeds—For expansion, inventory, introduction of new products and general corporate purposes. Office—109 Prince Street, New York. Underwriter—S. D. Fuller & Co., New York (managing). Offering—In early September.

● Industrial Gauge & Instrument Co., Inc. (8/16)

June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$3. Business—The sale of industrial gauges, valves and allied products. Proceeds—For production, inventory, working capital and repayment of loans. Office—1403 E. 180th St., New York 69, N. Y. Underwriter—R. F. Dowd & Co., Inc., New York.

Industrial Materials, Inc.

April 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). Price—\$2 per share. Business—The manufacture of a new patented fiber glass material to be used in rocket motor cases. Proceeds—For expenses, equipment and working capital. Office—1025 Shoreham Bldg., Washington, D. C. Underwriter—Atlantic Equities Co., Washington, D. C.

Industry Fund of America, Inc.

July 10, 1961 filed 740,000 common capital shares. Price—Net asset value plus a sales charge of up to 8½%. Business—A mutual fund. Proceeds—For investment. Office—400 Utah Savings Bldg., Salt Lake City. Underwriter—None.

● Instrument Systems Corp. (8/3)

June 28, 1961 filed 150,000 common shares (par 25 cents). Price—\$5. Business—The manufacture of precision instruments and controls for the aircraft and electronics industries. Proceeds—For expansion and working capital. Office—129-07 18th Avenue, College Point, N. Y. Underwriters—Milton D. Blauner & Co. (managing), M. L. Lee & Co., Inc., Lieberbaum & Co., New York.

★ Intercontinental Dynamics Corp. (8/25)

July 18, 1961 ("Reg. A") 200,000 common shares. Price—\$1.50. Business—The manufacture of electronic and electro-mechanical devices used to determine the accuracy of aircraft flight instruments. Office—170 Coolidge Avenue, Englewood, N. J. Underwriter—M. H. Woodhill Inc., New York.

● International Cablevision Corp. (8/1-4)

May 23, 1961 filed 164,850 shares of class A common stock. Price—\$10 per share. Business—The construction and operation of television cable systems. Proceeds—For expansion, general corporate purposes, and to offset deficits anticipated during the commencement of certain Florida operations. Office—New York City. Underwriter—James Anthony & Co., Inc., New York (managing).

International Marine, Inc.

May 29, 1961 ("Reg. A") 75,000 common shares (par one cent) of which 60,000 are to be sold by the company and 15,000 by the underwriter. Price—\$4. Proceeds—For repayment of debt, advertising, inventory, and working capital. Office—790 N. E. 79th St., Miami, Fla. Underwriter—Albion Securities Co., Inc., New York.

International Parts Corp.

June 20, 1961 filed 300,000 outstanding class A common shares to be sold by stockholders. Price—By amendment. Business—The sale of replacement parts for automobiles. Proceeds—For the selling stockholders. Office—4101 W. 42nd Place, Chicago. Underwriter—H. M. Byllesby & Co., Chicago.

★ International Telecommunications Consultants, Inc.

June 26, 1961 ("Reg. A") 30,000 common shares (par 10 cents). Price—\$4. Proceeds—For working capital. Office—Washington, D. C. Underwriter—None.

● Interstate Department Stores, Inc. (8/1-20)

June 15, 1961 filed \$5,859,400 of convertible subordi-

nated debentures due Aug. 1, 1981 to be offered for subscription by common stockholders on the basis of \$100 of debenture for each 20 shares held of record about Aug. 1 with rights to expire about Aug. 20. Price—At par. Business—Operation of department stores. Proceeds—For expansion, working capital and other corporate purposes. Office—111 Eighth Ave., New York. Underwriters—Lehman Brothers and Shearson, Hammill & Co., New York (managing).

★ Investment Trust & Assurance Corp.

June 29, 1961 ("Reg. A") 39,980 class A common shares (par \$1) and 39,980 warrants to purchase 39,980 class A common shares to be offered in units of one share of common and one warrant. Price—\$7 per unit. Proceeds—For expansion. Office—200 E. Thomas Rd., Phoenix, Ariz. Underwriter—None.

★ Irvan Ferromagnetics Corp.

July 6, 1961 ("Reg. A") 40,000 common shares (par 50 cents). Price—\$5. Proceeds—For production equipment, repayment of loans and research. Office—13856 Saticoy St., Van Nuys, Calif. Underwriters—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif. and Maltz, Greenwald & Co., New York.

Irwin (Richard D.), Inc.

July 10, 1961 filed 160,000 common shares of which 35,000 shares are to be offered by the company and 125,000 by stockholders. Price—By amendment. Business—The publishing of textbooks on business and economic subjects. Proceeds—For working capital and general corporate purposes. Office—1818 Ridge Road, Homewood, Ill. Underwriter—A. G. Becker & Co., Inc., New York (managing).

Israel-America Hotels, Ltd.

June 8, 1961 filed 1,250,000 ordinary shares. Price—\$1 per share, payable in cash or State of Israel bonds. Business—The operation of hotels. Proceeds—For construction and operation of a hotel at Herzlia, Israel. Address—Tel Aviv, Israel. Underwriter—Brager & Co., New York.

"Isras" Israel-Rassco Investment Co. Ltd.

March 27, 1961 filed 30,000 shares of ordinary stock. Price—\$62 per share. The company may, but is not obligated to, accept payment in State of Israel bonds. Proceeds—For the construction of hotels, office buildings, housing projects and the like. Office—Tel Aviv, Israel. Underwriter—None.

Ivest Fund, Inc.

Feb. 20, 1961 filed 150,000 shares of common stock. Price—Net asset value at the time of the offering. Business—A non-diversified, open-end investment company, whose stated objective is capital appreciation. Proceeds—For investment. Office—One State Street, Boston. Underwriter—Ivest, Inc., One State Street, Boston. Offering—Expected in late July.

Jackson-Commerce Realty Co.

June 16, 1961 filed \$6,780,000 of limited partnership interests to be offered publicly in units. Price—\$10,000 per unit. Business—Real estate. Proceeds—For working capital and possible acquisitions. Office—1440 Broadway, New York. Underwriter—None.

★ Jaymax Precision Products, Inc.

July 5, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$4. Proceeds—For construction, purchase of equipment, inventory and working capital. Office—15 Broad St., New York. Underwriter—Armstrong & Co., Inc., New York.

★ Jebco, Inc.

June 30, 1961 ("Reg. A") 7,465 class A common shares (par \$1). Price—\$10. Proceeds—For working capital. Address—Jonesboro, Ga. Underwriter—None.

Jefferson Counsel Corp.

March 13, 1961 filed 30,000 shares of class B common stock (non-voting). Price—\$10 per share. Business—The company was organized under Delaware law in January 1961 to sponsor the organization of the Jefferson Growth Fund, Inc., a new open-end diversified investment company of the management type. Proceeds—For organizational and operating expenses. Office—52 Wall St., New York City. Underwriter—None.

Jefferson Growth Fund, Inc.

July 11, 1961 filed 1,000,000 shares of capital stock. Price—Net asset value plus 8½% sales commission. Business—A mutual fund. Proceeds—For investment. Office—52 Wall St., New York. Underwriter—Jefferson Distributors Corp., New York.

Jolyn Electronic Manufacturing Corp.

April 24, 1961 (letter of notification) 64,500 shares of common stock (par one cent). Price—\$3 per share. Business—The manufacture of machine tool products, drift meters, sextants and related items. Proceeds—For repayment of a loan, working capital, and general corporate purposes. Office—Urban Avenue, Westbury, L. I., N. Y. Underwriter—Kerns, Bennett & Co., Inc., New York, N. Y.

● Kane-Miller Corp. (7/28)

May 17, 1961 filed 120,000 shares of common stock. Price—\$5 per share. Business—The company is a wholesaler and distributor of grocery products to institutions, restaurants, steamship lines and the like. Proceeds—For inventory, and working capital. Office—81 Clinton Street, Yonkers, N. Y. Underwriters—Netherlands Securities Co., Inc., and Seymour Blauner Co., both of New York City and J. J. Bruno & Co., Pittsburgh, Pa.

Keller Corp.

June 29, 1961 filed \$1,200,000 of 6½% convertible subordinated debentures due 1968. Price—At 100%. Business—The development of land, construction of homes and related activities in Florida. Proceeds—For repayment of debt, acquisition of Yetter Homes, Inc., and general corporate purposes. Office—101 Bradley Place,

Palm Beach, Fla. Underwriter—Casper Rogers & Co., Inc., New York (managing).

Keltner Electronics, Inc.

May 31, 1961 ("Reg. A") 150,000 common shares (par 25 cents). Price—\$1. Proceeds—For research, working capital and repayment of debt. Office—1045 W. Hampden St., Englewood, Colo. Underwriter—Schmidt, Sharp, McCabe & Co., Inc., 1717 Stout St., Denver, Colo.

★ Kilbanon Corp.

July 7, 1961 ("Reg. A") 20,000 common shares (no par). Price—\$5. Proceeds—For working capital. Office—114 Concord Rd., Wayland, Mass. Underwriter—None.

● Kimberly-Clark Corp. (8/8)

July 12, 1961 filed \$30,000,000 of sinking fund debentures due 1986. Price—By amendment. Business—The manufacture of white paper, cellulose wadding products, etc. Proceeds—For general corporate purposes. Office—Nee-nah, Wisc. Underwriter—Blyth & Co., Inc., New York City.

● King's Department Stores, Inc. (9/13)

July 12, 1961 filed 500,000 common shares (par \$1) of which 250,000 shares are to be offered by the company and 250,000 shares by the stockholders. Price—By amendment. Proceeds—For expansion. Office—910 Commonwealth Ave., Boston, Mass. Underwriter—Shearson, Hammill & Co., New York (managing).

★ King's Office Supplies & Equipment, Inc.

July 5, 1961 ("Reg. A") 65,000 common shares (par \$1). Price—\$2. Proceeds—For inventory and working capital. Office—515-5th St., Santa Rosa, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

Kirk (C. F.) Laboratories, Inc.

June 16, 1961 filed 100,000 common shares. Price—By amendment. Business—The manufacture of pharmaceuticals. Proceeds—For repayment of a loan, purchase and installation of equipment, development and promotion of new products and for working capital. Office—521 W. 23rd Street, New York. Underwriter—Hill, Darlington & Grimm, New York (managing).

★ Klug Laboratories, Inc.

July 5, 1961 ("Reg. A") 390 non-cumulative preferred shares (no par). Price—\$100. Proceeds—For inventory, new products and working capital. Office—937 Rialto Bldg., Kansas City, Mo. Underwriter—None.

Knickerbocker Biologicals, Inc.

Dec. 23, 1960, filed 100,000 outstanding shares of class A stock. Price—\$6 per share. Business—The manufacture, packaging and distribution of a line of diagnostic serums and cells used for the purpose of blood grouping and testing. The company also operates blood donor centers in New York and Philadelphia. Proceeds—For the selling stockholders. Office—300 West 43rd Street, New York City. Underwriter—None.

Krystinel Corp.

April 12, 1961 filed 90,000 shares of class A stock. Price—\$2.50 per share. Business—The company produces ferrites, which are ceramic-like materials with magnetic properties, and conducts a research and development program for ferrite products. Proceeds—For the repayment of a loan, research and development, new equipment and working capital. Office—P. O. Box 6, Fox Island Road, Port Chester, N. Y. Underwriters—Ross, Lyon & Co., Inc., and Schrijver & Co., both of New York City.

Lafayette Realty Co.

April 28, 1961 filed 129.3 limited partnership interests. Price—\$5,000 per interest. Business—The partnership owns a contract to purchase the fee title to the Lafayette Building in Detroit, Mich. Proceeds—To purchase the above property. Office—18 E. 41st Street, New York City. Underwriter—Tenney Securities Corp., 18 E. 41st Street, New York City.

"Lapideth" Israel Oil Prospectors Corp. Ltd. Oct. 27, 1960 filed 1,500,000 ordinary shares. Price—To be supplied by amendment, and to be payable either totally or partially in Israel bonds. Business—The company was organized in October 1959 as a consolidation of individual and corporate licensees who had been operating in the oil business as a joint venture. Proceeds—For exploration and development of oil lands. Office—22 Rothschild Blvd., Tel-Aviv, Israel. Underwriter—None.

Lease Plan International Corp. (7/31-8/4)

June 14, 1961 filed 125,000 common shares, of which 40,000 shares are to be offered by the company and 85,000 shares by stockholders. Price—By amendment. Business—The leasing of trucks and cars. Proceeds—To repay loans and for working capital. Office—9 Chelsea Place, Great Neck, N. Y. Underwriter—Hayden, Stone & Co., New York (managing).

★ Lee Filter Corp.

July 7, 1961 ("Reg. A") 1,334 capital shares (par \$1). Price—\$7.25. Business—The manufacture of air, oil and gasoline filters for vehicles. Proceeds—For the selling stockholders. Office—191 Talmadge Road, Edison, N. J. Underwriter—Lomasney, Loving & Co., New York (managing).

Lewis & Clark Marina, Inc.

May 9, 1961 (letter of notification) 150,000 shares of common stock (par \$1). Price—\$2 per share. Address—Yankton, S. D. Underwriter—The Apache Investment Planning Division of the Apache Corp., Minneapolis.

● Lewis (Tillie) Foods, Inc.

July 3, 1961 filed 400,000 common shares (par \$1), of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. Price—By amendment. Business—The processing, canning, bottling and selling of fruits and vegetables. Proceeds—For repayment of debt and working capital. Office—Fresno Ave.

Continued on page 36

Continued from page 35

& Charter Way, Stockton, Calif. Underwriter—Van Alstyne, Noel & Co., New York (managing). Offering—Expected in late August.

Liberty Real Estate Trust of Florida

June 30, 1961 filed 2,500,000 shares of beneficial interest in the Trust to be offered in exchange for real property, interests in real property and mortgages on property in Florida. Price—\$10 per share. Office—1230 N. Palm Ave., Sarasota, Fla. Underwriter—Liberty Securities Corp., Sarasota, Fla.

Lincoln Fund, Inc.

March 30, 1961 filed 951,799 shares of common stock. Price—Net asset value plus a 7% selling commission. Business—A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. Proceeds—For investment. Office—300 Main St., New Britain, Conn. Distributor—Horizon Management Corp., New York.

Lodging Engineering Corp.

July 6, 1961 ("Reg. A") 37,500 common shares (par \$1) of which 20,000 shares are to be offered by the company and 17,500 shares by a stockholder. Price—By amendment. Proceeds—For repayment of debt. Office—Auburn Industrial Park, Auburn, Mass. Underwriter—Coffin & Burr, Boston, Mass.

Long Island Bowling Enterprises, Inc. (8/2)

May 24, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). Price—\$3 per share. Business—The operation of bowling alleys. Proceeds—For general corporate purposes. Address—Mattituck, L. I., N. Y. Underwriter—Tau Inc., New York, N. Y. Note—Tau Inc., is no longer underwriting this issue. New underwriter is Trinity Securities Corp., New York City.

Long Island Lighting Co.

June 2, 1961 filed \$25,000,000 of first mtge. bonds, series L, due 1991. Proceeds—For construction. Office—250 Old Country Road, Mineola, N. Y. Underwriters—Competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp., and Blyth & Co., Inc. (jointly); W. C. Langley & Co. and Smith, Barney & Co. (jointly).

Lytton Financial Corp. (8/18)

March 30, 1961 filed 300,000 shares of capital stock. Price—To be supplied by amendment. Business—The company owns the stocks of several California savings and loan associations. It also operates an insurance agency, and through a subsidiary, Title Acceptance Corp., acts as trustee under trust deeds securing loans made by the associations. Proceeds—To repay loans and for working capital. Office—8150 Sunset Boulevard, Hollywood, Calif. Underwriters—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York City (managing).

MPO Videotronics, Inc.

June 28, 1961 filed 60,000 common shares. Price—By amendment. Business—The production of television commercials and motion pictures for industry. Proceeds—For expansion. Office—15 E. 53rd Street, New York. Underwriter—Francis I. duPont & Co., New York (managing).

Magna Pipe Line Co. Ltd. (8/3)

June 1, 1961 filed 750,000 common shares, of which 525,000 will be offered for sale in the U. S., and 225,000 in Canada. Price—By amendment. Business—The company plans to build and operate an underwater natural gas transmission pipeline from British Columbia to Vancouver Island and a subsidiary will build a pipeline from Bremerton to Port Angeles, Washington. Proceeds—For construction. Office—508 Credit Foncier Bldg., Vancouver, B. C. Underwriters—(In U. S.) Bear, Stearns & Co., New York. (In Canada) W. C. Pitfield & Co., Ltd., Montreal.

Mairs & Power Income Fund, Inc.

June 7, 1961 filed 40,000 common shares. Price—By amendment. Business—A mutual fund. Proceeds—For investment. Office—1002 First National Bank Bldg., St. Paul, Minn. Underwriter—None.

Marine Structures Corp.

Feb. 1, 1961 (letter of notification) 100,000 shares of common stock (par one cent). Price—\$3 per share. Proceeds—To purchase raw materials, advertising and for working capital. Office—204 E. Washington St., Petaluma, Calif. Underwriter—Grant, Fontaine & Co., Oakland, Calif.

Mark Truck Rental Corp.

June 28, 1961 ("Reg. A") 50,000 common shares (par one cent). Price—\$1. Proceeds—For working capital. Office—301 Cliff Ave., Scranton, Pa. Underwriter—Vickers Securities Corp., New York.

Marks Polarized Corp.

June 27, 1961 filed 95,000 common shares. Price—By amendment. Proceeds—For expansion, acquisition of new facilities and other corporate purposes. Office—153-16 Tenth Ave., Whitestone, N. Y. Underwriters—Ross, Lyon & Co., Inc. (managing), and Globus, Inc., N. Y.

Marsan Industries, Inc.

June 6, 1961 filed 125,000 shares of class A common. Price—\$4 per share. Business—The issuing firm is a holding company for Jersey Packing Co., and a closed circuit television camera manufacturer. Proceeds—For the purchase of equipment, research and development, expansion of the Missilronics Division, advertising, inventory and working capital. Office—136 Orange St., Newark, N. J. Underwriter—T. M. Kirsch & Co., New York City. Offering—Expected in early August. Note—This company formerly was named American Missilronics Corp.

Master Craft Medical & Industrial Corp.

July 10, 1961 filed ("Reg. A") 75,000 common shares. Price—\$4. Business—The manufacture of medical and industrial plastic devices. Proceeds—For general corporate purposes. Office—95-01 150th Street, Jamaica 35, N. Y. Underwriter—Sulco Securities, Inc., N. Y. C.

Medco, Inc.

July 13, 1961 filed 125,000 class A common shares. Price—By amendment. Business—The operation of jewelry concessions in closed-door membership department stores. Proceeds—For expansion. Office—1211 Walnut St., Kansas City, Mo. Underwriters—Midland Securities Co., Inc. (managing) and Barret, Fitch, North & Co., Inc., Kansas City, Mo.

Merchants Co.

June 19, 1961 ("Reg. A") \$300,000 of 6% convertible 15-year subordinated debentures due 1976 to be offered for subscription by stockholders for 14 days in units of \$100 each. Price—At par. Proceeds—For working capital. Office—300 E. Pine St., Hattiesburg, Miss. Underwriter—Lewis & Co., Jackson, Miss.

Metropolis Bowling Centers, Inc. (7/26)

May 1, 1961 filed 198,000 shares of common stock, of which 120,000 shares are to be offered for public sale by the company and 78,000 outstanding shares by the present holders thereof. Price—\$5 per share. Business—The acquisition and operation of bowling centers, principally in New York City. Proceeds—To improve existing properties and acquire other bowling centers. Office—647 Fulton Street, Brooklyn, N. Y. Underwriters—Russell & Saxe, Inc., (managing); Thomas, Williams & Lee, Inc., and V. S. Wickett & Co., New York City.

Microchemical Specialties Co.

June 29, 1961 ("Reg. A") 83,334 common shares (par \$1). Price—\$3. Proceeds—For reserve, repayment of loans, equipment, new products and working capital. Office—1825 Eastshore Highway, Berkeley, Calif. Underwriter—None.

Micro Electronics Corp.

March 31, 1961 filed 125,000 shares of common stock. Price—\$4 per share. Business—The manufacture of printed circuits for the electronics industry. Proceeds—\$124,000 for new plant, \$76,000 for equipment, and \$110,000 for working capital. Office—1191 Stout St., Denver, Colo. Underwriter—R. Baruch & Co., Washington, D. C. Offering—Imminent.

Micro-Lectric, Inc.

June 12, 1961 ("Reg. A") 55,000 common shares (par 10 cents). Price—\$4. Business—The manufacture and design of potentiometers used in computers, ground control guidance systems and missiles. Proceeds—For tooling and production; repayment of loans; equipment; advertising; research and development and working capital. Office—19 Debevoise Avenue, Roosevelt, N. Y. Underwriter—Underhill Securities Corp., New York.

Microwave Semiconductor & Instruments Inc.

May 12, 1961 filed 120,000 shares of common stock. Price—\$3 per share. Business—The research, development, manufacture and sale of microwave devices and instruments. Proceeds—For additional equipment, research, inventory and working capital. Office—116-06 Myrtle Avenue, Richmond Hill, N. Y. Underwriter—First Investment Planning Co., Washington, D. C.

Mid-Continent Corp.

June 5, 1961 filed 140,000 common shares. Price—\$7.50. Business—General real estate. Proceeds—For investment and advances to subsidiaries. Office—997 Monroe Ave., Memphis. Underwriter—James N. Reddoch & Co., Memphis.

Middle Atlantic Investment Co.

June 22, 1961 filed 70,000 common shares. Price—\$10. Business—An investment company. Proceeds—For investment and working capital. Address—Elkins Park, Pa. Underwriter—Best & Garey Co., Inc., Washington, D. C.

Midwest Investors Fund, Inc.

July 17, 1961 filed 5,000,000 common shares. Price—By amendment. Business—A mutual fund. Proceeds—For investment. Office—1815 First National Bank Bldg., Minneapolis. Underwriter—Midwest Planned Investments, Inc., Minneapolis.

Midwest Technical Development Corp.

July 14, 1961 filed 800,000 common shares. Price—By amendment. Business—A small business investment company. Proceeds—For investment. Office—2615 First National Bank Bldg., Minneapolis. Underwriters—Lee Higginson Corp., New York and Piper, Jaffray & Hopwood, Minneapolis.

Mill Factors Corp.

May 31, 1961 filed 75,000 common shares. Price—By amendment. Business—General factoring in the textile and apparel fields. Proceeds—For working capital, and the repayment of debt. Office—380 Park Ave., South, New York. Underwriter—Lee Higginson Corp., New York (managing).

Miniature Precision Bearing, Inc.

June 16, 1961 filed 105,000 class A common shares of which 50,000 shares are to be offered by the company and 50,000 shares by a stockholder and 5,000 to certain employees. Price—By amendment. Business—The manufacture of ball bearings. Proceeds—For repayment of debt and capital improvements. Address—Keene, N. H. Underwriter—Tucker, Anthony & R. L. Day, New York (managing).

Minichrome, Inc.

June 16, 1961 ("Reg. A") 150,000 common shares (par 15 cents). Price—\$1.15. Proceeds—For film processing machines, machinery installation and working capital. Office—980 W. 79th St., Minneapolis, Minn. Underwriter—Continental Securities, Inc., Minneapolis, Minn.

Missile Fuels, Inc.

June 29, 1961 ("Reg. A") 270,000 common shares (par 50 cents). Price—\$1. Proceeds—For working capital and equipment. Office—2706 W. 7th Blvd., St. Paul. Underwriter—None.

Missile-Tronics Corp.

May 8, 1961 (letter of notification) 151,900 shares of common stock (par 10 cents). Price—\$1.50 per share. Business—The manufacturers of technical equipment. Proceeds—For payment of loans; machinery and office equipment; reduction of current liabilities; research and development and working capital. Office—245 4th St., Passaic, N. J. Underwriter—Hopkins, Calamari & Co., Inc., 26 Broadway, New York, N. Y. Offering—Expected in late July.

Missouri Fidelity Life Insurance Co.

July 14, 1961 filed 200,000 common shares. Price—By amendment. Business—A life insurance company. Proceeds—To be added to capital and surplus accounts. Office—4221 Lindell Blvd., St. Louis. Underwriter—A. C. Allyn & Co., Chicago (managing).

Missouri Utilities Co.

July 3, 1961 filed 50,676 common shares to be offered for subscription by stockholders on the basis of one new share for each 10 shares held. Price—By amendment. Proceeds—For repayment of loans and for expansion. Address—Cape Girardeau, Mo. Underwriter—Edward D. Jones & Co., St. Louis, Mo.

Mite Corp. (8/16)

June 23, 1961 filed 325,000 capital shares. Price—By amendment. Business—The manufacture of mechanical, electro-mechanical and electronic equipment, including sewing machine attachments, small electric motors, Polaroid Land cameras, etc. Proceeds—For equipment, repayment of loans; research, development and engineering and general corporate purposes. Office—446 Blake St., New Haven, Conn. Underwriters—Kidder, Peabody & Co., New York and Charles W. Scranton & Co., New Haven, Conn. (managing).

Mobile Estates, Inc.

June 27, 1961 filed 140,000 common shares. Price—\$6. Proceeds—To purchase land, construct and develop about 250 mobile home sites, form sales agencies and for working capital. Office—26 Dalbert, Carteret, N. J. Underwriter—Harry Odzer Co., New York (managing).

Model Vending, Inc. (7/21)

April 27, 1961 filed 150,000 shares of common stock. Price—To be supplied by amendment. Business—The operation of vending machines for the retail sale of cigarettes, candy and a variety of other food and drink products. The company also operates coin-type phonograph machines and amusement devices. Proceeds—For new equipment, modernization of accounting procedures, and general corporate purposes. Office—4830 N. Front Street, Philadelphia, Pa. Underwriter—Milton D. Blauner & Co., Inc., New York City (managing), Hollowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia, Pa., and M. L. Lee & Co., Inc., New York City.

Moderncraft Towel Dispenser Co., Inc.

March 30, 1961 filed 80,000 shares of common stock, of which 73,750 shares are to be offered for public sale by the company and 6,250 outstanding shares by the underwriter. Price—\$4 per share. Business—The manufacture and sale of an improved towel dispensing cabinet. Proceeds—For advertising, research and development, payment of debt, and working capital. Office—20 Main Street, Belleville, N. J. Underwriter—Vickers, Christy & Co., Inc., New York City.

Mohawk Insurance Co. (8/3)

Aug. 8, 1960, filed 75,000 shares of class A common stock. Price—\$12 per share. Proceeds—For general funds. Office—198 Broadway, New York City. Underwriter—R. F. Dowd & Co., Inc., 39 Broadway, New York 6, N. Y.

Mokan Small Business Investment Corp., Inc.

Jan. 17, 1961 filed 3,000 shares of common stock. Price—\$100 per share. Business—The company was organized under Kansas law in October 1960 and is applying to the Small Business Administration for a Federal license to operate as a small business investment company. Proceeds—For general corporate purposes. Office—719 Walnut St., Coffeyville, Kan. Underwriter—None.

Mon-Art, Inc.

June 26, 1961 ("Reg. A") 60,000 convertible preferred shares. Price—At par (\$5). Business—The manufacture of mosaic tile kits. Proceeds—For retirement of debt, increase of inventory and purchase of equipment. Office—1548 E. Grand Blvd., Detroit. Underwriter—Davis, Rowdy & Nichols Inc., Detroit.

Mon-Dak Feed Lot, Inc.

July 17, 1961 filed 150,000 common shares. Price—\$3. Business—The breeding of livestock owned by others. Proceeds—For drilling of water test wells, purchase of land, construction, general administrative costs and working capital. Address—Glendive, Mont. Underwriter—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

Monticello Lumber & Mfg. Co., Inc.

April 11, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). Price—\$4 per share. Business—The sale of lumber, building supplies and hardware. Proceeds—To repay loans and for working capital. Address—Monticello, N. Y. Underwriter—J. Lawrence & Co., Inc., New York, N. Y.

Mortgage Guaranty Insurance Co. (8/16)

Oct. 17, 1960 filed 155,000 shares of common stock (par \$1). Price—To be supplied by amendment. Business—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. Proceeds—For capital and surplus. Office—600 West Wisconsin Avenue, Milwaukee, Wis. Underwriter—Bache & Co., New York City (managing). Note—This stock is not qualified for sale in New York State.

Municipal Investment Trust Fund, First Pa. Series

April 28, 1961 filed \$6,375,000 (6,250 units) of interests. **Price**—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political sub-divisions. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City. **Offering**—Expected in early August.

Municipal Investment Trust Fund, Series B

April 28, 1961 filed \$12,750,000 (12,500 units) of interests. **Price**—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City. **Offering**—Expected in early August.

NAC Charge Plan and Northern Acceptance Corp.

June 27, 1961 filed 33,334 class A common shares. **Price**—By amendment. **Proceeds**—For working capital. **Office**—16 East Pleasant St., Baltimore, Md. **Underwriter**—Sade & Co., Washington, D. C. (managing).

★ National Chemical Milling Corp.

July 11, 1961 ("Reg. A") 150,000 class A shares (par one cent). **Price**—\$2. **Business**—Chemical milling. (The shaping of metal parts by chemical process.) **Proceeds**—For purchase of equipment, leasehold improvements and reserves. **Office**—6 Berry Street, Brooklyn 11, N. Y. **Underwriter**—None.

National Hospital Supply Co., Inc.

June 22, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—The distribution of medical supplies. **Proceeds**—For inventory, advertising and promotion, expansion, repayment of loans and working capital. **Office**—38 Park Row, New York. **Underwriters**—Edward Lewis & Co., Inc. and Underhill Securities Corp., New York (co-managers).

★ National Periodical Publications, Inc.

July 18, 1961 filed 500,000 common shares (par \$1). **Price**—By amendment. **Business**—Publishers of magazines and paperback books. **Proceeds**—For the selling stockholders. **Office**—575 Lexington Avenue, New York. **Underwriters**—Shearson, Hammill & Co., New York and Prescott, Shepard & Co., Inc., Cleveland (managing).

★ National Realty Trust

June 29, 1961 ("Reg. A") 28,200 trust shares, series A. **Price**—\$10. **Proceeds**—For real estate investment. **Office**—National Press Bldg., 14th & F St., N. W., Washington, D. C. **Underwriter**—None.

National Semiconductor Corp.

May 11, 1961 filed 75,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The design, development, manufacture and sale of quality transistors for military and industrial use. **Proceeds**—For new equipment, plant expansion, working capital, and other corporate purposes. **Office**—Mallory Plaza Bldg., Danbury, Conn. **Underwriters**—Lee Higginson Corp., New York City and Piper, Jaffray & Hopwood, Minneapolis (managing).

Nationwide Homes, Inc.

June 12, 1961 filed \$1,500,000 of 8% sinking fund convertible subordinated debentures due 1976 and 300,000 common shares to be offered in units, each consisting of \$10 of debentures and two common shares. **Price**—By amendment. **Business**—The construction and sale of homes. **Proceeds**—For working capital. **Address**—Collinsville, Va. **Underwriters**—Cruttenden, Podesta & Co., Chicago and McDaniel Lewis & Co., Greensboro, N. C.

New Era Mining Co.

July 5, 1961 filed 800,000 common shares. **Price**—50c. **Proceeds**—For equipment, working capital, repayment of debt and reserves. **Office**—9635 W. Colfax Ave., Denver. **Underwriter**—None.

★ New London Country Club, Inc.

July 6, 1961 ("Reg. A") 20,000 common shares to be offered to members and shareholders. **Price**—At par (\$10). **Proceeds**—For construction of a new clubhouse. **Office**—250 State St., New London, Conn. **Underwriter**—None.

★ New West Land Corp.

June 30, 1961 ("Reg. A") 200,000 common shares (par \$1). **Price**—\$1.50. **Proceeds**—For repayment of notes and acquisition of real estate interests. **Office**—3252 Broadway, Kansas City, Mo. **Underwriter**—Barrett, Fitch, North & Co., Kansas City, Mo.

Nissen Trampoline Co.

May 4, 1961 (letter of notification) 9,400 shares of common stock (par \$1). **Price**—At the market. **Proceeds**—For the selling stockholders. **Office**—930 27th Ave., S.W., Cedar Rapids, Iowa. **Underwriter**—Yates, Heitner & Woods, St. Louis, Mo.

Nitrogen Oil Well Service Co.

May 22, 1961 filed 100,000 shares of common stock. **Prices**—\$10 per share for 51,000 shares to be offered to Big Three Welding Company; \$10 per share for not less than 24,500 shares to be offered to holders (other than Big Three) of the outstanding common on the basis of one new share for each 1½ shares held; and \$10.60 per any unsubscribed shares. **Business**—The company furnishes high pressure nitrogen to the oil and gas industry. **Proceeds**—For general corporate purposes, including \$880,000 for the purchase of 20 additional liquid nitrogen high pressure pumping units. **Office**—3602 W. 11th St., Houston, Texas. **Underwriter**—Underwood, Neuhaus & Co., Inc., Houston, Texas. **Offering**—Expected mid to late July.

North Atlantic Life Insurance Co. of America

June 2, 1961 filed 1,386 common shares. **Price**—\$350. **Business**—The company has applied for a New York State license to sell life, accident and health insurance and annuities. **Proceeds**—For general corporate purposes. **Office**—Meadow Brook National Bank Bldg., Mineola, N. Y. **Underwriter**—None.

• North Electric Co.

March 30, 1961 filed 22,415 shares of common stock being offered for subscription by stockholders of record May 15 with rights to expire Aug. 25. **Price**—\$25. **Business**—This subsidiary of L. M. Ericsson Telephone Co. of Stockholm, Sweden, manufactures telecommunications equipment, remote control systems, electromechanical and electronic components, and power supply assemblies. **Proceeds**—To repay loans and for working capital. **Office**—553 South Market St., Galion, Ohio. **Underwriter**—None.

Northern Natural Gas Co. (7/24-28)

June 28, 1961 filed \$35,000,000 sinking fund debentures due 1981. **Price**—By amendment. **Proceeds**—For repayment of loans. **Office**—2223 Dodge Street, Omaha. **Underwriter**—Blyth & Co., Inc., New York.

Northern States Power Co. (8/8)

June 23, 1961 filed \$20,000,000 of first mortgage bonds due 1991. **Offices**—15 So. La Salle Street, Chicago 4, Ill.; 15 So. Fifth Street, Minneapolis 2, Minn.; 111 Broadway, New York 6, N. Y. **Underwriters**—(Competitive) Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp. and Blyth & Co. Inc. (jointly). **Bids**—Expected to be received on Aug. 8.

• Northwestern Public Service Co. (7/31)

June 23, 1961 filed \$4,000,000 of first mortgage bonds due 1987. **Office**—Huron, S. D. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc., Kidder, Peabody & Co., and Salomon Brothers & Hutzler. **Bids**—Expected on or about July 31.

★ NuTone, Inc.

July 17, 1961 filed 375,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of household appliances. **Proceeds**—For the selling stockholders. **Office**—Madison & Red Bank Roads, Cincinnati. **Underwriter**—Kidder, Peabody & Co., New York (managing).

Occidental Petroleum Corp.

June 29, 1961 filed \$3,962,500 of subordinated convertible debentures due 1976 to be offered for subscription by common stockholders on the basis of \$100 principal amount of debentures for each 100 shares held. **Price**—At par. **Business**—The acquiring and developing of oil and gas properties. **Proceeds**—For exploration and development of oil leases and working capital. **Office**—8255 Beverly Blvd., Los Angeles. **Underwriter**—None.

Old Empire, Inc.

May 1, 1961 filed \$700,000 of convertible subordinated debentures due 1971. **Price**—At par. **Business**—The manufacture, packaging and distribution of cosmetics, pharmaceuticals and household, chemical and industrial specialties. **Proceeds**—For the repayment of bank loans, property improvements and working capital. **Office**—865 Mt. Prospect Avenue, Newark, N. J. **Underwriter**—Laird, Bissell & Meeds, Wilmington, Del.

• One Maiden Lane Fund, Inc.

April 7, 1961 filed 300,000 shares of common stock. **Price**—\$3 per share. **Business**—This is a new mutual fund which will hold only convertible debentures and U. S. Treasury bonds. **Proceeds**—For investment. **Office**—One Maiden Lane, New York City. **Underwriter**—G. F. Nicholls & Co., Inc., New York City. **Note**—This statement was withdrawn July 17.

Ore-Ida Foods, Inc.

June 29, 1961 filed 220,000 common shares of which 200,000 will be sold by the company and 20,000 by stockholders. **Price**—By amendment. **Business**—The processing of raw potatoes into various packaged frozen products. **Proceeds**—For the repayment of debt, purchase of equipment, plant expansion and working capital. **Office**—Ontario, Ore. **Underwriter**—Kidder, Peabody & Co., New York (managing).

Orkin Exterminating Co., Inc.

July 6, 1961 filed 360,000 outstanding no par common shares. **Price**—By amendment. **Business**—Pest and termite control services. **Proceeds**—For selling stockholders. **Office**—713 W. Peachtree St., N. E., Atlanta. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York and Courts & Co., Atlanta.

Ormont Drug & Chemical Co., Inc.

May 2, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—Manufacturers of drugs. **Proceeds**—For expansion, and working capital. **Office**—38-01 23rd Ave., Long Island City, N. Y. **Underwriter**—Havener Securities Corp., New York, N. Y.

Pacific Air Lines, Inc.

June 26, 1961 filed \$1,800,000 of 6½% convertible subordinated debentures due 1976 and 180,000 common shares to be offered in units, each consisting of \$100 of debentures and 10 common shares. **Price**—By amendment. **Business**—The transportation of passengers, property and mail by air. **Proceeds**—For repayment of debts, working capital and general corporate purposes. **Office**—San Francisco International Airport, San Francisco. **Underwriters**—Walston & Co., Inc., New York, and Hooker & Fay, Inc., San Francisco (managing).

Pacific States Steel Corp.

June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. **Price**—\$6. **Business**—The manufacture of steel products. **Proceeds**—For the selling stockholder. **Office**—35124 Alvarado-Niles Road, Union City, Calif. **Underwriters**—First California Co., Inc., and Schwabacher & Co., San Francisco (managing).

• Packer's Super Markets, Inc. (8/3)

May 25, 1961 filed 100,000 shares of common stock. **Price**—\$6 per share. **Business**—The operation of 22 retail self-service food stores in the New York City area.

Proceeds—For general corporate purposes. **Office**—25 53rd St., Brooklyn, N. Y. **Underwriters**—Milton D. Blauner & Co., Inc., and M. L. Lee Co., Inc., both of New York City (managing).

Palmetto Pulp & Paper Corp.

June 28, 1961 filed 1,000,000 common shares. **Price**—\$3.45. **Business**—The growth of timber. **Proceeds**—For working capital and the possible purchase of a mill. **Address**—P. O. Box 199, Orangeburg, S. C. **Underwriter**—Stone & Co.

Pan American Resources, Inc.

May 11, 1961 (letter of notification) 40,000 shares of common stock (par \$1). **Price**—\$7 per share. **Office**—600 Glendale Federal Bldg., Glendale 3, Calif. **Underwriter**—Fred Martin & Co., 1101 Woodland Dr., Norman, Okla.

Parish (Amos) & Co., Inc. (9/18)

June 23, 1961 filed 208,000 outstanding common shares. **Price**—By amendment. **Business**—Business advisors and consultants to specialty and department stores. **Proceeds**—For the selling stockholders. **Office**—500 Fifth Avenue, New York. **Underwriter**—The James Co., New York.

• Parkview Drugs, Inc. (8/15)

June 21, 1961 filed 141,000 common shares (par \$1) of which 100,000 will be sold by the company and 41,000 by stockholders. **Price**—By amendment. **Business**—The operation of a chain of retail drug stores and licensed departments in closed-door membership department stores. **Proceeds**—For expansion. **Office**—2323 Grand Avenue, Kansas City, Mo. **Underwriter**—Scherck, Richter Co., St. Louis.

Patent Resources, Inc. (8/1)

May 24, 1961 filed 150,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company was organized in November 1960 to acquire, exploit and develop patents, and to assist inventors in developing and marketing their inventions. **Proceeds**—For general corporate purposes. **Office**—608 Fifth Ave., New York City. **Underwriters**—Darius, Inc., New York (managing); N. A. Hart & Co., Bayside, N. Y., and E. J. Roberts & Co., Inc., Ridgewood, N. J.

Pell Pharmaceuticals, Inc. (8/14-18)

May 24, 1961 ("Reg. A") 150,000 common shares (par five cents). **Price**—\$2. **Proceeds**—For equipment, expansion, inventory, and working capital. **Office**—1 Belmont Ave., Bala-Cynwyd, Pa. **Underwriter**—R. P. & R. A. Miller & Co., Inc., Philadelphia.

Philadelphia Laboratories, Inc. (8/28)

May 26, 1961 filed 75,000 shares of common stock. **Price**—\$8 per share. **Business**—The development, manufacture and sale of pharmaceuticals, vitamins and veterinary products. **Proceeds**—For the repayment of debt, and other corporate purposes. **Office**—400 Green Street, Philadelphia, Pa. **Underwriter**—Woodcock, Moyer, Fricke, & French, Inc., Philadelphia.

Photographic Assistance Corp.

June 27, 1961 filed 150,000 common shares. **Price**—\$1. **Proceeds**—For expansion, equipment and working capital. **Office**—1335 Gordon St., S. W., Atlanta, Ga. **Underwriters**—Globus, Inc., and Harold C. Shore & Co., Inc. New York (managing).

• Pickwick Organization, Inc. (7/27)

May 23, 1961 filed 110,000 shares of common stock. **Price**—\$5 per share. **Business**—The company is engaged in the real estate and construction business. **Proceeds**—Net proceeds, estimated at \$444,000, will be used to buy land for shell homes construction and to start building the homes (\$175,000), to repay a bank note (\$65,000), with the balance for working capital. **Office**—Huntington Station, New York. **Underwriters**—Theodore Arrin & Co., Inc., Katzenberg, Sour & Co., and Underhill Securities Corp., all of New York City.

Pickwick Recreation Center, Inc.

April 21, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—\$3 per share. **Proceeds**—To pay for construction, working capital and general corporate purposes. **Office**—921-1001 Riverside Drive, Burbank, Calif. **Underwriter**—Fairman & Co., Los Angeles, Calif. **Offering**—Expected in September.

Pilgrim Helicopter Services, Inc.

April 25, 1961 (letter of notification) 16,363 shares of common stock (par \$1). **Price**—\$5.50 per share. **Proceeds**—For general corporate purposes. **Office**—Investment Bldg., Washington, D. C. **Underwriter**—Sade & Co., Washington, D. C.

Plasticon Corp.

May 8, 1961 filed 665,666 shares of common stock, of which 90,666 shares are to be publicly offered, 25,000 shares are to be offered to Leyghton-Paige Corp., 150,000 shares are to be offered to Leyghton-Paige stockholders on the basis of one Plasticon share for each three Leyghton-Paige shares held, and 400,000 shares are to be offered to holders of the company's \$1,200,000 of 5% promissory notes. **Price**—\$3 per share, in all cases. **Business**—The manufacture of large plastic containers. **Proceeds**—To discharge the indebtedness represented by Plasticon's 5% promissory notes, with the balance for more equipment and facilities. **Office**—Minneapolis, Minn. **Underwriter**—None.

Platt Corp.

May 29, 1961 filed 150,000 shares of class A stock. **Price**—\$5 per share. **Business**—The company is a real estate investment firm. **Proceeds**—For investment. **Office**—New York City. **Underwriter**—None.

Polymetric Devices Co.

May 24, 1961 filed 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.

Continued on page 38

Continued from page 37

Proceeds—For working capital. **Office**—130 South Easton Rd., Glenside, Pa. **Underwriter**—Weil & Co., Inc., Washington, D. C.

Polytronic Research, Inc.

June 7, 1961 filed 193,750 common shares, of which 150,000 will be sold for the company and 43,750 for stockholders. **Price**—By amendment. **Business**—Research and development, engineering and production of certain electronic devices for aircraft, missiles, oscilloscopes, electronic vending machines and language teaching machines. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—7326 Westmore Rd., Rockville, Md. **Underwriters**—Jones, Kreeger & Co., and Balogh & Co., Washington, D. C. (managing).

Precision Specialties, Inc.

May 15, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—The manufacture of precision instruments. **Proceeds**—To repay loans for construction, purchase of equipment; research and development, and working capital. **Office**—Hurrville, N. J. **Underwriter**—Harrison & Co., Philadelphia, Pa.

★ **Prep Products, Inc.**

July 6, 1961 ("Reg. A") 1,400 common shares. **Price**—At par (\$100). **Proceeds**—For royalty payments on leases, repayment of debt and working capital. **Address**—Highway 20, Thermopolis, Wyo. **Underwriter**—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

President Airlines, Inc.

June 13, 1961 ("Reg. A") 150,000 class A common shares (par one cent). **Price**—\$2. **Business**—Air transportation of passengers and cargo. **Proceeds**—For payment of current liabilities and taxes; payment of balance on CAB certificate and working capital. **Office**—630 Fifth Avenue, Rockefeller Center, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

★ **Products Engineering Corp.**

July 3, 1961 ("Reg. A") 300 common shares (no par). **Price**—\$1,000. **Proceeds**—For working capital and acquisitions. **Office**—3025 Nebraska St., Santa Monica, Calif. **Underwriter**—None.

Progress Industries, Inc.

June 26, 1961 filed 75,000 common shares (with warrants) of which 55,000 shares will be sold by the company and 20,000 by stockholders. **Price**—\$10. **Proceeds**—For the payment of debt, the establishment of a new subsidiary, plant improvements and working capital. **Office**—400 E. Progress St., Arthur, Ill. **Underwriter**—Tabor & Co., Decatur, Ill. (managing).

Progressitron Corp. (7/21)

June 9, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—Manufacturers of electronic, electro mechanical and mechanical devices. **Proceeds**—For general corporate purposes. **Office**—14-25 128th St., College Point, N. Y. **Underwriter**—Netherlands Securities Co., New York.

Publishers Vending Services, Inc.

July 3, 1961 filed \$600,000 of 5½% convertible subordinated debentures due 1971; 120,000 common shares which underlie 2-year first warrants exercisable at \$7.50 per share, and 120,000 common shares which underlie 5-year second warrants, exercisable at \$10 per share. The securities are to be offered for public sale in units of one \$100 debenture, 20 first warrants and 20 second warrants. **Price**—\$100 per unit. **Business**—The design, manufacture, sale and leasing of coin-operated vending machines for magazines, newspapers and paperback books. **Proceeds**—For the repayment of debt, advertising, sales promotion, and the manufacture of new machines. **Office**—1201 South Clover Drive, Minneapolis. **Underwriter**—D. H. Blair & Co., New York.

Pueblo Supermarkets, Inc.

June 6, 1961 filed 100,000 outstanding shares of class A common to be offered for public sale by stockholders. **Price**—By amendment. **Business**—Operates seven supermarkets in Puerto Rico. **Proceeds**—For the selling stockholders. **Office**—P. O. Box 10878, Caparra Heights, San Juan, P. R. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York. **Offering**—Expected in early August.

Quality Importers, Inc.

June 1, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—Imports and distributes Scotch and Irish whiskeys. **Proceeds**—To repay loans and for working capital. **Office**—55 Fifth Ave., New York. **Underwriter**—Sutro Bros. & Co., New York.

Rabin-Winters Corp.

June 19, 1961 filed 180,000 common shares of which 80,000 shares are to be offered by the company and 100,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacturer of pharmaceuticals, cosmetics, lighter fluid and related items. **Proceeds**—To repay loans and for working capital. **Office**—700 N. Sepulveda Boulevard, El Segundo, Calif. **Underwriter**—H. Hentz & Co., New York.

Radiation Instrument Development Laboratory, Inc. (7/31-8/4)

June 1, 1961 filed 100,000 common shares, including 86,666 to be offered for sale by the company and 13,334 by stockholders. **Price**—By amendment. **Business**—Develops, designs and produces electronic instruments for the detection of atomic radiation. **Proceeds**—For working capital, and expansion. **Office**—61 East North Ave., Northlake, Ill. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Ram Tool Corp.

June 9, 1961 filed 100,000 common shares. **Price**—By amendment. **Business**—The manufacture of electrically powered tools. **Proceeds**—For working capital. **Office**—

411 N. Claremont Ave., Chicago, Ill. **Underwriter**—Aetna Securities Corp., New York (managing).

Real Estate Investing Association, Inc.

May 22, 1961 filed \$50,000,000 series A 6% 20-year participating notes to be issued in 2,000 units of \$25,000 each. **Price**—At 100% of principal amount. **Business**—The company was organized in February 1961 to invest in first mortgages on income producing properties and in land on which buildings have been erected. **Proceeds**—For investment. **Office**—60 East 42nd St., New York City. **Underwriter**—None.

Reeves Broadcasting & Development Corp.

June 16, 1961 filed \$2,500,000 of convertible debentures. **Price**—At par. **Business**—The operation of TV stations and recording studios and the development of real estate properties in North Carolina. **Proceeds**—For expansion, the repayment of loans, for working capital and other corporate purposes. **Office**—304 E. 44th St., New York. **Underwriter**—Laird & Co., Corp., Wilmington, Del. (managing). **Offering**—Expected in August.

Reher Simmons Research Inc. (8/7)

May 8, 1961 filed 150,000 shares of capital stock. **Price**—\$6 per share. **Business**—The research and development of processes in the field of surface and biochemistry. **Proceeds**—For plant construction, equipment, research and development, sales promotion and working capital. **Office**—545 Broad St., Bridgeport, Conn. **Underwriter**—McLaughlin, Kaufmann & Co., (managing).

Republic Aviation Corp.

July 11, 1961 filed 214,500 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of airplanes and ground support equipment. **Proceeds**—For the selling stockholder. **Address**—Farmingdale, L. I., N. Y. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York (managing).

Riverview ASC, Inc. (7/21)

May 18, 1961 ("Reg. A") 100,000 common shares. **Price**—\$3. **Business**—Real estate and utility development in Florida. **Proceeds**—For expansion. **Office**—2823 So. Washington Ave., Titusville, Fla. **Underwriter**—Albion Securities Co., Inc., New York.

● **Ripley Co., Inc.**

May 19, 1961 filed 82,500 shares of common stock, of which 25,000 shares are to be offered for public sale by the company and 57,500 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of photoelectric street light controls, centrifugal blowers and other electronic equipment. **Proceeds**—For new product development. **Office**—One Factory Street, Middletown, Conn. **Underwriter**—Dominick & Dominick, New York City (managing). **Offering**—Imminent.

● **Roanwell Corp.**

July 11, 1961 filed 150,000 shares of common stock of which 50,000 will be sold by the company and 100,000 by stockholders. **Price**—By amendment. **Business**—The manufacture of electro-acoustical transducers in the voice communications field. **Proceeds**—For additional equipment, working capital and other corporate purposes. **Office**—180 Varick St., New York. **Underwriter**—Paine, Webber, Jackson & Curtis, New York. **Offering**—Expected in early September.

Roberts Lumber Co.

June 28, 1961 filed 55,000 common shares of which 20,000 shares are to be offered by the company and 35,000 shares by a selling stockholder. **Price**—By amendment. **Business**—The sale of building materials. **Proceeds**—For repayment of a loan and working capital. **Office**—2715 Market Street, Wheeling, W. Va. **Underwriter**—Arthurs, Lestrangle & Co., Pittsburgh, Pa. (managing).

Rocky Mountain Natural Gas Co., Inc.

July 10, 1961 filed \$1,500,000 of sinking fund debentures due 1981 (with attached warrants) and 150,000 common shares to be offered in 75,000 units, each consisting of \$20 of debentures (with an attached warrant) and two common shares. **Price**—By amendment. **Proceeds**—For construction and general corporate purposes. **Office**—1726 Champa St., Denver. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York (managing).

● **Rodney Metals, Inc. (9/7)**

June 30, 1961 filed 140,000 common shares. **Price**—\$10. **Proceeds**—For the repayment of debt and other corporate purposes. **Office**—261 Fifth Ave., New York. **Underwriter**—Amos Treat & Co., Inc., New York (managing).

★ **Ross Products, Inc.**

July 14, 1961 filed 200,000 common shares, of which 100,000 shares are to be offered by the company and 100,000 shares by the stockholders. **Price**—By amendment. **Business**—The importing and distributing of general merchandise. **Proceeds**—For repayment of debt, expansion and general corporate purposes. **Office**—1107 Broadway, New York. **Underwriters**—Blair & Co. and F. L. Rossman & Co., New York.

Royal School Laboratories, Inc.

June 23, 1961 filed 170,000 common shares. **Price**—\$5. **Business**—The manufacture of special purpose laboratory furniture for schools. **Proceeds**—For expansion, general corporate purposes and working capital. **Office**—Meadow & Clay Sts., Richmond, Va. **Underwriter**—B. N. Rubin & Co., Inc., New York.

Rudd-Melikian, Inc.

June 16, 1961 filed 130,000 common shares. **Price**—\$10. **Business**—The manufacture of automatic coffee dispensers and similar items. **Proceeds**—For repayment of loans, promotion and manufacture of a new product, working capital and general corporate purposes. **Office**—300 Jacksonville Road, Hatboro, Pa. **Underwriter**—Stearns & Co., New York.

★ **Ryan Golf Co., Inc.**

July 16, 1961 ("Reg. A") 990 common shares (no par). **Price**—\$50. **Business**—The purchase and disposition of golfing equipment. **Proceeds**—For general corporate purposes. **Office**—309-311 Exchange Street, Endicott, N. Y. **Underwriter**—None.

S. O. S. Photo-Cine-Optics, Inc.

June 29, 1961 filed \$50,000 of 6% subordinated debentures due 1969 and 50,000 common shares to be offered in units consisting of \$10 of debentures and 10 common shares. **Price**—\$40 per unit. **Business**—The manufacturing, renting and distributing of motion picture and television production equipment. **Proceeds**—For new equipment, advertising, research and development, working capital and other corporate purposes. **Office**—602 W. 52nd St., New York. **Underwriter**—William, David & Motti, Inc., New York.

St. Clair Specialty Manufacturing Co., Inc.

June 19, 1961 filed 113,600 common shares of which 40,000 shares are to be offered by the company and 73,600 shares by stockholders. **Price**—By amendment. **Business**—The printing of gift wrap papers. **Proceeds**—For equipment and working capital. **Address**—120 Twenty-Fifth Ave., Bellwood, Ill. **Underwriters**—Stifel, Nicolaus & Co., St. Louis and Walston & Co., New York.

Sav-Mor Oil Corp.

July 5, 1961 ("Reg. A") 92,000 common shares (par one cent). **Price**—\$2.50. **Business**—Wholesale distribution of gasoline and oil to service stations. **Proceeds**—For expansion. **Office**—151 Birchwood Park Dr., Jericho, L. I., N. Y. **Underwriter**—Armstrong & Co., Inc., New York.

Save-Tax Club, Inc.

July 6, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—\$2. **Business**—A plan to stimulate retail merchandising in New York City. Retail establishments who join the plan will give 3% discounts to members of the Save-Tax Club. **Proceeds**—For salaries to salesmen, advertising, public relations, additional employees, and working capital. **Office**—135 W. 52nd St., New York. **Underwriter**—B. G. Harris & Co., Inc., New York.

● **Second Financial, Inc.**

June 20, 1961 filed 100,000 common shares. **Price**—\$3. **Business**—The purchase of notes, mortgages, contracts, etc., from Shell Home Builders. **Proceeds**—For investment. **Office**—2740 Apple Valley Road, N. E., Atlanta, Ga. **Underwriter**—Globus, Inc., New York.

Security Acceptance Corp. (7/28)

March 7, 1961 filed 100,000 shares of class A common stock and \$400,000 of 7½% 10-year debenture bonds, to be offered in units consisting of \$100 of debentures and 25 shares of stock. **Price**—\$200 per unit. **Business**—The purchase of conditional sales contracts on home appliances. **Proceeds**—For working capital and expansion. **Office**—724 9th St., N. W., Washington, D. C. **Underwriter**—None.

● **Semicon, Inc.**

June 30, 1961 filed 125,000 class A common shares. **Price**—By amendment. **Business**—The manufacture of semiconductor devices for military, industrial and commercial use. **Proceeds**—For equipment, plant expansion and new products. **Address**—Sweetwater Avenue, Bedford, Mass. **Underwriter**—S. D. Fuller & Co., New York (managing). **Offering**—In early September.

Service Photo Industries, Inc. (8/25)

May 26, 1961 filed 150,000 class A shares (par one cent). **Price**—\$4. **Business**—The company, formerly Service Photo Suppliers, Inc., is engaged in the importation and distribution of a wide variety of photographic equipment. **Proceeds**—For the repayment of debt, advertising and sales promotion, and other corporate purposes. **Office**—33 East 17th St., New York. **Underwriter**—N. A. Hart & Co., Bayside, N. Y. (managing).

● **Servonic Instruments, Inc.**

April 26, 1961 filed 95,000 shares of no par common stock, of which 50,000 shares are to be offered for public sale by the company and 45,000 shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The research, design, development, manufacture and sale of precision devices consisting primarily of electromechanical transducers, for a variety of military, industrial and scientific uses. **Proceeds**—For new equipment, plant expansion and working capital. **Office**—1644 Whittier, Calif. **Underwriter**—C. E. Unterberg, Towbin Co., New York City. **Offering**—Imminent.

Shasta Minerals & Chemical Co.

April 24, 1961 filed 500,000 shares of common stock. **Price**—\$2.50 per share. **Business**—Acquisition, development, and exploration of mining properties. **Proceeds**—For general corporate purposes. **Office**—1406 Walker Bank Bldg., Salt Lake City, Utah. **Underwriter**—None.

Shelley Urethane Industries, Inc. (8/18)

May 24, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture, converting and distribution of urethane foam products to industry. **Proceeds**—For expansion, new equipment, repayment of debt, and working capital. **Office**—4542 East Dunham St., City of Commerce, Calif. **Underwriter**—Garat & Polonitza, Inc., Los Angeles (managing). **Note**—This company plans to change its name to Urethane Industries International Inc.

Shepard Airtronics, Inc.

April 26, 1961 (letter of notification) 75,000 shares of common stock (par one cent). **Price**—\$4 per share. **Business**—The manufacture of high altitude breathing and ventilation equipment. **Proceeds**—For repayment of loans; new equipment, research and development, plant improvement, purchase of inventory, advertising and working capital. **Office**—787 Bruckner Boulevard, Bronx, N. Y. **Underwriters**—L. C. Wegard & Co., 28 West

State St., Trenton, N. J. (managing); L. J. Termo & Co., Inc., New York and Copley & Co., Colorado Springs, Colo. **Offering**—Imminent.

Sherman Co.

March 29, 1961 filed 1,096 of limited partnership shares. **Price**—\$5,000 per unit. **Business**—The company was formed on March 15, 1961 to acquire the Hotel Sherman in Chicago. **Proceeds**—To purchase the above property. **Office**—10 E. 40th Street, New York City. **Underwriter**—None.

Sjostrom Automations, Inc.

June 28, 1961 filed 70,000 class A common shares. **Price**—\$4. **Business**—The design, manufacture and sale of electronically controlled automation devices. **Proceeds**—For the repayment of debt, purchase of additional equipment and inventory, and working capital. **Office**—140 N. W. 16th St., Boca Raton, Fla. **Underwriter**—J. I. Magaril Co., Inc., New York.

Southern Growth Industries, Inc.

June 28, 1961 filed 100,000 common shares. **Price**—\$6. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—Poinsett Hotel Building, Greenville, S. C. **Underwriter**—Capital Securities Corp., Greenville, S. C.

Southern Realty & Utilities Corp.

May 26, 1961 filed \$3,140,000 of 6% convertible debentures due 1976, with warrants to purchase 31,400 common shares, to be offered for public sale in units of \$500 of debentures and warrants for five common shares. **Price**—At 100% of principal amount. **Business**—The development of unimproved land in Florida. **Proceeds**—For the repayment of debt, the development of property, working capital and other corporate purposes. **Office**—1674 Meridian Avenue, Miami Beach, Fla. **Underwriters**—Hirsch & Co., and Lee Higginson Corp., both of New York City (managing).

Space Products, Inc.

June 23, 1961 ("Reg. A") 60,000 common shares (par \$1). **Price**—\$5. **Proceeds**—For plant improvements and working capital. **Office**—49 Harbor Ave., Nashua, N. H. **Underwriter**—None.

Space Technology & Research Corp. (7/24)

June 20, 1961 ("Reg. A") 300,000 common shares (par 10 cents). **Price**—\$1. **Proceeds**—For repayment of debts, furniture and equipment, and working capital. **Office**—520 Midland Savings Bldg., Denver, Colo. **Underwriter**—Henry Fricke Co., New York.

Spectron, Inc.

June 9, 1961 filed 83,750 class A common shares (par 10 cents). **Price**—\$4.50. **Business**—The design, development and manufacture of electronic systems, instruments and equipment, including microwave, radar and underwater communication devices. **Proceeds**—For purchase of equipment, plant expansion, patent development and general corporate purposes. **Office**—812 Ainsley Bldg., Miami, Fla. **Underwriter**—Hampstead Investing Corp., New York (managing).

Speed-O-Print Business Machines Corp. (7/24-28)

May 24, 1961 filed 125,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company manufactures and sells office copy-making machines and accessories. **Proceeds**—To pay off notes in the amount of \$422,826, with the balance for general corporate purposes. **Office**—Chicago. **Underwriter**—Rodman & Renshaw, Chicago (managing).

Spelman Engineering, Inc. (7/24-28)

June 6, 1961 filed 150,000 common shares. **Price**—By amendment. **Business**—The servicing of missiles. **Proceeds**—For the repayment of a loan and for working capital. **Office**—722-32 Brookhaven Drive, Orlando, Fla. **Underwriter**—Pierce, Carrison, Wulbern, Inc., Jacksonville.

Spencer Laboratories, Inc.

May 1, 1961 (letter of notification) 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**—To stockholders, \$100 per share; to the public, \$110 per share. **Business**—Manufacturers of Pharmaceuticals. **Proceeds**—For testing new products, inventories, marketing and general corporate purposes. **Office**—10 Pine St., Morristown, N. J. **Underwriter**—E. T. Andrews & Co., Hartford, Conn.

Staff Business & Data Aids

April 17, 1961 (letter of notification) 100,000 shares of capital stock (par 10 cents). **Price**—\$3 per share. **Business**—The supplying of temporary office personnel. **Proceeds**—To purchase assets of Rapid Computing Co., Inc. and for general corporate purposes. **Office**—122 E. 42nd Street, New York, N. Y. **Underwriter**—Hancock Securities Corp., New York, N. Y. **Offering**—Imminent.

Star Homes, Inc.

June 28, 1961 filed \$500,000 7% subordinated debentures due 1971 and 200,000 common shares to be offered in units, each unit consisting of \$50 of debentures and 20 common shares. **Price**—\$100 per unit. **Business**—The construction and sale of shell homes. **Proceeds**—For repayment of loans, advances to a subsidiary, establishment of branch sales offices and working capital. **Office**—336 S. Salisbury Street, Raleigh, N. C. **Underwriter**—D. E. Liederman & Co., Inc., New York (managing).

Sterile Medical Products, Inc.

June 2, 1961 ("Reg. A") 120,000 common shares (par 10 cents). **Price**—\$2.50. **Business**—The sharpening of surgical blades. **Proceeds**—For general corporate purposes. **Address**—Jamesburg, N. J. **Underwriter**—Louis R. Dreyling & Co., New Brunswick, N. J. **Note**—This letter was withdrawn June 21.

Stratoflex, 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 repayment of loans, and working capital. **Address**—P. O. Box 10398, Fort Worth, Tex. **Underwriter**—First Southwest Co., Dallas.

Stratton Corp.

March 3, 1961 filed \$650,000 of 5% convertible subordinated debentures, due Dec. 1, 1981. **Price**—At 100% of principal amount. **Business**—The development and operation of a winter and summer recreational resort on Stratton Mountain in southern Vermont. **Proceeds**—For construction. **Office**—South Londonderry, Vt. **Underwriter**—Cooley & Co., Hartford, Conn.

Strouse, Inc.

June 27, 1961 filed \$600,000 of 6% convertible subordinated debentures due 1981. **Price**—At par. **Proceeds**—For plant expansion, working capital and other corporate purposes. **Office**—Basin and Cherry Sts., Norristown, Pa. **Underwriter**—H. A. Riecke & Co., Philadelphia (managing).

Sun Valley Associates

March 30, 1961 (letter of notification) \$205,000 of limited partnership interests to be offered in units of \$5,000, or fractional units of not less than \$2,500. **Proceeds**—For working capital. **Address**—Harlingen, Texas. **Underwriter**—Nat Berger Associates, Inc., New York City.

Super-Temp Corp.

June 15, 1961 ("Reg. A") 100,000 common shares (no par). **Price**—\$3. **Proceeds**—For repayment of debts, purchase of new equipment, research and development and working capital. **Office**—2024 W. 15th St., Long Beach, Calif. **Underwriter**—Morgan & Co., Los Angeles.

Superstition Mountain Enterprises, Inc. (8/15)

Jan. 30, 1961 filed 2,000,000 shares of common stock. **Price**—\$2.50 per share. **Business**—The company was formed in March, 1959 to develop real property at the foot of Superstition Mountain near Apache Junction, Ariz. It has developed part of the property to form the Apacheland Sound Stage and Western Street, architecturally designed for the 1870 period, which is used for the shooting of the motion picture and television productions. **Proceeds**—To purchase and develop additional property. **Office**—Apache Junction, Ariz. **Underwriter**—None.

Supronics Corp. (8/16)

May 29, 1961 filed 90,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company is engaged in the distribution of wholesale electrical equipment and supplies. **Proceeds**—For the repayment of bank loans and other corporate purposes. **Office**—224 Washington St., Perth Amboy, N. J. **Underwriters**—Amos Treat & Co., Inc., and Standard Securities Corp., both of New York City and Bruno-Lenchner, Inc., Pittsburgh, Pa.

Suval Industries Inc. (7/24-28)

April 27, 1961 filed 125,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 25,000 outstanding shares by the present holders thereof. **Price**—\$4 per share. **Business**—The manufacture of supported vinyl plastic sheeting for the automobile, furniture and clothing industries. **Proceeds**—For additional equipment, product expansion and working capital. **Office**—Cantiagua Road, Westbury N. Y. **Underwriters**—Milton D. Blauer & Co., and Brukenfeld & Co., both of New York City.

Swanee Paper Corp.

June 29, 1961 filed 150,000 common shares, of which 35,000 shares are to be offered by the company and 115,000 shares by the stockholders. **Price**—By amendment. **Business**—The production of tissue paper products. **Proceeds**—For general corporate purposes. **Office**—205 E. 42nd St., New York. **Underwriter**—Blair & Co., Inc., New York (managing). **Offering**—Expected in late Aug.

Swingline Inc. (7/27)

June 14, 1961 filed 200,000 outstanding class A common shares. **Price**—By amendment. **Business**—The manufacture of stapling machines. **Proceeds**—For the selling stockholders. **Office**—32-00 Skillman Ave., Long Island City, New York. **Underwriter**—Paine, Webber, Jackson & Curtis, New York (managing).

T. F. H. Publications, Inc.

June 22, 1961 ("Reg. A") 60,000 common shares (par 10 cents). **Price**—\$5. **Business**—The publishing of books, pamphlets and magazines. **Proceeds**—For repayment of loans, production of new garden books, installation of air-conditioning and working capital. **Office**—245-247 Cornelson Ave., Jersey City, N. J. **Underwriter**—Arnold Malkan & Co., Inc., New York.

T-Bowl International, Inc.

June 15, 1961 filed 400,000 common shares, of which 325,000 shares are to be offered by the company and 75,000 shares by stockholders. **Price**—By amendment. **Business**—The operation of bowling centers. **Proceeds**—For expansion. **Office**—27 B Boulevard, East Paterson, N. J. **Underwriter**—Peter Morgan & Co., New York.

T. V. Development Corp.

May 26, 1961 filed 100,000 shares of common stock. **Price**—\$5 per share. **Business**—The manufacture and sale of replacement knobs for television sets. **Proceeds**—For the repayment of debt, the expansion of product lines and working capital. **Office**—469 Jericho Turnpike, Mineola, N. Y. **Underwriters**—Kesselman & Co., and Brand, Grumet & Seigel, Inc., New York (managing). **Offering**—Expected in late July.

Taddeo Bowling & Leasing Corp.

March 31, 1961 filed \$600,000 of 8% convertible subordinated debentures due 1971; 125,000 shares of common stock and 50,000 class A warrants to purchase common stock to be offered for public sale in units consisting of

\$240 of debentures, 50 common shares and 20 warrants. **Price**—\$640 per unit. **Business**—The construction of bowling centers. **Proceeds**—For construction and working capital. **Office**—873 Merchants Road, Rochester, N. Y. **Underwriter**—Lomasney, Loving & Co., New York City (managing).

Taffet Electronics, Inc. (7/24-28)

April 28, 1961 filed 132,000 shares of common stock. **Price**—\$3 per share. **Business**—The manufacture of electronic equipment, principally electronic test equipment, partial electronic systems and assemblies, and the fabrication of electronic components, for use primarily in the communications field. **Proceeds**—For additional equipment, capital improvements and working capital. **Office**—27-01 Brooklyn Queens Expressway, Woodside, N. Y. **Underwriters**—Fialkov & Co., Inc. (managing); Stanley Heller & Co., Amos Treat & Co., Inc., all of New York City.

Taft Broadcasting Co.

May 26, 1961 filed 376,369 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The operation of TV and radio broadcasting stations. **Proceeds**—For the selling stockholders. **Office**—1906 Highland Avenue, Cincinnati, Ohio. **Underwriter**—Harriman Ripley & Co., Inc., New York City (managing). **Offering**—Temporarily postponed.

Tassette, Inc. (7/31)

Feb. 15, 1961 filed 200,000 shares of class A stock. **Price**—\$12 per share. **Business**—The company was organized under Delaware law in 1959 to finance the exploitation and sale of "Tassette," a patented feminine hygiene aid. **Proceeds**—For advertising and promotion, market development, medical research and administrative expenses. **Office**—170 Atlantic St., Stamford, Conn. **Underwriter**—Amos Treat & Co., Inc., New York City (managing); Bruno-Lenchner, Inc., Pittsburgh; and Karen Securities Corp., New York City.

Tastee Freez Industries, Inc.

July 12, 1961 filed 350,000 common shares, of which 200,000 shares are to be offered by the company and 150,000 shares by a stockholder. **Price**—By amendment. **Business**—The franchising and supplying of stores with a soft ice cream product and selected food items. **Proceeds**—For acquisition of properties and working capital. **Office**—2518 W. Montrose Ave., Chicago. **Underwriter**—Bear Stearns & Co., New York (managing).

Tax-Exempt Public Bond Trust Fund

Jan. 16, 1961 filed \$5,000,000 of interests (5,000 units). **Price**—To be computed on the basis of the trustees evaluation of the underlying public bonds, plus a stated percentage (to be supplied by amendment) and dividing the sum thereof by 5,000. **Business**—The trust was formed by John Nuveen & Co., Chicago, Ill., to invest in tax-exempt obligations of states, counties, municipalities and territories of the United States. **Sponsor**—John Nuveen & Co., 135 South La Salle Street, Chicago, Ill.

Tax-Exempt Public Bond Trust Fund, Series 2

Feb. 23, 1961 filed \$10,000,000 (10,000 units) ownership certificates. **Price**—To be filed by amendment. **Business**—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds**—For investment. **Office**—135 South La Salle St., Chicago. **Sponsor**—John Nuveen & Co., Chicago.

Taylor-Country Estate Associates

June 12, 1961 filed \$2,420,000 of limited partnership interests. **Price**—\$10,000 per unit. **Business**—The partnership will acquire all the outstanding stock of five apartment houses in Newark, East Orange and Jersey City, N. J. **Proceeds**—For general corporate purposes. **Office**—420 Lexington Ave., New York City. **Underwriter**—Nat Berger Associates, Inc., New York.

Technical Materiel Corp. (8/16)

June 30, 1961 filed 50,000 outstanding common shares. **Price**—By amendment. **Business**—The design, manufacture and sale of components for high frequency radio communications. **Proceeds**—For the selling stockholder. **Office**—700 Fenimore Rd., Mamaroneck, N. Y. **Underwriter**—Kidder, Peabody & Co., New York.

Techno-Vending Corp.

June 9, 1961 ("Reg. A") 100,000 class A common shares (par one cent). **Price**—\$3. **Business**—The manufacture of coin-operated vending machines. **Proceeds**—For repayment of loans; sales promotion and advertising; expansion; purchase of raw materials; research and development, and working capital. **Office**—599 Tenth Avenue, New York. **Underwriter**—International Services Corp., Paterson, N. J.

TelePrompter Corp. (8/16)

July 6, 1961 filed \$5,000,000 of convertible subordinated debentures due 1976. **Price**—By amendment. **Business**—The manufacture of communication systems and equipment. **Proceeds**—For repayment of loans and working capital. **Office**—50 W. 44th St., New York. **Underwriter**—Bear, Stearns & Co., New York (managing).

Templet Industries Inc.

June 2, 1961 ("Reg. A") 100,000 common shares (par 25 cents). **Price**—\$3. **Business**—Licenses patents to die-makers and metal parts manufacturers. **Proceeds**—For working capital and general corporate purposes. **Office**—701 Atkins Ave., Brooklyn 8, N. Y. **Underwriter**—Levien, Greenwald & Co., New York.

Templeton Damroth Corp.

March 30, 1961 filed \$445,000 of 5½% convertible debentures, due 1969. **Price**—100% of the principal amount. **Business**—The management and distribution of shares of four investment companies, and also private

Continued on page 40

Continued from page 39

investment counselling. **Proceeds**—To increase the sales efforts of subsidiaries, to establish a new finance company, and for general corporate purposes. **Office**—630 Third Avenue, New York City. **Underwriter**—Hecker & Co., Philadelphia, Pa. **Offering**—Expected in late July.

Tennessee Investors, Inc.

May 16, 1961 filed 500,000 shares of common stock to be publicly offered, and 4,206 common shares to be offered to holders of the outstanding common on the basis of one new share for each nine shares held. **Prices**—\$12.50 per share for the public offering and \$11.40 per share for the rights offering. **Business**—A small business investment company. **Proceeds**—To finance the company's activities of providing equity capital and long term loans to small business concerns. **Office**—Life and Casualty Tower, Nashville, Tenn. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

Terry Industries, Inc.

Feb. 28, 1961 filed 1,728,337 shares of common stock of which 557,333 shares are to be offered for the account of the issuing company and 1,171,004 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—For the company's shares, to be related to A.S.E. prices at time of the offering. For the stockholders' shares, the price will be supplied by amendment. **Business**—The company, formerly Sentry Corp., is primarily a general contractor for heavy construction projects. **Proceeds**—The proceeds of the first 12,000 shares will go to Netherlands Trading Co. The balance of the proceeds will be used to pay past due legal and accounting bills, to reduce current indebtedness, and for working capital. **Office**—11-11 34th Ave., Long Island City, L. I., N. Y. **Underwriter**—(For the company's shares only) Greenfield & Co., Inc., New York City.

Texas Capital Corp. (8/9)

June 16, 1961 filed 1,000,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—104 E. Eighth St., Georgetown, Tex. **Underwriter**—Dempsey-Tegeler & Co., Inc., St. Louis.

Texas Eastern Transmission Corp.

June 7, 1961 filed \$30,000,000 of debentures due July 1, 1981 and 200,000 shares of subordinated convertible preferred (\$100 par). **Proceeds**—For the repayment of debt and for construction. **Office**—Memorial Professional Bldg., Houston. **Underwriter**—Dillon, Read & Co., New York (managing). **Note**—This offering was temporarily postponed.

Textifoam, Inc.

June 23, 1961 filed 130,000 common shares of which 100,000 shares are to be offered by the company and 30,000 shares by the stockholders. **Price**—By amendment. **Business**—The lamination of a synthetic foam to fabrics. **Proceeds**—For expansion, working capital and general corporate purposes. **Office**—200 Fair St., Palisades Park, N. Y. **Underwriters**—Flomenhaft, Seidler & Co., Inc., and Street & Co., Inc., New York (managing).

Thermo-Chem Corp.

June 14, 1961 filed 130,000 common shares. **Price**—\$4.50. **Business**—The manufacture of coatings for fabrics. **Proceeds**—To repay a loan, and purchase equipment, for research and development, administrative expenses and working capital. **Office**—Noeland Ave., Pennel, Pa. **Underwriter**—Best & Garey Co., Inc., Washington, D. C.

30 North La Salle Street Realty Fund

July 3, 1961 filed 200,000 shares of beneficial interests. **Price**—\$5. **Business**—A real estate investment company. **Proceeds**—For investment. **Office**—30 N. LaSalle St., Chicago. **Underwriter**—None.

Thoroughbred Enterprises, Inc. (7/31)

June 2, 1961 filed 85,000 common shares. **Price**—\$4. **Business**—The breeding of thoroughbred race horses. **Proceeds**—To purchase land, build a stable, and buy additional horses. **Office**—8000 Biscayne Blvd., Miami, Fla. **Underwriter**—Sandkuhl & Co., Inc., Newark, N. J., and New York City.

Thriftway Foods, Inc.

July 13, 1961 filed 140,000 common shares, of which 66,915 shares are to be offered by the company and 73,085 shares by stockholders. **Price**—By amendment. **Business**—The wholesale distribution of food products to retail stores. **Proceeds**—For repayment of debt and general corporate purposes. **Office**—Church & Henderson Rds., King of Prussia, Pa. **Underwriter**—Kidder, Peabody & Co., New York (managing).

Tinsley Laboratories, Inc.

June 29, 1961 ("Reg. A") 100,000 capital shares (par 16½ cents). **Price**—\$3. **Proceeds**—For repayment of loans, purchase of equipment and working capital. **Office**—2448 Sixth St., Berkeley, Calif. **Underwriter**—Troster, Singer & Co., New York.

Transcontinent Television Corp.

May 25, 1961 filed 400,000 outstanding shares of class B common stock to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The operation of six television and seven radio broadcasting stations. **Proceeds**—For the selling stockholders. **Office**—70 Niagara St., Buffalo, N. Y. **Underwriters**—Carl M. Loeb, Rhoades & Co., and Bear, Stearns & Co., both of New York City (managing). **Offering**—Expected in late July.

Transcontinental Investment Co.

March 15, 1961 (letter of notification) 120,000 shares of common stock (par \$1). **Price**—\$2.50 per share. **Proceeds**—For advances to subsidiaries. **Office**—278 S. Main Street, Salt Lake City, Utah. **Underwriter**—Continental Securities Corp., 627 Continental Bank Building, Salt Lake City, Utah.

Trans-World Financial Co.

June 26, 1961 filed 185,000 common shares of which 75,000 shares are to be offered by the company and 110,000 shares by stockholders. **Price**—By amendment. **Business**—A holding company with subsidiaries in the savings and loan, real estate and insurance fields. **Proceeds**—For repayment of loans and working capital. **Office**—9460 Wilshire Blvd., Beverly Hills. **Underwriter**—William R. Staats & Co., Los Angeles (managing).

Transvision Electronics, Inc. (8/7)

June 29, 1961 filed 140,000 common shares. **Price**—By amendment. **Business**—The manufacture of specialized TV equipment. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—460 North Avenue, New Rochelle, N. Y. **Underwriter**—Adams & Peck, New York.

Trebtor Oil Co. Ltd.

May 1, 1961 filed \$150,000 of limited partnership interests to be offered for public sale in 150 units. **Price**—\$1,000 per unit. **Proceeds**—For the acquisition of oil leases and the development of, thereof. **Office**—213 First National Bank Building, Abilene, Texas. **Underwriter**—None.

Tresco, Inc. (8/30)

June 5, 1961 filed 100,000 common shares. **Price**—\$5. **Business**—Manufactures transformers for electronic equipment. **Proceeds**—For the repayment of debt, research and development, to finance a new subsidiary and for other corporate purposes. **Office**—3824 Terrace St., Philadelphia. **Underwriter**—Amos Treat & Co., New York (managing). **Offering**—Expected in September.

Triangle Instrument Co. (8/2)

March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—\$3 per share. **Business**—The manufacture of precision instruments and components. **Proceeds**—For equipment, inventory, the repayment of debt, and working capital. **Office**—Oak Drive and Cedar Place, Syosset, L. I., N. Y. **Underwriter**—Armstrong & Co., Inc., New York City.

Tri Metal Works, Inc.

June 29, 1961 filed 68,000 outstanding common shares to be offered by the stockholders. **Price**—At the market. **Business**—The designing, converting and equipping trucks used in sale-of-ice-cream, etc. It also engages in the research, design and manufacture of vacuum furnaces, ovens and components in the fabrication of metal equipment for the food, pharmaceutical and chemical industries. **Proceeds**—For the selling stockholders. **Office**—Bennard & Warrington Sts., East Riverton, N. J. **Underwriters**—R. L. Scheinman & Co., New York and Blaha & Co., Inc., Long Island City, N. Y.

Trinity Funding Corp. (8/17)

June 19, 1961 filed 250,000 common shares. **Price**—\$6. **Business**—A consumer and industrial finance company. **Proceeds**—For working capital. **Office**—1107 Broadway, New York. **Underwriter**—Trinity Securities Corp., 40 Exchange Place, New York.

Tungsten Mountain Mining Co.

April 7, 1961 (letter of notification) 400,000 shares of common stock (par 25 cents). **Price**—62½ cents per share. **Proceeds**—For mining expenses. **Office**—511 Securities Bldg., Seattle, Wash. **Underwriter**—H. P. Pratt & Co., Inc., Seattle, Wash.

Turbodyne Corp.

May 10, 1961 filed 200,000 shares of common stock. **Price**—\$2 per share. **Business**—The research, development, manufacturing and marketing of space and rocket engines, and related activities. **Proceeds**—For research and development, and working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

Turf & Paddock, Inc.

June 26, 1961 ("Reg. A") 100,000 common shares (par one cent). **Price**—\$3. **Proceeds**—For working capital. **Office**—One State St., Boston. **Underwriter**—Shawe & Co., Inc., Washington, D. C.

Union Electric Co. (7/25)

June 23, 1961 filed \$30,000,000 of first mortgage bonds due 1991. **Proceeds**—For expansion. **Office**—315 N. 12th Blvd., St. Louis 1, Mo. **Underwriters**—(Competitive) Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Blyth & Co., Inc., and Eastman Dillon, Union Securities & Co. (jointly); Lehman Brothers and Bear, Stearns & Co. (jointly). **Bids**—July 25 at 11 a.m. (EDST). **Information Meeting**—July 24, 11 a.m. (EDST) at Bankers Trust Co., 16 Wall Street, New York.

Union Leagues, Inc.

June 28, 1961 filed \$700,000 of 7% subordinated sinking fund debentures due 1976 (with attached warrants) and 140,000 common shares to be offered in units consisting of 80 common shares and \$400 of debentures. **Price**—\$800 per unit. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, acquisition of a warehouse and working capital. **Office**—11459 E. Imperial Highway, Norwalk, Calif. **Underwriter**—Holton, Henderson & Co., Los Angeles.

United Foods, Inc. (7/25)

May 25, 1961 filed 125,000 shares of common stock. **Price**—\$3.50 per share. **Business**—The storing of grain for a U. S. Government agency; cold storage warehousing; the freezing, packaging and marketing of vegetables; the freezing and packaging of shrimp; the feeding and marketing of fattened cattle, and the operation of a small business financing company. **Proceeds**—For expansion and working capital. **Office**—1235 Shadowdale, Houston, Tex. **Underwriter**—Dempsey-Tegeler & Co., St. Louis, Mo.

United Investors Corp.

May 26, 1961 filed 76,109 shares of class A stock. **Price**—\$10 per share. **Business**—The company plans to acquire 15 realty properties in eight states. **Proceeds**—For

the repayment of debt, property acquisitions, and working capital. **Office**—60 E. 42nd Street, New York City. **Underwriter**—None. **Offering**—Expected in mid-August.

U. S. Fiberglass Products Co.

April 27, 1961 filed 200,000 shares of common stock. **Price**—\$2 per share. **Business**—The company plans to manufacture fiberglass shingles, beams, purlin and other materials. **Proceeds**—For working capital, inventory and equipment, and sales promotion. **Office**—Clarkville, Texas. **Underwriter**—Hauser, Murdock, Rippey & Co., Dallas, Texas.

U. S. Home & Development Corp. (8/17)

May 11, 1961 filed 300,000 shares of class A capital stock. **Price**—To be supplied by amendment. **Business**—The planning, development and marketing of single-family-home communities in New Jersey. **Proceeds**—For the repayment of loans, purchase of land and development of properties. **Office**—52 Neil Ave., Lakewood, N. J. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C., and New York City.

U. S. Plastic & Chemical Corp.

July 11, 1961 filed 125,000 common shares. **Price**—By amendment. **Business**—The manufacture of plastic materials for use by the button and novelty industries. **Proceeds**—For the repayment of debt, expansion, and working capital. **Office**—Metuchen, N. J. **Underwriter**—Adams & Peck, New York.

United Variable Annuities Fund, Inc.

April 11, 1961 filed 2,500,000 shares of stock. **Price**—\$10 per share. **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—20 W. 9th Street, Kansas City, Mo. **Underwriter**—Waddell & Reed, Inc., Kansas City, Mo. **Offering**—Expected in the fall of 1961.

Universal Health, Inc.

June 14, 1961 ("Reg. A") 100,000 common shares. **Price**—\$3. **Business**—The operation of a chain of health studios. **Proceeds**—For expansion, advertising, financing of time payment memberships and other corporate purposes. **Office**—15A South Main St., West Hartford, Conn. **Underwriter**—Cortlandt Investing Corp., 120 Wall St., New York.

Universal Manufacturing Co. (7/24-28)

Feb. 23, 1961 (letter of notification) 135,000 shares of common stock (par 10 cents) of which 35,000 shares are to be offered for the account of the company and 100,000 outstanding shares, stock, by the selling stockholders. **Price**—\$2 per share. **Proceeds**—For working capital. **Office**—516 W. 4th Street, Winona, Minn. **Underwriter**—Naftalin & Co., Inc., Minneapolis, Minn.

Universal Moulded Fiber Glass Corp.

June 18, 1961 filed 275,000 outstanding common shares to be sold by stockholders. **Price**—\$10. **Business**—The manufacture of fiber glass reinforced plastic. **Proceeds**—For the selling stockholders. **Address**—Commonwealth Ave., Bristol, Va. **Underwriter**—A. G. Edwards & Sons, St. Louis (managing).

Universal Publishing & Distributing Corp.

June 28, 1961 filed 50,000 6% cumulative preferred shares (par \$10) and 50,000 common shares to be offered in units, each consisting of one preferred share and one common share. **Price**—\$15 per unit. **Business**—The publishing of magazines and paper bound books. **Proceeds**—For expansion, additional personnel, sales promotion, working capital and other corporate purposes. **Office**—117 E. 31st Street, N. Y. **Underwriter**—Allen & Co., New York.

Vacu-Dry Co.

June 27, 1961 filed 400,000 common shares. **Price**—By amendment. **Proceeds**—For expansion, repayment of bank loans and working capital. **Office**—950 56th St., Oakland, Calif. **Underwriter**—Wilson, Johnson & Higgins, San Francisco (managing).

Valley Title & Trust Co.

June 13, 1961 filed 120,000 common shares. **Price**—\$5. **Business**—The writing and selling of title insurance and the acting as trustee and escrow agent. **Proceeds**—For working capital, reserves and other corporate purposes. **Office**—1001 North Central Ave., Phoenix, Ariz. **Underwriter**—Louis R. Dreyling & Co., 25 Livingston Ave., New Brunswick, N. J.

Vatronic Lab. Equipment, Inc.

May 29, 1961 filed 80,000 shares of common stock. **Price**—\$4 per share. **Business**—The manufacture of industrial high vacuum systems and equipment. **Proceeds**—For the repayment of debt, plant expansion, equipment, sales promotion and working capital. **Office**—Northport, N. Y. **Underwriter**—Stanley R. Ketcham & Co., New York. **Offering**—Expected in late July.

Versapak Film & Packaging Machinery Corp. (7/31)

March 30, 1961 filed 150,000 shares of common stock and 150,000 five-year warrants, to be offered for public sale in units of one share of stock and one warrant. **Price**—\$3.125 per unit. **Business**—The design, development and sale of versatile automatic equipment for packaging items in special heat-shrinkable film. **Proceeds**—To repay loans, for additional equipment and inventory; and for working capital. **Office**—928 Broadway, New York City. **Underwriters**—Hill, Thompson & Co. (managing); Hampstead Investing Corp., and Globus, Inc., all of New York City.

Vic Tanny Enterprises, Inc. (8/2)

May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 120,000 shares will be offered for the account of the company and 200,000 shares by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The operation of a national chain of gymnasiums and health centers for men and women. **Proceeds**—The company will use its part of the proceeds for the opening of new gymnasiums and the promotion of home exercise equipment. **Office**—375 Park Ave., New

York City. Underwriter—S. D. Fuller & Co., New York City.

Vinco Corp. (7/24-28)

May 19, 1961 filed \$2,000,000 of 6% convertible subordinated debentures due 1976. Price—At 100% of principal amount. Business—The production of gauges and measuring instruments and the manufacture of precision parts and subassemblies for the aircraft, missile and other industries. Proceeds—For the repayment of debt, expansion, working capital and reserves for possible future acquisitions. Office—9111 Schaefer Highway, Detroit, Mich. Underwriter—S. D. Fuller & Co., New York City (managing).

Wagner Baking Corp.

July 5, 1961 filed 50,637 outstanding common shares. Price—At-the-market. Business—The manufacture of pies, cakes and other pastries and the distribution of frozen foods. Proceeds—For the selling stockholders. Office—13 Vesey St., Newark. Underwriter—None.

Wainrite Stores, Inc.

June 23, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The operation of discount merchandising centers. Proceeds—For repayment of loans, expansion and working capital. Office—691 E. Jericho Turnpike, Huntington Station, N. Y. Underwriter—Omega Securities Corp., New York.

Walter Sign Corp. (9/15)

March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). Price—\$3 per share. Business—The manufacture and installation of highway signs. Proceeds—For the reduction of debt, sales promotion, inventory and reserves. Office—4700 76th St., Elmhurst, L. I., N. Y. Underwriter—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

Washington Engineering Services Co., Inc.

June 29, 1961 filed 375,000 common shares. Price—\$1. Business—The servicing of manufacturing companies and engineering professions, through various training programs. Proceeds—For leasehold improvement, repayment of loans and working capital. Office—4915 Cordell Avenue, Bethesda, Md. Underwriter—None.

Washington Water Power Co. (7/25)

June 20, 1961 filed 160,000 common shares. Price—By amendment. Proceeds—For repayment of loans and construction. Office—E., 1411 Mission Avenue, Spokane, Wash. Underwriters—Kidder, Peabody & Co.; Blyth & Co., Inc., and White, Weld & Co., New York and Dean Witter, San Francisco.

Wayne Manufacturing Co. (7/21)
May 29, 1961 filed 20,000 outstanding shares of capital stock to be offered for public sale by the present holders thereof. Price—\$24.50. Business—The design, manufacture and sale of industrial sweepers. Price—To be supplied by amendment. Office—1201 E. Lexington St., Pomona, Calif. Underwriters—Mitchum, Jones & Templeton, Los Angeles and Schwabacher & Co., San Francisco (managing).

Wej-It Expansion Products, Inc. (7/21)
May 4, 1961 (letter of notification) 300,000 shares of common stock (par 10 cents). Price—\$1 per share. Proceeds—For plant and facilities, moving equipment, inventory, working capital and repayment of a loan. Office—4 S. Santa Fe Dr., Denver, Colo. Underwriter—Amos C. Sudler & Co., Denver, Colo.

West Coast Bowling Corp.
May 26, 1961 filed 128,434 shares of common stock, of which 115,000 shares are to be offered for public sale by the company and 13,434 outstanding shares by the present holders thereof. Price—\$9.75 per share. Business—The company plans to acquire and operate bowling centers primarily in California. Proceeds—For general corporate purposes. Office—3300 West Olive Avenue, Burbank, Calif. Underwriter—Hill Richards & Co. Inc., Los Angeles (managing).

Western Factors, Inc.
June 29, 1960 filed 700,000 shares of common stock. Price—\$1.50 per share. Proceeds—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. Office—1201 Continental Bank Bldg., Salt Lake City, Utah. Business—Factoring. Underwriter—Elmer K. Aagaard, Newhouse Bldg., Salt Lake City, Utah.

Western Union Telegraph Co. (9/8)
July 12, 1961 filed 1,075,791 common shares to be offered for subscription by stockholders on the basis of one new share for each six shares held of record Sept. 8, 1961. Price—By amendment. Proceeds—For repayment of loans and expansion. Office—60 Hudson St., New York. Underwriters—Kuhn, Loeb & Co. and Lehman Brothers, New York (managing).

Wetterau Foods, Inc.
June 27, 1961 filed 100,000 common shares. Price—By amendment. Proceeds—For new equipment and working capital. Office—7100 Englewood Ave., Hazelwood, Mo. Underwriter—G. H. Walker & Co., Inc., New York (managing).

Williams Brothers Co. (7/26)
May 19, 1961 filed 350,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. Price—To be supplied by amendment. Business—The construction of pipelines and other aspects of the heavy construction industry. Proceeds—For the selling stockholders. Office—National Bank of Tulsa Building, Tulsa, Okla. Underwriter—Reynolds & Co., Inc., New York City (managing).

Wisconsin Power & Light Co. (8/15)
July 17, 1961 filed 65,000 cumulative preferred shares (par \$100) of which 50,000 shares will be offered to public and 15,000 shares to employees and preferred stockholders of record Aug. 10, 1961, with rights to ex-

pire Aug. 30, 1961. Price—By amendment. Proceeds—For construction. Office—122 W. Washington Avenue, Madison 1, Wis. Underwriters—Smith, Barney & Co., New York and Robert W. Baird & Co., Inc., Milwaukee (managing).

Wonderbowl, Inc.
Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. Price—At par (\$2 per share). Proceeds—To discharge a contract payable, accounts payable, and notes payable and the balance for working capital. Office—7805 Sunset Blvd., Los Angeles, Calif. Underwriter—Standard Securities Corp., Los Angeles, Calif.

Woodard Research Corp.
June 23, 1961 ("Reg. A") 40,000 common shares (par 66 2/3 cents). Price—\$4. Proceeds—For constructing and equipping a laboratory, and for working capital. Office—34 Station St., Herndon, Va. Underwriter—First Investment Planning Co., Washington, D. C.

World Color Press, Inc.
May 16, 1961 filed 218,000 shares of common stock of which 203,000 shares will be offered to the public and 15,000 shares to employees. Price—To be supplied by amendment. Business—The printing of magazines and newspapers. Proceeds—To selling stockholders. Office—420 DeSoto Ave., St. Louis Mo. Underwriters—Scherck, Richter Co., and Dempsey-Tegele & Co., both of St. Louis, Mo. (managing). Offering—Imminent.

Wyoming Wool Processors, Inc.
June 5, 1961 filed 700,000 common shares. Price—\$1. Business—The processing of wool. Proceeds—For the purchase of equipment, building rental, and working capital. Address—Box 181, Casper, Wyo. Underwriter—None.

XTRA, Inc.
June 28, 1961 filed 182,570 common shares of which 160,000 shares are to be offered by the company and 22,570 shares by stockholders. Price—By amendment. Business—The leasing of truck trailers to railroads or customers of railroads. Proceeds—For repayment of debt and for working capital. Office—150 Causeway Street, Boston. Underwriter—Putnam & Co., Hartford, Conn. (managing).

Yardney Electric Corp.
July 18, 1961 filed 200,000 common shares. Price—By amendment. Business—The manufacture of silver-zinc primary and rechargeable batteries. Proceeds—For purchase and installation of equipment and property, working capital and other corporate purposes. Office—40-52 Leonard St., New York. Underwriter—Kidder, Peabody & Co., Inc., New York.

York Research Corp.
June 28, 1961 filed 75,000 class A shares. Price—By amendment. Business—The testing of industrial and consumer products. Proceeds—For the establishment of a new laboratory and the purchase of equipment. Office—1 Atlantic Street, Stamford, Conn. Underwriter—Allen & Co., New York (managing).

ATTENTION UNDERWRITERS!

Do you have an issue you're planning to register? Our Corporation News Department would like to know about it so that we can prepare an item similar to those you'll find hereunder. Would you telephone us at REctor 2-9570 or write us at 25 Park Place, New York 7, N. Y.

Prospective Offerings

Acoustica Associates, Inc.
April 11, 1961, it was stated that this company is seeking to acquire other firms with compatible product lines and that equity financing may be needed to finance current expansion program. Business—The company manufactures ultrasonic cleaning systems for missile equipment, hospital surgical instruments and the metals industry. It also makes fluorescent lighting fixtures and a product for gauging the level of liquids. Office—First National Bldg., Birmingham, Ala. Underwriter—Lehman Brothers, New York City.

Adrian Steel Co.
June 30, 1961 it was reported that a "Reg. A" will be filed with the SEC shortly covering 100,000 common shares (par 50c). Price—\$3. Business—Automotive fabricating. Proceeds—To establish a new industrial air conditioner division. Office—Adrian, Mich. Underwriter—Morrison & Frumin, Inc., Detroit.

All American Airways Co.
May 1, 1961 it was reported that a "Reg. A" will be filed shortly covering 75,000 shares of common stock. Price—\$4 per share. Office—Danbury, Conn. Underwriter—Edward Lewis Co. Inc., New York City (managing).

Appalachian Power Co.
Feb. 1, 1961 it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell \$35,000,000 to \$40,000,000 of bonds late in 1961 or early in 1962. Office—2 Broadway, New York City. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co. and Eastman Dillon, Union Securities & Co. (jointly).

Arizona Public Service Co.
May 26, 1961 it was reported that this company is considering the sale of about \$5,000,000 of preferred stock this summer and about \$35,000,000 of first mortgage

bonds in November. Proceeds—For construction. Office—501 South Third Ave., Phoenix, Ariz. Underwriters—To be named. The last sale of preferred stock on June 18, 1958 was made privately through Blyth & Co., and the First Boston Corp. The last sale of bonds on March 26, 1959 was also handled privately through Blyth & Co., and First Boston Corp. However, the company stated that there is a possibility that these bonds will be sold at competitive bidding, in which case the following are expected to bid on them: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; First Boston Corp.; Blyth & Co.; White, Weld & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc.

Assembly Engineers, Inc.
June 19, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 100,000 common shares. Price—\$3. Office—Los Angeles, Calif. Underwriter—California Investors, Los Angeles.

Baltimore Gas & Electric Co.
May 15, 1961 it was reported that this company plans to issue about \$20,000,000 of first mortgage bonds in late 1961 or early 1962. Office—Lexington and Liberty Streets, Baltimore 3, Md. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co., and First Boston Corp. (jointly); Harriman Ripley & Co., Inc., and Alex. Brown & Sons (jointly).

Beam-Matic, Inc.
May 24, 1961 it was reported that this company plans a full filing shortly covering 100,000 shares of common stock. Price—\$3 per share. Business—The manufacture and sale of hospital equipment. Office—25-11 49th Street, Astoria, L. I., N. Y. Underwriter—First Weber Securities Corp., New York City.

Carbonic Equipment Corp.
June 28, 1961 it was reported that a "Reg. A" will be filed covering 100,000 common shares. Price \$3. Proceeds—For expansion of the business. Office—97-02 Jamaica Ave., Woodhaven, N. Y. Underwriter—R. F. Dowd & Co., Inc.

Caxton House Corp.
Jan. 24, 1960 it was reported that a full filing of this company's stock, constituting its first public offering, will be made. Price—Approximately \$3 per share. Business—Book publishing. Office—9 Rockefeller Plaza, New York City. Underwriter—To be named.

Cincinnati Gas & Electric Co.
Feb. 16, 1961 it was stated in the company's 1960 annual report that this utility plans to sell both first mortgage bonds and common stock in 1962 to finance its \$45,000,000 construction program. Office—Fourtin & Main Sts., Cincinnati, O. Underwriter—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. and Lehman Brothers (jointly); Morgan Stanley & Co. and W. E. Hutton & Co. (jointly); Blyth & Co., Inc., and First Boston Corp. (jointly); Eastman Dillon, Union Securities & Co., and White, Weld & Co. (jointly). The last issue of common stock (81,510 shares) was sold privately to employees in August, 1960.

Columbia Gas System, Inc.
April 24, 1961 it was reported that this company is considering the sale of either \$20,000,000 of debentures, or \$25,000,000 of common stock in the fall. Office—120 East 41st Street, New York 17, N. Y. Underwriters—To be determined by competitive bidding. Probable bidders on the debentures: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly). The last sale of common stock on May 4, 1960 was handled by a group headed by Merrill Lynch, Pierce, Fenner & Smith Inc.; Shields & Co.; R. W. Pressprich & Co., and Carl M. Loeb, Rhoades & Co.

Columbus & Southern Ohio Electric Co.
March 13, 1961 it was reported the company will sell about \$10,000,000 additional common stock in late 1961. Proceeds—For expansion purposes. Office—215 N. Front St., Columbus 15, Ohio. Underwriter—Dillon, Read & Co.

Commonwealth Edison Co.
July 12, 1961 it was reported that the company plans to spend \$720,000,000 on construction in the five-year period 1961-65 and that the program would require \$150,000,000 of outside financing. Present plans call for \$40,000,000 of debt financing in 1962 and about \$20,000,000 in each of the following three years. No common or preferred stock financing is planned during the period. Office—72 West Adams St., Chicago 90, Ill. Underwriters—To be determined by competitive bidding. Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Gloré, Forgan & Co.

Consolidated Edison Co. of New York, Inc.
May 16, 1961, H. C. Forbes, chairman, stated that the company must issue almost \$100,000,000 of securities in late 1961 and early 1962. He added that if the company decides to issue any of the 1,000,000 shares of cumulative preference stock approved by shareholders at the May 15 annual meeting, it will be on the basis of convertibility into common with subscription rights to common shareholders. Office—4 Irving Place, New York City. Underwriter—To be named. The last rights offering to stockholders (of debentures) on Jan. 28, 1959 was underwritten by Morgan Stanley & Co., and First Boston Corp., both of New York City. The last sale of bonds on Nov. 23, 1960 was handled by First Boston Corp., and Halsey, Stuart & Co., Inc. (jointly). Morgan Stanley & Co., also bid competitively on this issue.

Cosmetically Yours, Inc.
May 16, 1961 it was reported that this corporation is contemplating a public offering. Business—The manu-

Continued from page 41

facturing and sale of cosmetics. **Office**—15 Clinton Street, Yonkers, N. Y. **Underwriter**—P. J. Gruber & Co., Inc., New York City.

Contact Lens Guild, Inc.

June 19, 1961 it was reported that this company plans to file a "Reg. A" shortly covering an undisclosed number of common shares. **Business**—The manufacture of contact lenses. **Office**—353 East Main St., Rochester, N. Y. **Underwriter**—To be named.

Dixie Pipeline Co.

April 17, 1961 it was reported that this firm, recently formed by eight major oil companies, plans to build a 1,100 mile liquified petroleum gas pipeline from Texas and Louisiana to Mississippi, Alabama, Georgia and the Carolinas. It is expected that the multi-million dollar pipeline will be financed in part by the sale of bonds and that it will be in operation by late 1961. **Office**—Tulsa, Okla. **Underwriters**—First Boston Corp.; Morgan Stanley & Co.; Carl M. Loeb, Rhoades & Co.

Exploit Films, Inc.

March 8, 1961 it was reported that this company plans a full filing covering 100,000 common shares. **Price**—\$5 per share. **Proceeds**—For the production of TV and motion picture films, the reduction of indebtedness, and for working capital. **Office**—619 W. 54th Street, New York City. **Underwriter**—McClane & Co., Inc., 26 Broadway, New York City (managing).

First National Bank of Toms River (N. J.)

March 22, 1961 it was reported that stockholders voted on this date to increase the authorized stock to provide for payment of a 6 2/3% stock dividend and sale of 20,000 new shares of common (par \$5) to stockholders on the basis of one new share for each 20 shares held of record July 17, with rights to expire Aug. 17. **Price**—\$22 per share. **Proceeds**—To increase capital. **Office**—Toms River, N. J. **Underwriter**—None.

Florida Power & Light Co.

May 11, 1961, it was reported that the company may issue bonds in the second half of 1961 to finance its current \$40,000,000 construction program. **Office**—25 S. E. 2nd Ave., Miami, Fla. **Underwriter**—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc.

Gabriel Co.

April 27, 1961, the company announced plans to form a new subsidiary, Rocket Power, Inc., by merging the present Rocket Power, Talco and Bohanan divisions. In the fall of 1961, stock of the new subsidiary would be offered through subscription rights to Gabriel stockholders and debenture holders with about 20% of the offering going to the public. **Office**—1148 Euclid Avenue, Cleveland, Ohio. **Underwriters**—To be named. The last financing by the company in September, 1959, was handled by Carl M. Loeb, Rhoades & Co., New York City and Prescott, Shepard & Co., Inc., Cleveland.

General Telephone Co. of California

Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell about \$20,000,000 of bonds in December 1961. **Office**—2020 Santa Monica Blvd., Santa Monica, Calif. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp. and Equitable Securities Corp. (jointly); White, Weld & Co. and Kidder, Peabody & Co. (jointly); Paine, Webber, Jackson & Curtis, and Stone & Webster Securities Corp.

General Telephone Co. of Florida

Feb. 8, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp., expects to offer about \$15,000,000 of bonds in November. **Office**—610 Morgan St., Tampa, Fla. **Underwriters**—Stone & Webster Securities Corp., and Paine, Webber, Jackson & Curtis, both of New York City.

Georgia Bonded Fibers, Inc.

Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and New York City.

Georgia Power Co. (10/18)

Dec. 29, 1960 this subsidiary of the Southern Co., applied to the Georgia Public Service Commission for permission to issue \$15,500,000 of 30-year first mortgage bonds, and \$8,000,000 of new preferred stock. **Proceeds**—For construction, plant modernization or refunding of outstanding debt. **Office**—Electric Bldg., Atlanta 3, Ga. **Underwriters**—To be determined by competitive bidding. Previous bidders for bonds included Harriman Ripley & Co., Inc.; Lehman Brothers; Blyth & Co., Inc.; Kidder, Peabody & Co., and Shields & Co. (jointly); First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc.; Equitable Securities Corp., Eastman Dillon, Union Securities & Co. (jointly). Previous bidders for preferred were First Boston Corp., Lehman Brothers, Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; and Equitable Securities Corp. **Bids**—Expected to be received on Oct. 18.

Gluckin (Wm.) & Co., Inc.

April 19, 1961 it was reported that this subsidiary of Essex-Universal Corp., plans to sell about 200,000 common shares. **Business**—Manufactures and sells women's foundation garments. **Underwriter**—To be named.

Gulf Power Co. (12/7)

Jan. 4, 1960 it was reported that this subsidiary of The Southern Co., plans to sell \$5,000,000 of 30-year bonds. **Office**—75 North Pace Blvd., Pensacola, Fla. **Underwriter**—To be determined by competitive bidding. Previous bidders included Halsey, Stuart & Co. Inc.; Mer-

rill Lynch, Pierce, Fenner & Smith Inc.; Salomon Bros. & Hutzler and Drexel & Co. (jointly); Equitable Securities Corp.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected to be received on Dec. 7, 1961.

Hollywood Artists Productions, Inc.

June 20, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—The production of motion picture and TV feature films. **Proceeds**—For working capital and other corporate purposes. **Office**—350 Lincoln Road, Miami Beach, Fla. **Underwriter**—A. M. Shulman & Co., Inc., 37 Wall Street, New York.

Houston Lighting & Power Co.

Oct. 17, 1960 Mr. T. H. Wharton, President, stated that between \$25-\$35 million dollars is expected to be raised publicly sometime in 1961, probably in the form of preferred and debt securities, with the precise timing depending on market conditions. **Proceeds**—For construction and repayment of bank loans. **Office**—Electric Building, Houston, Texas. **Underwriter**—Previous financing was headed by Lehman Brothers, Eastman Dillon, Union Securities & Co. and Salomon Bros. & Hutzler.

Hygrade Packing, Inc.

June 28, 1961 it was reported that this company plans to sell about \$500,000 of common stock. **Business**—The manufacture of industrial and consumer packaging. **Proceeds**—For expansion. **Office**—92-00 Atlantic Avenue, Ozone Park, N. Y. **Underwriter**—P. J. Gruber, N. Y.

John's Bargain Stores Corp.

May 17, 1961 it was reported that this company plans to file a registration statement shortly covering an undisclosed number of common shares. **Business**—The operation of a chain of discount stores selling household goods. **Office**—1200 Zerega Ave., Bronx, N. Y. **Underwriter**—To be named.

Kansas Power & Light Co.

March 15, 1961 it was reported that this company is considering the issuance of \$13,000,000 of debentures in the third quarter of 1961. **Proceeds**—For construction. **Office**—800 Kansas Ave., Topeka, Kan. **Underwriter**—First Boston Corp., New York City (managing).

Macrose Industries

May 2, 1961 it was reported that this company, formerly named Macrose Lumber & Trim Co., Inc., plans a full filing of about 500,000 common shares (par \$1). **Business**—The company owns a chain of lumber yards on Long Island. **Office**—2060 Jericho Turnpike, New Hyde Park, L. I., N. Y. **Underwriter**—To be named.

★ **Mainco Electronics & Marine Development Corp.** July 17, 1961 it was reported that a "Reg. A" will be filed shortly covering \$300,000 of common stock. **Proceeds**—For general corporate purposes. **Address**—Booth Bay Harbor, Maine. **Underwriter**—Nance-Keith Corp., New York City.

Masters Inc.

Jan. 6, 1961 it was reported that this corporation is contemplating its first public financing. **Business**—The operation of a chain of discount houses. **Office**—135-21 32th Avenue, Flushing 54, L. I., N. Y.

Metropolitan Edison Co.

Feb. 1, 1961 it was reported that this subsidiary of General Public Utilities Corp., plans to sell about \$10,000,000 of first mortgage bonds and \$5,000,000 of debentures in August or September. **Office**—2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.

Metropolitan Food Co.

April 12, 1961 it was reported that this company plans to sell 100,000 common shares. **Price**—\$5 per share. **Business**—Food distribution. **Proceeds**—For working capital. **Office**—45-10 Second Ave., Brooklyn, N. Y. **Underwriters**—Brand, Grumet & Siegel, and Kesselman & Co., Inc., New York City (managing).

Metropolitan Telecommunications Corp.

July 5, 1961 it was reported that a fully registered secondary offering of this firm's stock will be made in September. **Office**—Ames Court, Plainview, L. I., New York. **Underwriter**—M. L. Lee & Co., Inc., New York (managing).

Micro-Precision Corp.

June 19, 1961 it was reported that this company plans to file a "Reg. A" covering 100,000 common shares. **Price**—\$3. **Business**—The development and manufacture of language laboratories for the electronics educational field and the manufacture of electronic and microwave components. **Proceeds**—For working capital and expansion. **Office**—55 9th Street, Brooklyn, N. Y. **Underwriter**—Manufacturers Securities Corp., 511 Fifth Ave., New York.

Milo Components, Inc.

June 19, 1961 it was reported that this company plans to file a "Reg. A" covering 150,000 common shares (par 10-cents). **Price**—\$1. **Business**—The manufacture of components for the missile and aircraft industries. **Proceeds**—For expansion, equipment, and working capital. **Office**—9 Cleveland St., Valley Stream, N. Y. **Underwriter**—T. M. Kirsch & Co., New York.

Monterey Gas Transmission Co.

April 24, 1961 it was reported that Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, and Lehman Brothers, had formed this new company to transport natural gas from southwest Texas to Alexandria, La., for sale to United Fuel Gas Co., principal supplier to other Columbia Gas System companies. It is expected that the pipeline will be financed in part by

public sale of bonds. **Underwriter**—Lehman Brothers, New York City (managing).

National Airlines, Inc.

May 8, 1961, it was reported that the CAB had approved the company's plan to sell publicly 400,000 shares of Pan American World Airway's Inc., subject to final approval of the Board and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Price**—About \$20 per share. **Proceeds**—To repay a \$4,500,000 demand loan, and other corporate purposes. **Office**—Miami International Airport, Miami 59, Fla. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

New England Power Co. (10/25)

Jan. 20, 1961 it was reported that this subsidiary of New England Electric System plans to sell \$20,000,000 of first mortgage bonds. **Office**—441 Stuart St., Boston 16, Mass. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp., and Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc., Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. **Bids**—To be received on Oct. 25, 1961.

Northern Natural Gas Co.

March 15, 1961, it was reported that some \$12,000,000 to \$15,000,000 of common stock will be sold to stockholders through subscription rights in September or October. **Proceeds**—For construction. **Office**—2223 Dodge St., Omaha 1, Neb. **Underwriter**—Blyth & Co., Inc., New York City (managing).

Northern Pacific Ry. (8/1)

June 19, 1961 it was reported that this company plans the sale of about \$7,200,000 of equipment trust certificates. **Office**—120 Broadway, New York. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc., and Salomon Brothers & Hutzler. **Bids**—To be received on Aug. 1, 1961.

Pacific Lighting Corp.

Jan. 3, 1961 it was reported by Paul A. Miller, Treasurer that the company will probably go to the market for \$20,000,000 to \$40,000,000 of new financing in 1961 and that it probably would not be a common stock offering. **Office**—600 California St., San Francisco 8, Calif.

Pacific Telephone & Telegraph Co.

June 30, 1961 the company turned over its business and assets in Washington, Oregon and Idaho to Pacific Northwest Bell Telephone Co., a new subsidiary. The company plans to offer about 56% of the stock of Pacific Northwest to stockholders through subscription rights in late September with the balance being offered to them within three years. Pacific Northwest Bell expects to sell a large issue of debentures publicly in from six to nine months. **Office**—140 New Montgomery St., San Francisco, Calif. **Underwriter**—(For the rights offering) None. However, A. T. & T., which owns about 90% of the Pacific Tel's outstanding shares plans to exercise its rights to subscribe to its pro rata share of the offering. (Debentures) Competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co., and First Boston Corp.

Pan American World Airways, Inc.

May 8, 1961 it was reported that the CAB ordered this company to sell its 400,000 share holdings of National Airlines, Inc., and to file a plan of sale with the board within 30 days. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each other's jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Office**—135 East 42nd St., New York City. **Underwriter**—To be named.

Panhandle Eastern Pipe Line Co.

March 8, 1961 it was reported that this company expects to sell about \$72,000,000 of debentures in September, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

Pennsylvania Power & Light Co.

April 11, 1961 it was stated in the 1960 annual report that this utility expects to spend \$140,000,000 on new construction in the 1961 to 1965 period, of which about \$56,000,000 will have to be raised through the sale of securities. However, the company now sees no necessity for the sale of equity securities, but expects to convert its present \$35,000,000 of bank loans to long-term debt when securities market conditions are favorable. **Office**—9th and Hamilton Streets, Allentown, Pa. **Underwriters**—To be named. The last four bond issues were sold privately. The last public offering of bonds on Oct. 4, 1945 was underwritten by Smith, Barney & Co.; First Boston Corp.; Dillon, Read & Co., Inc., and associates.

Penthouse Club, Inc.

June 1, 1961 it was reported that this company plans to issue 60,000 common shares. **Price**—\$5. **Business**—The operation of dining clubs. **Proceeds**—For expansion and working capital. **Office**—15th and Locust St., Philadelphia. **Underwriter**—To be named.

Producing Properties, Inc.

July 12, 1961 it was reported that stockholders had voted to increase authorized common stock from 3,000,000 to 5,000,000 shares. Robert J. Bradley, chairman,

stated that the company intends to sell sufficient common shares to net \$5,000,000 after commissions and expenses, subject to approval of the SEC. **Business**—The purchase and operation of oil and gas properties. **Proceeds**—For the development of underground reserves. **Office**—35th floor, Southland Center, Dallas, Tex. **Underwriters**—To be named. The last offering of common and debentures in November 1954 was underwritten by Hemphill, Noyes & Co., and Shields & Co., New York and Rauscher, Pierce & Co., Dallas.

Public Service Co. of Colorado

Dec. 2, 1960, W. D. Virtue, treasurer, stated that company plans the sale of about \$20,000,000 of common stock to be offered stockholders through subscription rights in the fourth quarter. **Proceeds**—For expansion. **Office**—900 15th St., Denver, Colo. **Underwriter**—Last equity financing handled on a negotiated basis by First Boston Corp.

Rochester Gas & Electric Corp. (9/27)

Jan. 24, 1961 the company stated it plans to issue about \$15,000,000 of 30-year bonds in September. **Proceeds**—For construction. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Bros. & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc.; The First Boston Corp. **Bids**—To be received about Sept. 27.

Sel-rex Corp.

May 16, 1961 it was reported that this firm is contemplating its first public financing. **Business**—Precious metals manufacturing. **Office**—75 River Road, Nutley, N. J. **Underwriter**—To be named.

Southern California Edison Co.

May 23, 1961 it was reported that this company will need an additional \$35,000,000 to finance its 1961 construction program. No decision has yet been made as to whether the funds will be raised by bank loans, or the sale of preferred stock or bonds. **Office**—601 West Fifth St., Los Angeles, Calif. **Underwriter**—To be named. The last sale of preferred stock on May 12, 1948 was handled on a negotiated basis by First Boston Corp., New York City and associates. The last sale of bonds in April 1961 was bid on by Blyth & Co.; First Boston Corp., Dean Witter & Co. (jointly); Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co., Equitable Securities Corp. (jointly).

Southern Natural Gas Co.

Oct. 28, 1960 it was reported by Mr. Loren Fitch, company comptroller, that the utility is contemplating the sale of \$35,000,000 of 20-year first mortgage bonds, sometime in 1961, with the precise timing depending on market conditions. **Proceeds**—To retire bank loans. **Office**—Watts Building, Birmingham, Ala. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co. and Kidder, Peabody & Co. (jointly). **Offering**—Expected in October.

Southern Pacific Co. (7/26)

June 26, 1961 it was reported that this company plans to sell about \$4,845,000 of equipment trust certificates. **Office**—165 Broadway, New York. **Underwriters**—(Competitive) Probable bidders: Halsey, Stuart & Co. Inc.,

and Salomon Brothers & Hutzler. **Bids**—July 26 at 12 noon (EDST) in room 2117, 165 Broadway, New York City.

Southern Railway Co.

Nov. 21, 1960 stockholders approved the issuance of \$33,000,000 of new bonds. The issuance of an unspecified amount of additional bonds for other purchases was also approved. **Proceeds**—For general corporate purposes, including the possible acquisition of Central of Georgia Ry. **Office**—Washington, D. C. **Underwriter**—Halsey, Stuart & Co. Inc., will head a group that will bid on the bonds.

Southwestern Public Service Co.

July 19, 1961, Herbert L. Nichols, Chairman, stated that the company plans to issue about \$13,000,000 of common stock in March 1962. The shares will be offered for subscription by common stockholders on the basis of one new share for each 20 shares held. **Proceeds**—For construction. **Office**—720 Mercantile Dallas Bldg., Dallas 1, Texas. **Underwriter**—To be named. The last rights offering to stockholders in January 1957 was underwritten by Dillon, Read & Co., New York City.

Tampa Electric Co.

May 10, 1961 it was reported that this company plans to spend over \$80,000,000 on new construction in the next three years. No financing is planned this year but in 1962 the company may issue bonds or common stock. **Office**—111 No. Dale Mabry Hwy., Tampa, Fla. **Underwriters**—To be named. The last sale of bonds on June 29, 1960 was handled by Halsey, Stuart & Co. Inc., New York City. Other competitive bidders were Merrill Lynch, Pierce, Fenner & Smith Inc.; Goldman, Sachs & Co.; Stone & Webster Securities Corp. The last sale of common stock on Feb. 13, 1960 was made through Stone & Webster Securities Corp.

Tower Construction Co.

July 5, 1961 it was reported that a registration statement will be filed shortly covering an undisclosed number of common shares. **Price**—\$10 per share. **Business**—The installation and maintenance of radar, micro-wave relay and broadcast antenna towers for military and commercial use. **Office**—2700 Hawkeye Drive, Sioux City, Iowa. **Underwriter**—C. E. Unterberg, Towbin & Co., New York (managing). **Offering**—Expected in Aug.

Trunkline Gas Co.

March 8, 1961 it was reported that this subsidiary of Panhandle Eastern Pipe Line Co., expects to sell about \$32,000,000 of bonds and \$10,000,000 of pd. stock in Sept. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing).

Universal Oil Products Co.

Jan. 17, 1961 it was reported that this company may require financing either through bank borrowings or the sale of debentures in order to further expansion in a major field which the company would not identify. No decision has been made on whether the product, named "Compound X," will be produced. **Business**—The company is a major petroleum and chemical research and process development concern. **Office**—30 Algonquin Rd., Des Plaines, Ill. **Underwriter**—To be named. The company has never sold debentures before. However, the last sale of common stock on Feb. 5, 1959 was handled

Dividend Advertising Notices Appear on Page 16.

by Lehman Brothers, Smith, Barney & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc., all of New York City.

Virginia Electric & Power Co. (12/5)

March 23, 1961, the company announced plans to sell \$15,000,000 of securities, possibly bonds or debentures. **Office**—Richmond 9, Va. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Brothers & Hutzler; Goldman, Sachs & Co. **Bids**—To be received on Dec. 5, 1961.

West Coast Telephone Co.

April 11, 1961 it was stated in the 1960 annual report that the company plans to spend \$12,000,000 for new construction in 1961, most of which is expected to be raised by the sale of securities. **Office**—1714 California St., Everett, Wash. **Underwriter**—To be named. The last sale of bonds and preferred stock in May and July 1960 was done privately. The last sale of common on Sept. 16, 1960 was underwritten by Blyth & Co., Inc., New York City.

West Penn Power Co.

Feb. 10, 1961, J. Lee Rice, Jr., President of Allegheny Power System, Inc., parent company, stated that West Penn expects to sell about \$25,000,000 of bonds in 1962. **Office**—800 Cabin Hill Drive, Hempfield Township, Westmoreland County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co.; Lehman Brothers; Eastman Dillon, Union Securities & Co., and First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly).

Western Union Telegraph Co.

Feb. 28, 1961 it was reported that the FCC has approved the company's plan to transfer its Atlantic cable system to a newly organized company, Western Union International, Inc. The plan provides for the issuance by Western Union International of about \$4,000,000 of subordinated debentures and 400,000 shares of class A stock to be offered to stockholders of Western Union Telegraph Co. in units of \$100 of debentures and 10 shares of stock. In addition, American Securities Corp., New York City, would purchase from Western Union International about 133,000 additional shares of class A stock giving American Securities ownership of approximately 25% of the outstanding class A stock of WUI. Then Western Union Telegraph would purchase 250,000 shares of class B stock for \$100,000 and WUI would sell \$4,500,000 of debentures or bonds. **Office**—60 Hudson Street, New York City. **Underwriter**—American Securities Corp. (managing).

Scully Recording Common Offered

Pursuant to a July 10, 1961 offering circular, Moran & Co., Newark, N. J., publicly offered 100,000 common shares of Scully Recording Instruments Corp., at \$3 per share. Proceeds will be used by the company for the repayment of loans, new equipment, salaries, advertising, and general overhead expenses.

The company, of 62 Walter St., Bridgeport, Conn., is engaged in the manufacture and sale of a professional master disc recording machine and plans to manufacture audio tape reproducing and audio tape recording machines. Authorized stock consists of 500,000 10c par common shares of which 235,000 will be outstanding upon completion of this sale.

Growth Organisation Inc. Stock Sale

Pursuant to a July 10, 1961 prospectus, Growth Organisation Inc., is offering to residents of New York state only 60,000 shares of its 10-cent par capital stock at \$4 per share. No underwriting is involved. Proceeds will be used for working capital and other corporate purposes.

The company, of 11 Broadway, New York City, intends to be a venture capital management operating concern, investing its capital in any and all kinds of property, real and personal, in any and in all parts of the world. Management plans to search out a number of growth situations and attempt to acquire interest in various concerns, keeping the key personnel and providing the financial, legal, tax and economic advice and assistance to increase the potential and value of these concerns and enhance the investment of Growth stockholders.

Photronics Corp. Stock All Sold

L. D. Sherman & Co., New York City, reports that the recent offering of 100,000 common shares of Photronics Corp., at \$5 per share, was all sold. Proceeds will be used by the company for new equipment, research and development, and working capital.

The company of 134-08 36th Road, Flushing 54, New York, is engaged in the design, development, manufacture and sale of photo-optical and electro-optical systems and components utilized in aerial reconnaissance, photo-interpretation, photogrammetry and optical scanning devices. Authorized stock consists of 1,500,000 10-cent par common shares of which 580,335 shares are now outstanding.

Hydro-Space Technology Stock Sale

The first public sale of Hydro-Space Technology Inc. common stock is being made today (July 20) through the offering of 300,000 shares at \$3 per share by Michael G. Kletz & Co. Inc. and John H. Kaplan & Co., both of New York City. The securities are offered as a speculation.

Net proceeds from the financing will be used by the company for purchase, construction and installation of laboratory testing equipment; purchase and installation of quality control facilities; machine tools, including lathes and drill presses, and improvement and expansion of plant and office facilities. In addition, the company estimates that a portion of the proceeds will be applied for research and to repayment of short-term borrowings incurred for working capital purposes. The balance of the proceeds will be used to supplement working capital and for other general corporate purposes.

The company, of West Caldwell, N. J., is engaged in the design, engineering, testing, production and sale of cartridge actuated devices, the evaluation of propulsion systems and propellants, and the design and production of

buoyancy devices for underwater research and defense. The company's products are used in the rocketry and aviation fields, in aircraft escape systems, oceanographic research, and the purification of metals.

In the three months ended Mar. 31, 1961 the company had net sales of \$148,428. For the fiscal year 1960, the company's net sales amounted to \$469,502. Upon completion of current financing, outstanding capitalization will consist of 705,000 shares of common stock and 30,500 stock options.

De-Electronics Common Offered

Theodore Arrin & Co. Inc. and T. M. Kirsch Co., New York City, are offering 112,000 shares of De-Electronics Inc., at \$1 per share. De-Electronics Inc., of Mount Vernon, N. Y., is engaged in the business of designing, engineering and manufacturing various items of electric and electronic components and assemblies such as TV tuners, computer transformers, deflection yokes and high voltage transformers.

Authorized stock consists of 1,000,000 10-cent par common shares, of which 222,000 will be outstanding upon completion of this sale.

Detroit Stamping Common Offered

G. A. Saxton & Co., Inc., New York City, is offering publicly 20,000 common shares of Detroit Stamping Co., at \$14.25 per share. Proceeds from the sale will go to the selling stockholder.

The company's main office is located at 350 Midland Ave., Detroit, Mich.

G. S. Carrington Co. Class A Sold

Clayton Securities Corp., Boston, Mass., is offering today (July 20) 60,000 class A common shares of George S. Carrington Co., at \$5 per share. Proceeds will be used by the company for the repayment of loans, the purchase of equipment and inventory and for working capital.

The company's main office is located at 125 Water St., Leominster, Mass.

Form Levite, Rapp Co.

Levite, Rapp & Co., Inc. has been formed with offices at 200 West 57th Street, New York City, to engage in a securities business. Officers are Frederick R. Adler, President & Treasurer, and Henry Wimpfheimer, Vice-President and Secretary.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—The hospitals of the United States are in trouble and many of them are going flat broke.

Not only that but the patients are highly dissatisfied by the skyrocketing cost. What lies ahead appears so frightening that there is likely to be a renewed move in this country for socialized medicine and hospitalization.

Unfortunately, while the non-Federal hospitals are in financial trouble, more so than ever before, most hospital employees are underpaid. Modern medicine and modern ways of doing things to save the lives of people are greatly responsible for the great crisis in the hospitals.

Indicative of the soaring costs is the price a patient has to pay in a hospital today. In 1950 the average cost for a patient to stay in a hospital for a week was about \$127. Today the average cost is at least \$100 a week more than it was in 1950.

The Public Health Service fears that before the present decade comes to an end, the average hospital stay for a patient will cost him at least \$350 a week, if not substantially more.

Medical Care Proposal

Chairman Wilbur Mills of the House Ways and Means Committee says his committee will begin hearings soon on health care for the aged. It is because the cost of medical care is increasing at such an accelerated rate that the Ways and Means Committee intends to range far and wide in its hearings.

Unless something is done to hold down the costs of operating a hospital, hundreds of thousands of elderly and retired people in the future cannot afford to become a patient unless it is a charity institution.

Several members of Congress have already pointed out what many people already knew: Many working people today cannot afford to pay \$50 or \$75 a day in a hospital which will be the cost of the future, and not too many years off either.

Doctors At Fault

Doctors perhaps can be blamed for some of the rising costs of hospitalization, but not all of it. The physicians and surgeons can also be blamed, in part at least, for the crowded conditions in hospitals, but a substantial part of the blame can be placed squarely on the shoulders of the patients.

Many people are sent to the hospitals every day by doctors when the patients would be just as well off, if not better at home. However, it is easier and much quicker for an overworked physician to see his patients when making hospital rounds than it is to visit his patients in their scattered homes.

Medical Insurance Costly

Blue Cross, in a report on its

operations in 1960, said that last year it had a membership of 56,063,215 in the United States or a total of 59,373,353 members including Canada. The peak year membership compared with 56,989,694 for the United States and Canada in 1959.

Blue Cross is the largest hospital prepayment organization in all the world. It is composed of 79 independent plans in the United States. Each Blue Cross is rooted in the local community, staffed and managed by local people and boards of directors.

Obviously the Blue Cross premium rates must go up as the cost of hospitalization increases. Thus, the longer a patient remains in a hospital under the Blue Cross plan, the more it is going to cost the prepayment organization.

Because of the increased hospital costs, Blue Cross, Blue Shield and the other similar groups have had to raise the cost to their subscribers. However, many individuals and some companies have already advised these organizations that they cannot continue to keep meeting the increased rate increases indefinitely, according to some letters that have reached Congressional Committees.

As a strong political reminder the AFL-CIO's Committee on Political Education sent to Congress recently its "Political Memo," pointing up the growing number of elderly people in our country. The COPE publication described the 1960 medical care program as extremely weak and anemic. The program was substituted for a bill to tie health care for the aged to the social security system.

No Legislation in 1961

The 1960 act offers direct Federal funds provided from the United States Treasury, instead of higher social security deductions, to the various states which expand their medical care programs for the elderly. The House Ways and Means Committee hearings will bring some of the foremost doctors, hospital administrators, company officials and average citizens before the committee to testify.

The Kennedy Administration had hoped that the legislation for medical care for the aged would be passed this year. But this proposal, along with the Kennedy farm bill and the Federal aid to education bill will not be passed in 1961.

"Members of Congress who are opposed to health care for the aged tied to the social security system," said COPE in the Political Memo, "should remember this, since getting elected again apparently is their chief concern in life: in the last 40 years, the potential voting power of persons past 65 has nearly doubled.

"Approximately 15 out of every 100 individuals who are old enough to vote are more than 65.



"Are you sure it hasn't been too much of a financial effort for you to buy this stock, Mr. MacPoodle?"

Eleven states now have some 60% of the over-65 population, and they are the states that will cast the largest block of electoral votes in 1964—California, Florida, Illinois, Massachusetts, Michigan, Missouri, New Jersey, New York, Ohio, Pennsylvania and Texas. They represent a total of 265 electoral votes—only three less than will be necessary to elect a President in 1964."

AMA's Position

The American Medical Association favors assistance for senior citizens, based on need. Many individuals feel that is the best way to handle it. It has been estimated that the medical care program would provide about \$1,000,000,000 a year for the hospitals and nursing homes.

Even if a billion a year more is made available for hospitals and nursing homes, the question is how long would it be before another hospital crisis will arise.

Blue Cross members have been entering hospitals at an increased rate per thousand members for the past 10 or 12 years. It is strongly suspected that doctors are allowing more and more members to enter the hospitals that could be treated just as well at home. They prefer a hospital because they have no one at home to take care of them for two or three or four days, as the case might be.

There are numerous members of Congress who have expressed belief that the doctors must get-together and see if they cannot help to stop the increased hospital and medical care costs.

Hospital equipment is not only expensive, but the price has gone up. So have the wages and salaries

of hospital employees. The price of every-day living since the end of World War II, has increased, but the cost of hospitalization has soared far past living costs during the past 15 years.

The annual hospital bill of the nation, which has increased by billions, involves more than ordinary inflation. Chairman Wilbur Mills and his committee are going to make a determined effort to try and put their finger on the reasons for the tremendous hospital cost increases.

Socialized medicine in the United States looms as a bigger threat today than ever before.

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

Dealer Broker Literature

Continued from page 8

South Spring St., Los Angeles 14, Calif.

L. F. Popell Co., Inc.—Report—Strathmore Securities, Inc., Park Building, Pittsburgh 22, Pa.

Price Brothers and Company Limited—Review—Royal Securities Corporation Limited, 244 St. James St., West, Montreal, Canada. Also available are reports on Consolidated Mining and Smelting Company of Canada,

Consumers Gas Co., Dominion Stores, Ltd. and MacMillan, Bloedel & Powell River Ltd.

Products Research Company — Analysis—Schwabacher & Co., 100 Montgomery Street at Sutter, San Francisco 4, Calif.

Rajac Industries, Inc.—Memorandum—Fontana Securities Inc., 82 Beaver Street, New York 5, N. Y.

Reece Corp.—Analysis—Granger & Co., 111 Broadway, New York 6, N. Y.

Russ Togs, Inc.—Report—Shearson, Hammill & Co., 14 Wall St., New York 5, N. Y.

San Francisco Mines of Mexico—Analysis — Pitman & Company, Milam Building, San Antonio 5, Texas.

Schenley Industries — Analysis — Eisele & King, Libraire, Stout & Co., 50 Broadway, New York 4, N. Y.

Sears, Roebuck & Co.—Analysis—Vanden Broeck, Lieber & Co., 125 Maiden Lane, New York 38, N. Y. Also available are analyses of Hartford Electric Light Co. and Louisiana Gas Service Co.

Southwest Gas Producing Co. — Memorandum — Howard, Weil, Labouisse, Friedrichs & Co., 211 Carondelet St., New Orleans 12, La.

Sterling Television — Analysis—Van Alstyne, Noel & Co., 40 Wall Street, New York 5, N. Y.

Sunset House Distributing Corp.—Memorandum—Olmstead, Allen & Co., 5455, Wilshire Blvd., Los Angeles 36, Calif.

Tenax Inc.—Data—Stearns & Co., 80 Pine Street, New York 5, N. Y. Also available are data on Plant Industries.

Textron—Memorandum—Carreau & Co., 115 Broadway, New York 6, N. Y.

Textron Inc. — Data — B. C. Christopher & Co., Board of Trade Building, Kansas City 5, Mo.

Transistor Applications—Report—First Weber Securities Corp., 79 Wall St., New York 5, N. Y. Also available are data on Stocker & Yale.

U. S. Industries—Chart Analysis—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y.

Von Hamm-Young Company—Analysis—Robert H. Huff & Co., 210 West Seventh Street, Los Angeles 14, Calif.

Wallace Properties, Inc.—Analysis—Walker, Austin & Waggener, Republic National Bank Building, Dallas 1, Texas.

Warner Company — Analysis — Gerstley, Sunstein & Co., 211 South Broad St., Philadelphia 7, Pa.

Westgate California Corporation—Analysis — Parker Ford & Company, Inc., Vaughn Building, Dallas 1, Texas.

Westinghouse Electric Corp. — Analysis—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Wolverine Shoe & Tanning Corp.—Memorandum—A. G. Becker & Co., Inc., 60 Broadway, New York 4, N. Y.

Attention Brokers and Dealers

TRADING MARKETS

American Cement
Botany Industries
W. L. Maxson
Official Films
Waste King

Our New York telephone number is
CAnal 6-3840

LERNER & CO., INC.

Investment Securities
10 Post Office Square, Boston 9, Mass.
Telephone
Hubbard 2-1990

Teletype
BS 69

ESTABLISHED 1894

STATE AND MUNICIPAL BONDS
CORPORATE BONDS
LOCAL STOCKS

The Robinson-Humphrey Company, Inc.

RHODES-HAVERTY BLDG. ATLANTA 3, GEORGIA
JACKSON 1-0316

FOREIGN SECURITIES

CARL MARKS & CO. INC.

FOREIGN SECURITIES SPECIALISTS
20 BROAD STREET • NEW YORK 5, N. Y.
TEL: HANOVER 2-0050 TELETYPE NY 1-971