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Editorial AS WE SEE IT

We have the impression that there is a growing inclination in Administration circles—and for that matter in some others—to say that this is no time to count costs or to give too much thought to how greatly enlarged expenditures are to be met. Of course, there is a strong element in the Democratic party which has always held to some such theory. Its members have long been preaching the gospel that we must send many billions abroad in the form of aid or of loans and do a great many things at home in order to promote growth and prevent depressions. This view has gained followers of late by the need, or what is thought of as the need of strengthening our defenses and competing with the Soviets in space pyrotechnics. All this is disturbingly similar to events at the outbreak of World War II. We must all fervently hope that no such staggering expense will prove necessary to meet the current crisis over Berlin and other points at which the Communists seem to be pushing their imperialistic campaign for world dominance, but there is much evidence to suggest that Federal outlays of one sort or another will be very substantially increased during the next year or two.

We could not, in any event, afford the loose way in which war financing was conducted during the late war; we can far less afford to adopt any such course of action now even if the sums are not so astronomically large. When we entered World War II the total Federal debt came to less than \$65 billion. Of this the Federal Reserve banks held less than \$2.5 billion, while the commercial banks owned less than \$21.5 billion. By any standards known at the time this was a staggering total national debt, and the amounts of it held by the banking system was definitely too large. It will be recalled how debates raged at that time about how much more debt the country "could stand." But then we undertook to put an end to the dreams of Hitler, Mussolini and the Japanese, and before we were through the national debt had risen to nearly \$279 billion, the holdings of the Federal Reserve banks had grown to not far from (Continued on page 24)

The Monetary Commission Report —Constructive in Today's World

By Professor Paul Samuelson,*
Massachusetts Institute of Technology

Economic "Brains Trust" of President Kennedy, defending the Money and Credit Commission Report, reminds critics of "that charming" pre-1914 world, with cha-cha's subsequent replacement of Viennese Waltz—but with Central Bankers' fraternity bravely carrying on. Endorses particularly proposed abolition of gold cover, closer Federal Reserve Executive Branch coordination, ending of "Bills only" policy, and Presidential power to change tax rates.

In testifying about the Commission on Money and Credit report, I should like to make clear that my views are wholly personal. I have no official governmental or private connections. While I was happy to serve on the Research Advisory Board of the Commission, I feel no personal responsibility for its conclusions. As Mark Twain said: "Many a man will die to defend his own home; but few of us will go to the stake for the sake of a boarding house." Fortunately, this leaves me as free to compliment the Commission as to criticize.

The findings of the Commission on Money and Credit are, I believe, very important and are on the whole in the right direction. It is absurd to belittle its contribution by irrelevant comparisons with the Aldrich Monetary Commission of a half century ago. What the great French mathematician Lagrange said about Sir Isaac Newton is to the point here: "How undoubtedly great was Newton. But also how lucky. For he found the System of the World; and of course there is but one System of the World to be found." Fifty years ago America wanted, and desperately needed, a Central Bank. The Aldrich



Paul A. Samuelson

Commission gave us our Federal Reserve System. It would not be possible for any group, however gifted, to perform a comparable function today.

Abroad, objective groups have reexamined in recent years the monetary systems of the United Kingdom and Japan. The Radcliffe Report on the whole came out for an increased coordination of the activities of the Bank of England with those of the government, thereby incurring the criticisms of that dying-out group of experts who hanker for a completely independent Central Bank. In Japan, the majority report of a similar investigating group declared in favor of ultimate responsibility for the actions of the Bank of Japan as being in the hands of the government. Evolution in other countries, and the recent battle between former Governor Coyne of the Bank of Canada and the Cabinet there, point up the same fact: there cannot be in a modern Democracy an insulated pocket of power that, however rightmindedly (or leftmindedly), acts contrary to the wishes of the elected authorities. The CMC has, gingerly, within and between its lines, recognized this important fact of life; and has, for this very reason, been the target of old-fashioned criticism. There has even grown up the fiction that this distinguished group of citizens, consisting of 10 pillars of the financial community and 10 further representatives of labor, agriculture, industry and the universities, have been "brain-washed into accepting dubious doctrines. On the contrary, anyone who has observed the process of group debate will testify to the intellectual independence—I will not say stubbornness—of the Commission members. If every two years we were to set up a similar group of public-leaders, they would after independent examination come up with pretty much the same recognition of the needs of the times, perhaps with even the same footnotes of vigorous dissent. And they would meet with the same criticisms.

We Are Post-1914

There are few vestiges left of that charming pre-1914 world. The Viennese (Continued on page 21)

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DAVID B. GILL
Analyst, Nesbitt, Thomson & Co., Ltd.,
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Massey-Ferguson Limited

Following the Canadian "Baby Budget", the "Fleming-Coyne controversy" and the more recent expropriation of the B. C. Electric Company by the Province of British Columbia, recommending a Canadian equity investment to a sophisticated American audience is a little complicated.

While in the long run there is no need for apologies, there is a requirement for intelligent appraisal of the facts as they are.

Firstly, Canada remains a very wealthy country in terms of the degree of development already experienced.

Secondly, while recent developments may, in the short run, make Americans question the stability of our political-economic climate, a broader look still leaves Canada in a very favorable light compared to most other countries. Even the U. S. has a history of utility expropriation, not to mention a current regulatory climate punitive to utilities in general. Only a few years ago some European countries currently popular for investment purposes were nationalizing industries widely or, worse, building influential Communist parties. These activities seem to have been forgiven or forgotten. Undoubtedly, the same will apply to Canada again when it is remembered that despite recent events, the country as a whole is still wealthier and more stable than most other democratic nations.

Nevertheless, while being confident of the inherent advantages of Canada as an area for investment, it still remains that, at least under current world conditions, there are good reasons for also emphasizing companies which have wide geographical diversification. Consequently, the Canadian security I favor the most now is Massey-Ferguson Limited, a major fully integrated farm machinery company, recognized as the largest outside of North America.

Massey-Ferguson Limited has three important characteristics which make it particularly attractive:

(1) It is a major international company which will benefit directly from the growth of the European Common Market area and from the inevitable rise in population and living standard throughout the world. The following is a geographical break-down of its sales—Canada: 12.6%, U. S. A.: 29.4%, Europe: 39.0%, Australasia: 7.7%, Africa: 4.8%, Asia: 3.9%, and Latin America: 2.6%. Its manufacturing facilities are similarly dispersed with a major emphasis on low cost production areas such as Italy.

(2) As a Canadian corporation, it has a greater political acceptability in the Commonwealth and the other middle power countries than do the U. S. companies which are its only major competitors.

(3) As a company which had been in disrepute because of past poor management and consequent poor performance, it still has some distance to go in (a) improving internal efficiency, and (b) regaining investor confidence. An international farm equipment company such as this should be able to show a 5% net return on sales to common equity, compared to its recent rate of about 3%. Likewise, a times earnings ratio closer to 15 is more usual than its current ratio (between 8 and 12). Consequently, even at its current sales level of approximately \$500 million, net for common should approach \$25 million or around \$1.90 per share (assuming full conversion of outstanding convertible preferreds). This would seem to indicate a potential value of between \$20 and \$25 per share.

It follows from this that the key to Massey-Ferguson Limited is management. Five years ago, when the company suffered most from managerial and financial difficulties, working control was acquired by the Argus Corporation Group, which concern is regarded as having the most able senior management team in Canada (one only has to look to their other companies—Dominion Stores, Canadian Breweries, Dominion Tar, etc. for verification). They initiated, under Col. Eric Phillips as Chairman of the Board, the most thorough reorganization any major company has seen for a long time, replacing almost all the senior executives, while reorganizing both the internal structure and the sales organization of the company. They acquired new subsidiaries to implement vertical integration in manufacturing with a view to reducing costs, and set up Finance Company subsidiaries to enhance revenue.

It was reported at the time that Col. Phillips stated it would take five years before the effects of their reorganization really began to be felt; that is, by the end of this current fiscal year. It is interesting to note that from the beginning of this five year period to April 30th, 1961, during which time the farm equipment industry was generally experiencing low volume, the company's sales increased from \$355 million to an indicated annual rate of slightly over \$500 million for 1961, and the operating profit margin from 7.8% to an indicated rate of 11.3% for the current fiscal year.

As the world rate of increase in agricultural activity is likely to continue at least 3% annually for the foreseeable future, as the profitability objectives of Massey-Ferguson appear to be within reach, and with their ability to increase their share of the market already demonstrated, earnings in the \$2 range within the next few years seem a very practical possibility. Consequently, Massey-Ferguson Limited common stock at around \$12 appears particularly favorably priced compared to other investment opportunities in Canada.

(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.)



David B. Gill

This Week's Forum Participants and Their Selections

Massey-Ferguson Limited—David B. Gill, Analyst, Nesbitt, Thomson & Co., Ltd., Toronto, Canada. (Page 2)

Gardner-Denver Co.—John P. O'Brien, Analyst, Research Department, W. E. Burnet & Co., New York City. (Page 2)

JOHN P. O'BRIEN

Analyst, Research Department,
W. E. Burnet & Company,
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Gardner-Denver Co.

We consider Gardner-Denver as attractively priced here for businessmen's risk type of accounts seeking a quality participation in the cyclical industrial machinery field.



John P. O'Brien

The economy is in the early stages of a snap rebound which should prove quite beneficial to Gardner-Denver. We estimate a sharp earnings recovery in the second half of the current year. Besides the expected recovery in Gardner-Denver's traditional line of business, contributions will also be made from the Apex Machine and Tool Company acquisition and a new unique machine called a "wire-wrap."

Gardner-Denver is a well-known, long established manufacturer of industrial machinery that is used primarily in the construction (28% of 1960 sales), petroleum (22%), mining (15%) and general manufacturing industries (35%). Products manufactured include pumps, compressors, air motors and hoists, pneumatic tools, small pneumatic hand tools, sockets etc. and a full line of petroleum drills, rigs, etc. The company has enjoyed marked growth in the post war years through an active program of internal expansion and acquisitions. The company's broad diversification of products and markets served has eliminated heavy dependence upon any one product or industry. Product mix has been changed to the point that today over 50% of sales come from replacements and expendable parts, offering a high degree of stability for a company in the industrial machinery field.

In 1960, sales reached a record total of \$84.8 million versus \$79.8 million in 1959, an impressive 6.2% gain. Reflecting price weakness in certain areas and a somewhat less favorable product mix of sales, net income amounted to \$7.1 million or \$3.12 per share versus \$8.5 million or \$3.75 a share in the previous year, or a 16.1% decline. First quarter, 1961, sales were approximately the same as in the first quarter of 1960, or slightly below \$19 million. Net income, however, declined to \$1.4 million or 60 cents per share from the slightly less than \$2 million or 86 cents a share reported for the first quarter of 1960. This showing again reflected the above stated factors plus the effect of the recession. Second quarter sales showed a small gain to \$22.9 million versus \$22.3 million in the second quarter of 1960, and earnings rose noticeably to \$1.95 million or 83 cents per share versus

Continued on page 26

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Consumer Credit to Expand Sharply in Present Decade

By Ernst A. Dauer,* Director of Consumer Credit Studies, Household Finance Corporation, Chicago, Ill.

Credit expert projects a 60% increase in consumer instalment debt by 1970. This would be a rise from 1960's \$43 billion to \$68 billion ten years hence. Mr. Dauer recapitulates various authoritative studies of our growth prospects and deals with other factors contributing to growing usage of consumer credit. Note is taken, also, of today's larger family debt than ten years ago, but the writer holds this will not result in a burdensome debt for any significant percentage of the population. The facts regarding the weight of consumer debt and the potential danger of delinquencies that exist when an economic contraction occurs—regardless of the amount of debt—are pointed out.

Any examination of the past leads to an optimistic attitude regarding the long-range growth of the American economy. This growth has been persistent despite its temporary interruption from time to time by depressions of varying lengths. After every business decline, total output has moved on to a new high.



Ernst A. Dauer

In the early postwar period there were two monumental studies of our economy, one by the Twentieth Century Fund ("America's Needs and Resources"); the other by the Brookings Institution ("Controlling Factors in Economic Development"). Both described the factors responsible for the tremendous development in this country during the last century which has truly been called "The Miracle of North America."

Our unparalleled economic advance was brought about through the application of industry, skill, knowledge, and more efficient machinery and productive processes. In other words, ever greater investment by businessmen in more efficient machinery and more productive processes increased output per man-hour, raised wages, and produced the abundance of goods which we know in this country today.

Beginning shortly after those studies were made, a number of outstanding research organizations and various government bodies attempted to calculate what a continuation of this development would mean to the country in terms of total output at specific future dates. One of the most recent such studies was made a little over a year ago by the staff of the Joint Economic Committee of the United States Congress.

This Joint Economic Committee study showed that total output of goods and services grew over the 50 year period from 1909 through 1958 at a rate of 2.9% a year. They rejected this average rate as being too low for the future, because it was strongly influenced by the long depression of the '30s. They knew that in recent years high rates of investment in new plants and improved equipment, high expenditures for

research, and a rapid increase in skill and efficiency had made manpower much more productive. In fact, in the 10 year period from 1947 through 1957, output grew at an average annual rate of 3.9%.

They built their estimates for the future, therefore, from actual long-range growth rates of specific factors, modified by taking into account known facts and supportable assumptions. They prepared three estimates: an optimistic figure, a middle-ground figure and a low or pessimistic figure.

To make this method clear, let me illustrate, by the factors used in their middle-ground estimate. They assumed:

(1) That the labor force will grow at a rate of 1.7% a year, compared with an actual growth rate of 1.4% over the last 50 years. This higher rate can be justified by actual population figures;

(2) That each year people will work one-half hour less per week, on the average, compared with an actual 50-year decrease of 6/10 of an hour per week, each year;

(3) That private plant and equipment will increase 2.7% a year, compared with an actual historical rate of 2.4%;

(4) That its average age will decline one-tenth of 1% a year, compared with an increase of 3% a year in the past.

Based on these assumptions, they estimate that the total output of goods and services will increase at a rate of 4.7% a year.

Thus, the ingredients in growth are (1) an increase in the labor force, 4% of whom on the average are assumed to be unemployed; (2) continued growth in plant and equipment to make the labor force more efficient; (3) and from this they then deducted the effect of a constantly declining work week.

Our total output of goods and services, technically called "gross national product," amounted to \$503 billion, for the year 1960. For convenience, let's round this to \$500 billion. If we assume that the price level remains constant, the actual growth rate for 1909-1958 of 2.9% would result in a total output one-third higher by 1970. The actual growth rate of 1947-57 of 3.9%, would result in a total output 47% higher by 1970. The middle ground growth rate of the Joint Economic Committee of 4.7% a year, would result in a

Continued on page 28

CONTENTS

Articles and News

	Page
The Monetary Commission Report—Constructive in Today's World—Paul Samuelson.....	Cover
Consumer Credit to Expand Sharply in Present Decade—Ernst A. Dauer.....	3
A New Approach to Problem of Underdeveloped Nations—Stanley de J. Osborne.....	5
Short-Term Prospects for Construction Machinery—Louis B. Neumiller.....	9
Capital and Money Markets During the Coming Boom—Hans Heinemann.....	10
The Golden Defense—Ira U. Cobleigh.....	13
Present and Future Market for Solar Energy Devices—Richard F. Linde.....	14
Coming Economic Revolution Due to Scarce Fresh Water—Roger W. Babson.....	16
The Manufacturer's Stake in Today's Urban Renewal—William L. Slayton.....	18
Is \$35 Per Fine Ounce the Proper Price of Gold?—Haller Belt	22
Outlook for Petroleum—John E. Swearingen.....	23

* * * * *

Regular Features

"Operation Bootstrap" Grew Despite Fiscal 1960-61 Recession..	4
As We See It (Editorial).....	Cover
Bank and Insurance Stocks.....	26
Businessman's Bookshelf.....	29
Coming Events in the Investment Field.....	48
Dealer-Broker Investment Recommendations.....	8
Einzig: "Solving the Dilemma Confronting the IMF".....	12
From Washington Ahead of the News—Carlisle Bargeron.....	20
Indications of Current Business Activity.....	31
Market . . . and You (The)—Wallace Streete.....	17
Mutual Funds—Joseph C. Potter.....	19
News About Banks and Bankers.....	22
NSTA Notes.....	26
Observations—A. Wilfred May.....	4
Our Reporter on Governments.....	20
Public Utility Securities.....	15
Securities Now in Registration.....	32
Prospective Security Offerings.....	47
Security I Like Best (The).....	2
Security Salesman's Corner.....	23
State of Trade and Industry (The).....	7
Tax-Exempt Bond Market—George L. Hamilton.....	6
Washington and You.....	48

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BY A. WILFRED MAY

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The above are excerpts from the clipping of an advertisement communicated to us from a reader with the plaint, "Why doesn't the Government do something about this kind of thing?"

The persistence of such typical come-on tip advertising—in the absence of self-policing by our otherwise responsible press—highlights the significance of the current efforts of the SEC to "do something about it." Pending now is the Commission's promulgation of re-revised proposals to prohibit certain advertisements by investment advisers as "fraudulent, deceptive, manipulative" under the Investment Advisers Act of 1940. Study of the suggested rules revisions underlines "the Government's" difficulties in "doing something about it." They reveal a sharp dichotomy between the achieved rules coverage of the community of "tipsters" (under which term many of them privately refer to themselves); and, on the other hand, the administrativeability of those rules.

On The Plus-Side

Constructive indeed, is the extension of the regulatory umbrella to cover all investment advisers whether or not they are registered with the SEC. With practically all voluntarily registering who should,* only a comparatively small "gray area" remains unpoliced; comprised of: by (1) some financial publications. Is it devoted mainly to news and editorial items; or does

* Including, typically, Larchmont Investors Guidance Service, Dow Theory Forecasts, Inc., Capital Gains Research Bureau, Inc., Value Line Investment Survey, Arnold Bernhard and Co., Inc.

it perhaps slip in investment advice ("tipping")• and (2) in the case of the broker-dealer, is he subjected to the statute by reason of his being paid for his advice?

The Minus-Side

Also "gray," along with some more sombre hues, are the prospects for the SEC's administration of whatever rules are finally prescribed.

Apart from the difficulty, by rule or statute, of satisfactorily and clearly deciding what may be misleading or deceptive, there has even been trouble in defining the basic term "advertisement." The Commission's original proposal of last April would have defined "advertisement" to include any notice, circular, letter or other communication, written or oral, which offers "any investment advisory service." Trade comments submitted during the ensuing "public reaction period" pointed out convincingly that this apparently clear and simple definition was so broad that it would have encompassed even face-to-face conversations between an investment counsel and his prospective client.

Accordingly, the Agency has now revised the definition of the term to exclude specifically a personal conversation with a client or prospective client, or a personal letter sent to only one person. The present proposed revision furthermore would have "advertisement" include notices, circulars and other written communications addressed to more than one person, and notices or

• For example, the "Financial World," "Investment and Business Weekly," is registered as an Investment Adviser.

other announcements in any one publication or by radio or television.

Madison Avenue On-the-Charts

Eliciting far greater "rules trouble" is the advertising of market-beating graphs and charts. The SEC's original proposal would have prohibited an investment adviser from running an advertisement offering any graph, chart, formula, method, system or other device which represents that any such gadget [our expression] could in and of itself be used to make "investment determinations" [i.e. tips]. Following objections to the inclusion of "methods" and "systems" in the prohibitions, these items are about to be dropped.

Heresy By Compulsion

More significant, it is proposed that the advertised virtues of any graph, chart, formula, or other device must also "fully disclose" its "limitations and difficulties." Such a prescribed rule strongly highlights basic enforcement problems.

The Commission charged with enforcing such a rule is faced with the Hobson's choice of spelling out a hard-and-fast specification; or else scrupulously editing the "caveat" statements. This is so because it is completely unrealistic to suppose that it is feasible to rely on a chartist, formula-ist, etc., who worships his idol with religious fervor—and sincerity—for an adequate rebuttal thereof. This, of course, is not to accuse him of dishonesty—intellectual or otherwise. Beyond their dynamic conviction, with much rationalization of their pet systems, the technicians, actually do not possess the reasonably full knowledge of the fallacies. If they did, they would not believe in them, or promote them.

In a sense, the proposal would result in "the blind leading the blinder."

The Alternative Treatments

Examining the SEC's administrative alternatives under this basic difficulty: any hard-and-fast prescription (as for a perfunctory statement like "our charts are not magic," or, perhaps, "this won't necessarily quadruple your money except in a bull market,") is obviously impracticable because of the frequent inapplicability factor.

The other alternative of Commission editing of the "rebuttal" statements would embody the far-reaching faults of creating the false impression of government guaranty of a controversial, and perhaps inadequately stated "net" position; and, in any event, of the enormous policing burden.

In the case of either alternative, in the light of the public's cognizance of the existence of the government's aegis of enforcement, the inadequacy of the caveat would make its existence more injurious than would none at all.

The "I-Told-You-So" Squabble

Similarly laden with broad significance is the suggested compromise to the controversy over the curbing of the "past performance" boasting jags. In lieu of prohibiting any advertisement which calls attention to past profitable recommendations, the Commission now proposes that an advertisement may either list all the service's recommendations made within the year, or include "a truly [sic] 'representative' list of all such recommendations . . . and which is not otherwise misleading."

This chore for the Commission of enforcing the "representative" prescription again highlights the placing of undue responsibility on the Agency, via the "Government guaranty" implication; plus once again piling up its workload. Here again we see that several evil implications of saddling the policeman with a judge's duties are multifarious!

"Operation Bootstrap" Grew Despite Fiscal 1960-61 Recession

A record 23 "blue chip" and other large corporations were among the 190 U. S. and Puerto Rican companies who signed up for new

"Operation Bootstrap" factories in the Caribbean Commonwealth during fiscal 1960-61, it was announced by the Puerto Rico Economic Development Administration. "The fact that during a recession year Puerto Rico attracted more large U. S. corporations than ever before and that over-all plant promotions declined only 5%, demonstrates the long range vitality of the Bootstrap industrialization program," said J. Diaz-Hernandez, Executive Director of EDA's Continental Operations Branch.

(In San Juan, EDA Administrator Rafael Durand noted the beginnings of a "positive new trend" involving joint ventures between U. S. mainland and Puerto Rican investors. Mr. Durand disclosed that in fiscal 1960-61, EDA promoted a record 18 such joint ventures compared with only four during the previous year. U. S. companies who teamed up with island manufacturers included Reichhold Chemicals, W. P. Fuller Co. and Morton Salt.)

Other Revenue Producers

EDA's two other major revenue producing programs, tourism and rum promotion, also enjoyed a "solid and vastly encouraging year," Mr. Diaz said in New York. Preliminary estimates reveal that a record 1,750,000 cases of Puerto Rican rum were shipped to the mainland during the year compared with 951,168 cases in 1959-60.

In tourism, where the island's rapidly growing hotel business added 722 rooms during the year, non-resident hotel registrations climbed to a record 185,000 compared with 171,604 in fiscal 1959-60. Tourists spent a record \$55 million in Puerto Rico last year and "tourist days" also hit a new high—882,000. However, the volume of total visitors to Puerto Rico declined by 4,000 persons to 343,000, as fewer Puerto Ricans living on the mainland returned to the island for visits.

Some 820 U. S. and Puerto Rican Bootstrap plants are currently in operation and Mr. Diaz estimated that the 190 projects now in the process of being established will increase total investment in EDA-promoted industry

to \$550 million and create 4,000 new jobs. Total "Bootstrap" employment is estimated at 50,000 persons.

Among 18 new "blue chip" affiliates are Kimberly Clark, Parke Davis, Manhattan Shirt, B. F. Goodrich, Kelvinator Intl., American Can, Kayser Roth, Bayuk Cigars, A. G. Spalding, Brunswick Corp., General Electric, Daystrom, and California Packing Corp.

Many of the U. S. companies promoted during the year were in metal working, electronics and electrical products.

Durable Goods Production Up

"While apparel manufacturing still accounts for most of our new industry, durable goods are beginning to make strong headway," Mr. Diaz said. Since 1956, the Bootstrap official noted, shipments of U. S. appliance and electronic plants to the mainland have more than doubled to \$62 million while metal working factories tripled volume in the same period to \$15-million.

A recent development which promises to further accelerate electronic manufacturing in Puerto Rico, Mr. Diaz said, was the awarding of the first Signal Corps contract to the Commonwealth. The contract, which was given to Electrospace Corp., Valley Stream, N. Y., is for the production of telephone hand sets in the town of Naguabo. More Signal Corps contracts are on the way, the Bootstrap official said.

Another milestone recorded during the year was enactment of a law which offered 13 years of tax exemption to manufacturers who establish plants in Puerto Rican cities and towns which are still underdeveloped. Up to now the Commonwealth tax exemption grant for new industries has been for 10 years duration.

Looking ahead to the new fiscal year, the top ranking Bootstrap official in the U. S. said:

"With the mainland economy improving, we expect a substantial increase in our plant promotions over the next 12 months as well as new records in tourism and rum sales.

"One thing is certain, we will continue to work diligently toward our goal of 2,000 Bootstrap factories. As Puerto Rico offers lower production costs and a proven high return on investment, we should attain our aim in the foreseeable future."

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(SPECIAL TO THE FINANCIAL CHRONICLE)

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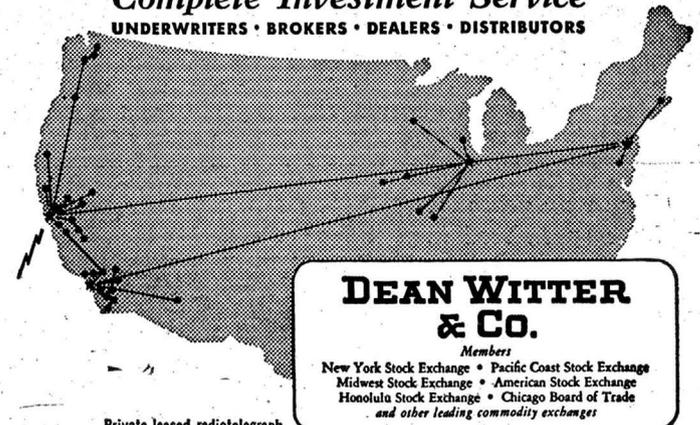
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A New Approach to Problem Of Underdeveloped Nations

By Stanley de J. Osborne,* President, Olin Mathieson Chemical Corporation, New York City

The newest and most critical battleground facing us is the problem of the underdeveloped nations of the world, according to Mr. Osborne. Not too happy comparisons are made as to the success of the Russians, and to the failure of our money, propaganda and appeal of our concept of capitalist democracy, as to the direction the backward nations will go—for "as these nations go, so will our world. . . ." The industry head proposes a new World Development Organization composed of all the "have" and "have-not" nations to harness the West's economic, educational and technical resources to accelerate the program for underdeveloped lands. In addition, Mr. Osborne suggests this new world bank contain an International Guaranty Bank so industry can be immunized from the political risks of the Cold War. This, he says, should open up the potentials for development to private industry and to the West's efforts, and win these countries from Communism.

I should like to direct attention not only to the continent of Africa, but to one of the greatest single issues in the struggle between freedom and communism: the problem of the underdeveloped, or undeveloped, or backward, nations of the world. In the struggle to contain the vicious virus of communism since World War II, the United States has been forced: To prime the economic pump in Europe and much of Asia so that these countries might regain their economic health; to contain the territorial expansion of communism; to weld the West into defensive alliances like NATO, SEATO, and the damaged Baghdad Pact; to establish an armaments position second to none; and largely to pay for all of this



Stanley de J. Osborne

worldwide effort out of its own national wealth and resources.

It has been, for 15 years, one of the greatest and most successful efforts this world has ever seen.

Now, Europe, Japan and Australia are prospering with an ever-increasing standard of living; communist territorial expansion by force is probably over, short of a disastrous major war; and our defensive alliances are forged, albeit backed by the power of our nuclear navy and our missile striking forces, which, despite the moans of those decrying our efforts, are no worse and are probably better than those of the communist world.

The cost of this 15-year effort has been fantastic under any standards. We should look at the record:

For economic aid to Europe through 1959, the United States has spent close to \$28,000,000,000;

For military aid to the outside world, we have spent over \$25,000,000,000;

For economic aid to countries outside of Europe, the expense has been over \$29,000,000,000;

And for our own defense budg-

ets, including the cost of the Korean War, there has been used up almost \$424,000,000,000.

The Newest Cold War Battleground

This is a total of over \$506,000,000,000, or a contribution to world peace and recovery by each man, woman, and child in the United States of about \$3,000. Despite this huge and magnificent effort, however, there does not appear to be any end to the cold war, although it is now taking on a totally new look:

(1) The communists are now engaged in emphasizing economic, instead of military, warfare. This is designed to upset the West's economic patterns and its economic health. Unfortunately, even our best friends, looking for profits, have become pawns in this huge game, for Russia and her satellites have been able to upset the trade patterns of such widely scattered commodities as aluminum in England, oil in Italy, rubber in the Far East, and world shipping; none of this could have been accomplished unilaterally.

(2) Even greater efforts are being devoted to the invention of more and more forms of exotic mutual destruction. These, as we know, are hugely costly. To see his problem in the light of modern weapons, we must compare the cost of testing one modern missile, such as the research and development cost of the Polaris, of nearly \$2,000,000,000, and that of a prototype aircraft in World War II, where the research and development of the B-17 cost approximately \$1,000,000.

(3) The newest battleground and the one which probably is the most critical of all, is that in the underdeveloped nations.

First of all, let us define the words "underdeveloped nations." They fall into three categories:

(a) Those countries which have existed for many decades, such as Latin America, where the ruling oligarchies have persevered while their countries as a whole remained on bare subsistence levels;

(b) Those nations which achieved their independence after the close of World War I, but where, for one reason or another, the great mass of people have lived on much as they had for centuries before, and;

(c) Lastly, the newly emerging nations of the past two years, principally in Africa, where colonial powers have either left or have been ejected, and which have, therefore, been left to fend for themselves in the economic battleground of the world with few, if any, economic weapons with which to protect themselves.

Within these three categories can be counted practically all of the peoples of our world, outside of Europe, North America, Japan, Australia, and the communist countries. It has become a battleground involving a billion or more people, in areas holding the free world's most strategic raw materials and food resources, and lying astride the chief routes of Western communications.

As these nations go, so will our world; for it is here that we can permanently lose the war against communism, without a shot being fired by either side.

The scattering of modern armies throughout the world during and since World War II, together with modern forms of communication; and the heavy propaganda barrages which have infiltrated the deepest recesses of our world; have not only made of legendary Timbuctoo an easily accessible city, but have also made the less developed peoples everywhere arrive at the conclusion that they do not need to remain "ill-fed, ill-housed, and ill-clothed" and, above all, "ill-educated."

Thus it has been easy for emerging leaders to convince their peo-

ples that, if their objectives could not be reached quickly under the status quo, then they should try to reach them in freedom, even though most of them have been completely unprepared for such a heady state.

Furthermore, many of these leaders have been telling their peoples exactly what the communists would have wished them to, without the slightest effort on the part of the Reds: get rid of the colonial powers; overthrow the ruling oligarchies; throw off the yoke of capitalistic trade extortion; and seek out a socialist state based on the labor of a free people. Were they not to say these things, they would have nothing to sell. For in material benefits they could not cope with those provided by the previous rulers. It is obvious that statements such as these are but a short hop into the communist basket, but a long leap from what we, in the West, consider to be those of a truly democratic philosophy.

If we ignore them, however, we will wake up to find the communists walking into the vacuum; and in this game they have, so far, been eminently adept.

Meeting the Demand for Goods

(4) And lastly, a stupendous economic future development faces this vast undeveloped world. The rising demand for goods which a rising standard of living will create can bring with it an economic prosperity unheard of to date. It can either become an economic battleground, or the rising standard by itself can be the

means of eliminating much of the influence of Communism, such as we have so dramatically witnessed in Europe in the past decade.

In this new war, how can we achieve results favorable to the West, and how can we stop the present obvious advantages that the Communists have achieved in many parts of the world?

The World Bank, despite its extraordinary record of achievement, cannot do it alone, even when coupled with its affiliates, the International Finance Corporation and the Soft Loan International Development Association.

The United States cannot do it alone, for the task is stupendous, the cost huge, and the manpower required beyond even our capabilities. We cannot continue to pour our riches abroad at the same profligate rate of the past 15 years. Our resources will not stand it indefinitely, our gold reserves cannot survive, and we would head into an inflation which would destroy our economic health before we could benefit from the success of our efforts.

The United Nations probably cannot do it because of Russia's opposition. A true United Nations effort, with an honest Russian participation, might, however, succeed in creating the only foreseeable and practical co-existence in this world. The trouble with this would be the obvious question of how long Russia would or could cooperate in a world effort to foster freedom of

Continued on page 27

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TAX-EXEMPT BOND MARKET

By GEORGE L. HAMILTON*

This last week of August has been the least exciting one this year to date in the field of municipal and state bond underwritings. Nor have any other phases of the municipal bond market been active enough to stimulate any more than routine business throughout the Street and during the past week. There have been no large new issues up for sale and there is nothing of importance on the new issue calendar until after Labor Day.

Other phases of the general bond market were also inactive since last reporting and there is nothing of note to report from the corporate and U. S. Government bond field. Corporate bonds have been relatively steady over the past few weeks and the calendar of new flotation continues light. U. S. Treasury intermediate and long term bonds drifted aimlessly with little trading activity evident. There has been a slight flurry in the 1965-1972 maturity range as rumors persist of an advance refunding in September, including potentially as much as \$15 billion of bonds. In an advance refunding holders of eligible bonds are offered better yielding, longer-term issues, for their obligations. If this refunding is to take place, the 1965-1972 maturities are likely to participate.

From a technical viewpoint the state and municipal bond market is in a less favorable position than in recent months. The Street inventory as measured by the Blue List float stands at \$410,498,000 as of Aug. 31, as against last week's total of \$412,953,000. This figure has remained relatively constant for the last six weeks and with the new issue calendar rapidly building up is a serious concern to all municipal bond dealers. The new issue calendar which more than doubled last week has again increased to today's total of \$609,655,000. This total was supplemented by the addition of \$100,000,000 State of Illinois Mental Health and University Building (1-25 year) bonds for Sept. 27; \$9,000,000 Pasadena, Calif. Electric revenue bonds for Sept. 12 and \$8,000,000 Sacramento, Calif. Water revenue bonds also for sale Sept. 12.

Not included in our 30-day supply, but scheduled for sale early in October are such important issues as \$35,000,000 Los Angeles, Calif. School bonds; \$16,800,000 Wayne County, Mich. bonds and \$15,000,000 Los Angeles County, Calif. bonds. Numerous other important issues are expected to be announced momentarily and to come to market early in the Fall.

The Commercial and Financial Chronicle's state and municipal bond yield index shows the market unchanged since last week. The 20-year high grade bond components of our index, taken at the offered side of the market, averaged out at 3.4076% on Aug. 30. The trend of new issue bidding would indicate, however, that a slight price easing is in progress. Later week developments should

establish this price easing as a fact. It is interesting to note that while the market improved early in July, slowed late in the month, and then declined slowly in August, our average is identical to June 21, 1961, and the start of the summer. In other words if you had taken the summer off, the averages would be the same today as the day you left.

This week from an underwriting viewpoint was extremely light. On Thursday, Aug. 24, Glendale, Calif. brought \$3,250,000 general obligation sewer (1962 - 1981) bonds to market for competitive bidding. The issue which attracted five bids was awarded to the group headed by the Bank of America N. T. & S. A. and including The First Boston Corp., R. H. Moulton & Co., Merrill Lynch, Pierce, Fenner & Smith, Wertheim & Co., Laidlaw & Co., W. H. Morton & Co., Inc. and several others. The bonds were priced to yield from 1.65% to 3.50% in 1980. The last maturity was not reoffered. At this writing \$1,090,000 of the bonds remain in account.

Also on Aug. 24, Groton, Conn. awarded \$1,276,000 school (1962-1981) bonds to the account consisting of the Harris Trust & Savings Bank, F. S. Moseley & Co., Wood, Struthers & Co., Bramhall, Falion & Co., Inc. and Charles W. Scranton & Co. Scaled to yield from 1.75% to 3.70% for a 3.55% coupon, all but \$115,000 bonds are out of account.

On Tuesday, Aug. 29, the largest issue of the week \$20,000,000 San Diego, Calif. Unified School District (1963-1982) bonds came to market. With only two syndicates bidding for the issue, the bonds were awarded to the group headed by the Bank of America N. T. & S. A. and including Blyth & Co., Inc., Security First National Bank, the Morgan Guaranty Trust Co. of New York, The First Boston Corp., Harriman Ripley & Co., Inc., Smith, Barney & Co., The Northern Trust Co. and many others. The issue was scaled to yield from 2.00% to 3.65% in 1981. The 1982 maturity was not publicly reoffered. The initial demand for the bonds was good and the unsold balance on Aug. 30 was \$7,255,000.

Macon, Ga. also sought bids on Aug. 29 for \$5,000,000 water and sewerage revenue (1962 - 1991) bonds. The account headed by Kidder, Peabody & Co. and including R. W. Pressprich & Co., Shields & Co., Hornblower & Weeks, Ira Haupt & Co., Shearson, Hammill & Co., Wood, Struthers & Co. and others was the successful bidder for this issue. The bonds were priced to yield from 1.85% to 3.90% for various coupons. The issue was well received and only \$762,000 bonds remain in account.

This week's final issue of importance consisted of \$2,725,000 Indianapolis, Ind. Flood Control District bonds which were awarded to The Northern Trust Co. group. The bonds maturing 1964 to 1983 were reoffered to yield from 2.00% to 3.35%. Upon

reoffering, about half the bonds were sold.

As the summer draws to a close and the vacation period comes to an end the nations toll roads are benefiting both revenue-wise and publicity-wise. There have been several timely articles, both newspaper and magazine, that have pointed up the worthy investment characteristics involved in most all of these projects. Even those projects faced with problems possess a greater content of investment worth than markets might indicate. The over-all market for toll road bonds continues as an example of stability to investors. The Smith, Barney & Co. turnpike bond yield index averaged 3.86% on Aug. 24, the last reporting date. Since June 29, this index has been within an 0.05% of this figure. The Illinois Toll Highway continues as perhaps the most spectacular performer, July's net revenue increased 14.7% over last July (1960) and the first six months' net revenue was up 22.4% over the like period a year ago. In comparison with the same period of 1959, the tollway's first full year of operation, the increase amounted to over 76%. Other projects such as the newly opened Mississippi River Bridge has had traffic running twice as high as expected, the Mississippi Highway Department reported. The Dallas-Fort Worth Turnpike showed an increase of 8.4% for July and more than met operating and interest requirements for the second consecutive month. Almost without exception revenue reports continue to improve and strengthen the projects involved.

Although the over-all calendar continues heavy, next week's schedule, because of the holiday, will see no issues of importance. The volume of sealed bids for the week totals only \$40,898,000 with the week's largest issue \$6,930,000 Rochester, N. Y. (1962 - 1973) bonds.

There is nothing new in the negotiated financing category. The proposed \$160 million Florida Turnpike Extension and refunding issue is in the courts for validation and news on this issue should be forthcoming towards the end of September.

Automated Merchandising Capital Common Offered

Blair & Co., Inc., is manager of an underwriting group which is offering 115,000 shares of Automated Merchandising Capital Corp. common stock at \$20 per share.

It is expected that substantially all of the net proceeds from the sale of the shares will be invested by the company in existing companies and in companies recently organized or to be organized, in the vending industry.

The company, of 10 E. 40th St., New York City, is a closed-end non-diversified management investment concern registered under the Investment Company Act of 1940. The firm was organized principally to provide financial assistance to companies active in the vending industry, both domestic and foreign. Automated believes it is at present the only company that will be publicly-owned whose principal purpose is to provide financing for companies with growth possibilities in the vending industry.

N. Y. Analysts to Hear
George J. Schwartz, President of Compo Shoe Machinery Corporation, will be guest speaker at the luncheon meeting of the New York Society of Security Analysts to be held Aug. 31.

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.

Aug. 31 (Thursday)			
Fort Lauderdale, Fla.	5,000,000	1982-1990	10:00 a.m.
Rochester, N. Y.	6,930,000	1961-1973	2:00 p.m.
Sept. 1 (Friday)			
Chatham County, Ga.	1,000,000	1966-1990	11:00 a.m.
Sept. 5 (Tuesday)			
Galveston Co., Texas	1,000,000	1965-1990	3:00 p.m.
Sept. 6 (Wednesday)			
Covington, Va.	1,030,000	1962-1981	Noon
East Haven, Conn.	2,935,000	1962-1981	2:00 p.m.
El Paso County, Texas	1,750,000	1962-1981	10:00 a.m.
Franklin, Mass.	1,838,000	1962-1981	11:00 a.m.
Frederick County, Md.	2,500,000	1962-1986	11:00 a.m.
Rosary Hill College, N. Y.	1,070,000	1963-2000	10:00 a.m.
St. Paul Port Authority, Minn.	2,500,000	1964-1991	Noon
Sept. 7 (Thursday)			
Florida State University	1,486,000	1964-2001	11:00 a.m.
Gettysburg School Authority, Pa.	1,465,000	1963-1991	8:00 p.m.
Greenville-Spartanburg Airport District, S. C.	2,340,000	1964-1991	Noon
Islip, N. Y.	1,940,000	1962-1981	11:00 a.m.
Peoples Community Hospital Authority, Mich.	1,550,000	1963-1990	8:00 p.m.
South Windsor, Conn.	2,030,000	1962-1981	2:00 p.m.
Tampa, Fla.	1,200,000	1963-1987	11:00 a.m.
Sept. 11 (Monday)			
Fort Myers, Fla.	1,000,000	1962-1981	7:30 p.m.
Parma City Sch. Dist., Ohio	1,200,000	1963-1982	1:00 p.m.
Sept. 12 (Tuesday)			
Allentown Auth., Pa.	1,000,000	1966-1991	11:00 a.m.
Cheyenne, Wyo.	10,000,000	1963-1991	11:00 a.m.
Commonwealth of Massachusetts	47,000,000	-----	-----
Manor Jt. High Sch. Authority, Pa.	1,125,000	1963-1982	7:30 p.m.
Middlesex County, N. J.	1,862,000	1962-1976	11:00 a.m.
Mooresville, N. C.	1,450,000	1963-1989	11:00 a.m.
Pasadena, Calif.	9,000,000	-----	-----
St. Anthony, Minn.	1,262,000	1963-1971	8:00 p.m.
Springfield, Mass.	3,000,000	1962-1986	11:00 a.m.
Suffolk County Water Auth., N. Y.	4,500,000	-----	-----
Tacoma, Wash.	4,000,000	1962-1991	2:00 p.m.
Sept. 13 (Wednesday)			
California (State of)	100,000,000	1963-1987	10:00 a.m.
Dade Co. Spe. Tax S. D. 1, Fla.	6,010,000	1965-1975	10:00 a.m.
Harris Co., Houston Nav. Dist., Tex.	9,000,000	-----	-----
Sept. 14 (Thursday)			
Caddo Parish Waterworks, D., La.	1,402,000	1964-1991	10:00 a.m.
Essex County, N. J.	4,149,000	1962-1976	11:15 a.m.
Fresno, Calif.	2,500,000	1962-1991	10:00 a.m.
Sept. 15 (Friday)			
Franklin U. H. S. D. No. 2, Wis.	1,100,000	-----	-----
Rollins College, Fla.	1,072,000	1964-2001	10:00 a.m.
Sept. 18 (Monday)			
Atlanta, Ga.	5,300,000	-----	-----
Sept. 19 (Tuesday)			
Dearborn, Mich.	1,000,000	1962-1991	8:00 p.m.
Fridley, Minn.	1,190,000	1964-1973	8:00 p.m.
Milwaukee, Wis.	7,250,000	1962-1976	10:30 a.m.
Oklahoma (State of)	35,500,000	1964-1986	10:00 a.m.
Pennsylvania State Sch. Building Authority, Pa.	25,893,000	-----	-----
Sacramento, Calif.	8,000,000	1962-2000	8:00 p.m.
Sept. 20 (Wednesday)			
Los Angeles Dept. of W. & P., Cal.	15,000,000	-----	-----
New Mexico (State of)	3,140,000	1962-1971	10:00 a.m.
New York City, N. Y.	42,490,000	1962-1967	11:00 a.m.
Sept. 26 (Tuesday)			
Detroit, Mich.	22,250,000	-----	-----
Detroit City Sch. Dist., Mich.	10,000,000	1963-1988	-----
Sept. 27 (Wednesday)			
Illinois (State of)	100,000,000	-----	-----
Sept. 28 (Thursday)			
Indianapolis, Ind.	2,200,000	-----	1:30 p.m.
Sept. 29 (Friday)			
Minneapolis, Minnesota	3,400,000	1989	4:30 p.m.
Oct. 10 (Tuesday)			
Los Angeles City Col. Dist., Calif.	7,500,000	-----	-----
Los Angeles U. S. D., Calif.	27,500,000	-----	-----
Oct. 17 (Tuesday)			
Wayne County, Mich.	16,815,000	1966-2001	-----
Oct. 24 (Tuesday)			
Portland, Ore.	3,500,000	1964-1983	-----
Nov. 1 (Wednesday)			
Commerce, Texas	1,082,000	-----	-----
Nov. 14 (Tuesday)			
Los Angeles Flood Control D., Cal.	15,000,000	-----	-----
Dec. 12 (Tuesday)			
Los Angeles Co. Hosp. Dist., Calif.	3,781,000	-----	-----

* Pinch-hitting for Don Mackey.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3 1/2%	1978-1980	3.80%	3.65%
Connecticut (State)	3 3/4%	1980-1982	3.45%	3.35%
New Jersey Highway Auth., Gtd.	3%	1978-1980	3.50%	3.35%
New York (State)	3%	1978-1979	3.40%	3.30%
Pennsylvania (State)	3 3/8%	1974-1975	3.25%	3.15%
Vermont (State)	3 1/2%	1978-1979	3.35%	3.20%
New Housing Auth. (N. Y., N. Y.)	3 1/2%	1977-1980	3.40%	3.25%
Los Angeles, Calif.	3 3/4%	1978-1980	3.75%	3.65%
Baltimore, Md.	3 1/4%	1980	3.50%	3.40%
Cincinnati, Ohio	3 1/2%	1980	3.45%	3.35%
New Orleans, La.	3 1/4%	1979	3.65%	3.55%
Chicago, Ill.	3 1/4%	1977	3.65%	3.55%
New York City, N. Y.	3%	1980	3.60%	3.55%

August 30, 1961 Index=3.4076%

The State of TRADE and INDUSTRY

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

All areas of the economy are expected to provide strength to the recovery during the next year states the August issue of *Barometer of Business* published by Harris Trust and Savings Bank, Chicago. With personal income up over \$13 billion from its recession low in February, consumer spending can be expected to rise substantially later in the year.

The latest University of Michigan survey of consumer buying intentions reports that plans to purchase new cars in the fourth quarter are high. Since housing starts are climbing, residential spending should increase further in the next few months.

In the business sector, the Harris Bank indicates, inventory accumulation will continue and plans for plant and equipment spending suggest a 5% rise in capital expenditures by the fourth quarter. Also government expenditures will definitely climb with Federal spending budgeted at fiscal 1962 level \$7 billion above fiscal 1961.

Ed. Note:—Due to an inadvertence, we failed to mention that the source of the business situation survey published in this space last week was the Federal Reserve Bank System.

The recovery in business this year has been more robust than most forecasters had anticipated six months ago indicates the business periodical. Gross national product rose over \$14 billion between the first and second quarters of this year to reach both a record monetary and real dollar rate. Also personal income has set a new high each month since March.

In addition industrial production rose 8% in the first four months of the 1961 expansion to within 1% of the record level of January, 1960.

There was no price inflation in GNP for the first time in seven years the *Barometer of Business* points out. The \$14 billion gain in total spending in the spring quarter was entirely an increase in real gross national product. This real dollar increase was the largest quarter-to-quarter rise in the history of the country.

For a comparison the monthly publication indicates that the 2.8% rate of growth in gross national product between the first and second quarters of the year has been exceeded only four times in the postwar period.

These four are the second and third quarters of 1950 (Korean War buying spree), the first quarter of 1955, and the second quarter of 1959 (inventory buildup in anticipation of steel strike).

The reversal of inventory policy by businessmen accounted for nearly half of the GNP increase in the second quarter observes the Harris Bank. After reducing inventories at an annual rate of \$4 billion in the first quarter of 1961, business added to stocks at a rate of \$2.5 billion in the second quarter.

Inventory accumulation early in an economic recovery is unusual points out the business summary. Typically, inventories are still being reduced after the trough in the business cycle has been reached. This was true in both the 1958 and 1954 upturns. In 1958, output was recovering in the second quarter but inventory accumulation did not turn positive until the fourth quarter. In 1954 GNP bottomed out in the second quarter and inventory rebuilding

was moderate in the fourth quarter.

In the current business cycle, however, inventory recovery coincided with the performance of the over-all economy states the *Barometer*. Industrial production declined through February and inventory liquidation came to an end in March. Inventory policy was thus contributing to an expansion in output during the spring months of 1961.

Consumer spending on durable goods and services was an important element in the expansion in spending, points out the Harris Bank. Personal consumption expenditures rose \$2.5 billion during the second quarter. Spending on durables, paced by auto sales, was up 6% in the second quarter compared with the first quarter. And the Federal Government with defense expenditures up \$1.5 billion substantially boosted spending.

Bank Clearings for Week Ended August 26 Are 7.7% Above Corresponding 1960 Week

Bank clearings last week showed an increase compared with a year ago. Preliminary figures compiled by the *Chronicle* based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Aug. 26, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 7.7% above those of the corresponding week last year. Our preliminary totals stand at \$26,000,133,683 against \$24,139,002,526 for the same week in 1960. Our comparative summary for the leading money centers for the week follows:

Week End	(000s omitted)	%
Aug. 26—1961	1960	
New York	\$13,569,499	\$12,610,957 + 7.6
Chicago	1,205,073	1,210,595 — 0.4
Philadelphia	1,043,000	990,000 + 5.4
Boston	761,119	699,352 + 8.8

Administration and Congressional Opposition Is Building Up to Oppose Increasing Steel Prices.

Administration and Democratic congressional pressure is building up to halt any moves to increase steel prices, *The Iron Age* reports.

This is reflected in last week's massive attack against steel price increases by the Senate's most powerful group, representing a majority of Senate votes. It is backed up by behind-the-scenes moves by administration people up to the cabinet level.

But these two facts stand out, *The Iron Age* says:

Increases in steel prices are still "phantom increases." No decision has been reached in the steel industry on what, if any, price move will be made after the Oct. 1 steel wage increase.

But industry leaders are determined not to be intimidated by threats or pressure from Washington. The final price action will be determined by market forces. These include competition, from other materials and from imported steel, and over-all demand.

Without any final decision reached, *The Iron Age* speculates there is a chance of selective price increases.

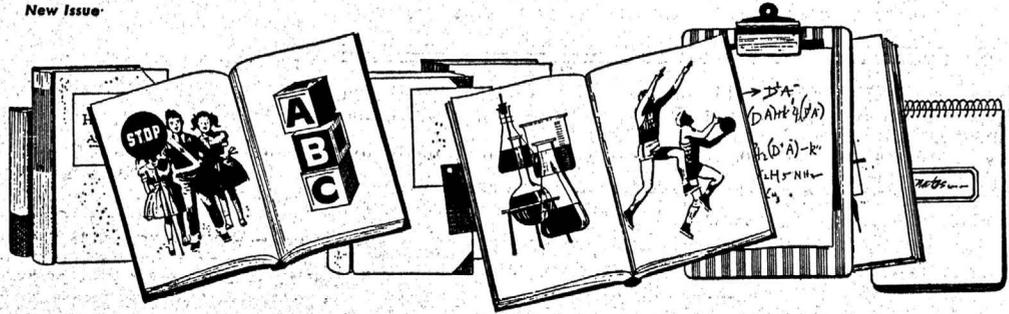
These would not be across-the-board, but would apply to products in strongest demand and products where present prices are out of line with costs.

It is unlikely that selective increases will approach \$5 per ton. Instead, they could range from \$2.50 to \$3.50 per ton, if they come.

If prices are raised, the Administration will make every at-

Continued on page 30

New Issue



\$20,000,000

SAN DIEGO UNIFIED SCHOOL DISTRICT

SAN DIEGO COUNTY, CALIFORNIA

5%, 3 1/4%, 3 1/2%, 3 5/8% and 1% 1960 School Bonds, Series B

Dated October 1, 1961

Due October 1, 1963-82, incl.

Payment and Registration

Principal and semi-annual interest (April 1 and October 1) payable, at the option of the holder, at the office of the Treasurer of San Diego County in San Diego, California, or at the main offices of Bank of America N.T.&S.A. in San Diego, Los Angeles, and San Francisco, California, or at any fiscal agency of the District in New York, N. Y., or in Chicago, Ill. First coupon (annual) payable October 1, 1962. Coupon bonds in denomination of \$1,000 registrable only as to both principal and interest.

Tax Exemption

In the opinion of counsel, interest payable by the District upon its bonds is exempt from all present Federal and State of California personal income taxes under existing statutes, regulations and court decisions.

Legality for Investment

We believe that these bonds are legal investments in New York for savings banks and trust funds and in California for savings banks, subject to the legal limitations upon the amount of a bank's investment, and are likewise legal investments in California for other funds which may be invested in bonds which are legal investments for savings banks, and are eligible as security for deposits of public moneys in California.

Purpose and Security

These bonds, issued under provisions of Division 16, Chapter 7, California Education Code, for various school purposes, in the opinion of counsel constitute valid and legally binding obligations of the San Diego Unified School District. The Board of Supervisors of San Diego County has power and is obligated to levy ad valorem taxes for the payment of said bonds and the interest thereon upon all property within said District subject to taxation by said District (except certain intangible personal property, which is taxable at limited rates), without limitation of rate or amount.

Tax Gain, Amortization of Premium

These bonds will be initially issued by the above named political subdivision at not less than their par value, and a taxable gain may accrue on bonds purchased at a discount. Investors are required under existing regulations to amortize any premium paid thereon.

Legal Opinion

The above bonds are offered when, as and if issued and received by the underwriters listed below, as well as other underwriters not shown whose names will be furnished on request, and subject to approval of legality by Messrs. Orrick, Doherty, Harrington & Sulcliffe, Attorneys, San Francisco, California, a copy of whose legal opinion will be printed on each bond.

AMOUNTS, RATES, MATURITIES AND YIELDS OR PRICES

(Accrued interest to be added)

Amount	Coupon Rate	Due	Yield or Price
\$1,000,000	5%	1963	2.00%
1,000,000	5	1964	2.20%
1,000,000	5	1965	2.35%
1,000,000	5	1966	2.50%
1,000,000	5	1967	2.65%
1,000,000	5	1968	2.80%
1,000,000	5	1969	2.95%
1,000,000	3 1/4	1970	3.05%
1,000,000	3 1/4	1971	3.15%
1,000,000	3 1/4	1972	100
1,000,000	3 1/4	1973	3.35%
1,000,000	3 1/4	1974	3.40%
1,000,000	3 1/2	1975	3.45%
1,000,000	3 1/2	1976	100
1,000,000	3 1/2	1977	100
1,000,000	3 1/2	1978	3.55%
1,000,000	3 1/2	1979	3.60%
1,000,000	3 1/2	1980	3.60%
1,000,000	3 1/2	1981	3.65%
1,000,000	1	1982	Not re-offered

- | | | | | |
|--------------------------------|--|-----------------------------------|----------------------------------|---------------------------------------|
| Bank of America | Blyth & Co., Inc. | Security First National Bank | Morgan Guaranty Trust Company | The First Boston Corporation |
| Harriman Ripley & Co. | Smith, Barney & Co. | Lehman Brothers | The Northern Trust Company | Merrill Lynch, Pierce, Fenner & Smith |
| Dean Witter & Co. | Wells Fargo Bank | American Trust Company | Weeden & Co. | Seattle-First National Bank |
| The Philadelphia National Bank | John Nuveen & Co. | J. Barth & Co. | Equitable Securities Corporation | |
| Shields & Company | R. W. Pressprich & Co. | William R. Staats & Co. | Shearson, Hammill & Co. | E. F. Hutton & Co. |
| Hayden, Stone & Co. | Wertheim & Co. | Bacon, Whipple & Co. | A. G. Becker & Co. | City National Bank & Trust Company |
| Commerce Trust Company | Francis I. duPont & Co. | W. E. Hutton & Co. | Lee Higginson Corporation | New York Hansaatic Corporation |
| Wm. E. Pollock & Co., Inc. | Stone & Youngberg | First Security Bank of Utah | Fitzpatrick, Sullivan & Co. | Gregory & Sons |
| The National City Bank | The Robinson-Humphrey Company, Inc. | F. S. Smithers & Co. | Brush, Slocumb & Co., Inc. | |
| Coffin & Burr | Cruttenden, Podesta & Co. | A. G. Edwards & Sons | Freeman & Company | Hirsch & Co. |
| J. A. Hogle & Co. | Hooker & Fay, Inc. | Hutchinson, Shockey & Co. | Johnston, Lemon & Co. | |
| Kenower, MacArthur & Co. | Lawson, Levy, Williams & Stern | Irving Lundborg & Co. | Lyons & Shafto | McCormick & Co. |
| McMaster Hutchinson & Co. | William S. Morris & Co. | Rowles, Winston & Co. | Shuman, Agnew & Co. | Stein Bros. & Boyce |
| Stockyards National Bank | Third National Bank | Wells & Christensen | J. C. Wheat & Co. | Arthur L. Wright & Co., Inc. |
| Chapman, Howe & Co. | The Continental Bank and Trust Company | Dallas Union Securities Co., Inc. | Hannahs, Ballin & Lee | |
| Hill Richards & Co. | Jones, Cosgrove & Miller | Nongard, Showers & Murray, Inc. | Putnam & Co. | Ryan, Sutherland & Co. |
| H. V. Sattley & Co., Inc. | Singer, Deane & Scribner | Stern, Frank, Meyer & Fox | Wagenseller & Durst, Inc. | R. D. White & Company |
| Robert L. Whittaker & Co. | Frank & Robert Bender Co. | Herbert J. Sims & Co., Inc. | C. N. White & Co. | |

A circular relating to these bonds may be obtained from any of the above underwriters, as well as other underwriters not shown whose names will be furnished on request.

August 30, 1961

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

American Stock Exchange—Mid-year 1961 edition of booklet giving industrial classification of securities traded on the exchange, with high-low-last prices for 1960 and first half of 1961—American Stock Exchange, 86 Trinity Pl., New York 6, N. Y.

Bond Market—Discussion—New York Hanseatic Corporation, 120 Broadway, New York 5, N. Y.

Building & Construction Industry—Analysis—With particular reference to American Radiator & Standard Sanitary, Philip Carey Manufacturing Co., Giant Portland Cement and National Lead—Penington Colket & Company, 70 Pine St., New York 5, N. Y.

Educational Publishers—Review—A. M. Kidder & Co., Inc., 1 Wall St., New York 5, N. Y.

Japanese Electronics Industry—Analysis—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y.

Japanese Market—Review—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are analyses of Nippon Suisan Kaisha, Ltd. and Toppan Printing Co. Ltd.

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

Japanese Stocks—Handbook for investment, containing 20 essential points for stock traders and investors—The Nikko Securities Co., Ltd., Tokyo, Japan—New York office 25 Broad Street, New York 4, N. Y.

New York City Bank Stocks—Second Quarter Statistics on 11 New York Banks—Laird, Bissell & Meeds, 120 Broadway, New York 5, 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.

Post War Changes in the American Economy—Study—Calvin Bullock, Ltd., 1 Wall St., New York 5, N. Y.

Retail Trade—Discussion with particular reference to Broadway

Hale Stores, Bullock's Inc., Federated Department Stores, May Department Stores, J. C. Penney, and Sears Roebuck—Paine, Webber, Jackson & Curtis, 25 Broad St., New York 4, N. Y. Also available are data on Hercules Powder Co., Cleveland, Cincinnati, Chicago & St. Louis Railroad, Cleveland Electric Illuminating, Aldens Inc., Fireman's Fund Insurance Co. and Lockheed Aircraft.

Steel Industry—Survey—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y. Also available is a survey of National Steel Corporation and a discussion of Railroad prospects.

Western Pennsylvania Corporations—Reports on 83 Western Pennsylvania Corporations (ninth edition)—Singer, Deane & Scribner, Union Trust Building, Pittsburgh 19, Pa.

Aldens Incorporated—Analysis—Ira Haupt & Co., 111 Broadway, New York 6, N. Y.

American Laboratories, Inc.—Bulletin—Taylor, Bergen, Lynn & Lee, 1830 West Olympic Blvd., Los Angeles 6, Calif. Also available are bulletins on Electroslids Corp., Lasco Industries, Kramer-American Corp., and Products Research Company.

Bank of California, N. A.—Memorandum—Schwabacher & Co., 100 Montgomery St., San Francisco 4, Calif. Also available are memoranda on Consolidated Water Power & Paper Co., Midland Capital Corp. and Union Bank.

Benrus Watch Co.—Memorandum—J. A. Hogle & Co., 40 Wall St., New York 5, N. Y. Also available in a memorandum on Georgia Pacific Corp.

Brown Company—Report—Gerstley, Sunstein & Co., 211 South Broad St., Philadelphia 7, Pa.

Burlington Industries—Analysis—Eisele & King, Libraire, Stout & Co., 50 Broadway, New York 4, N. Y.

Bzura Chemical—Memorandum—Amott, Baker & Co., Incorporated, 150 Broadway, New York 38, N. Y.

Calgary Power Ltd.—Analysis—Royal Securities Corporation Limited, 244 St. James St., West, Montreal 1, Canada. Also available are analyses of Canada Cement Company, Canada Steamship Lines, Canadian International Power Company, Dominion Bridge Company, Dominion Tar & Chemical Company, Du Pont of Canada Limited, Ford Motor Company of Canada Limited and Simpsons Limited.

California Financial Corporation—Report—Pacific Northwest Company, 1000 Second Ave., Seattle 24, Wash. Also available are reports on First National Bank of San Jose and San Jose Water Works.

Canadian Kodiak Refineries Ltd.—Report—Troster, Singer & Co., 74 Trinity Place, New York 6, N. Y. Also available are reports on the Machine Tool Industry, Kahr Bearing Corporation and Air Express International Corp.

Champion Papers—Analysis—Goodbody & Co., 2 Broadway, New York 4, N. Y.

Chroma-Glo Inc.—Report—Jamieson & Company, Torrey Building, Duluth 2, Minn.

Clairtone Sound Corp.—Report—Robbins, Droure & Clark, Inc., 82 Wall St., New York 5, N. Y.

Clark Equipment—Chart analysis—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y.

Consolidated Foods Corp.—Bulletin—A. C. Allyn & Co., 122 South La Salle St., Chicago 3, Ill. Also available are bulletins on General American Transportation, Chas. Pfizer & Company, Monroe Auto Equipment Company, Philip Carey Manufacturing Co., Sealright Oswego Falls Corp., Southern Union Gas Company and United Insurance Company of America.

Dimplex—Discussion—Stearns & Co., 80 Pine St., New York 5, N. Y.

Dow Jones & Co.—Memorandum—Birr & Co., Inc., 155 Sansome St., San Francisco 4, Calif.

Dun & Bradstreet Inc.—Analysis—The Illinois Company, Inc., 231 South La Salle St., Chicago 4, Ill.

Echlin Manufacturing—Analysis—Butcher & Sherrerd, 1500 Walnut St., Philadelphia 2, Pa. Also available are analyses of Ekco Products and Phillips' Lamp Works.

Electronic Accounting Card—Memorandum—Estabrook & Co., 80 Pine St., New York 5, N. Y. Also available is a memorandum on Shawinigan Water & Power.

Fairchild Strato—Review—Hemphill, Noyes & Co., 8 Hanover St., New York 4, N. Y. Also available are reviews of Olin Mathieson Chemical Corporation and Union Bag-Camp Paper Corp.

Financial General Corporation—Analysis—W. E. Hutton & Co., 14 Wall St., New York 5, N. Y.

General Cable—Report—Blair & Co., Inc., 20 Broad St., New York 5, N. Y. Also available are reports on American Optical and Bell & Howell.

General Telephone & Electronics Corporation—Analytical brochure—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y. Also available is a list of Investment Suggestions for various purposes.

M. A. Hanna Company—Analysis—Evans & Co., Inc., 300 Park Ave., New York 22, N. Y. Also available is an analysis of Standard Pressed Steel Company.

Haveg Industries—Analysis—Newburger, Loeb & Co., 15 Broad St., New York 5, N. Y.

Hupp Corporation—Analysis—Halle & Stieglitz, 52 Wall St., New York 5, N. Y. Also available are data on Celanese, Chicago & Northwestern Railway, McCrory Corp., Ronson Corp., Suburban Propane Gas and Thiokol.

Illinois Central Railroad—Report—Fahnestock & Co., 65 Broadway, New York 6, N. Y. Also available is a survey of Kroger Company.

Income Properties Inc.—Analysis—L. D. Sherman & Co., 52 Broadway, New York 6, N. Y.

International Harvester—Memorandum—F. P. Ristine & Co., 15 Broad St., New York 5, N. Y.

International Minerals & Chemical Corp.—Memorandum—A. E. Osler Co., Ltd., 11 Jordan St., Toronto 1, Canada.

International Paper Co.—Survey—Schirmer, Atherton & Co., 50 Congress St., Boston 9, Mass. Also available are surveys of Central Maine Power, Midland-Ross Corp. and Taylor Instrument Companies.

Kelsey Hayes—Memorandum—Divine & Fishman, Inc., 2 Broadway, New York 4, N. Y.

Kerr McGee Oil Industries, Inc.—Report—Walston & Co., Inc., 74 Wall St., New York 5, N. Y.

Kromex, Inc.—Analysis—Johnston & Co., Inc., Hanna Bldg., Cleveland 15, Ohio.

Lee Filter—Memorandum—Theodore Arrin & Co., Inc., 82 Beaver St., New York 5, N. Y.

Lithonia Lighting Inc.—Report—Courts & Co., 11 Marietta St., N. W., Atlanta 1, Ga. Also available is a bulletin on Textiles.

P. Lorillard Co.—Memorandum—J. W. Sparks & Co., 120 Broadway, New York 5, N. Y.

Manhattan Shirt Co.—Review—Van Alstyne, Noel & Co., 40 Wall St., New York 5, N. Y. Also available are reviews of San Diego Gas & Electric and ACF Industries.

McDonnell Aircraft Corp.—Analysis—J. R. Williston & Beane, 2 Broadway, New York 5, N. Y.

Midland Guardian Co.—Memorandum—Kidder, Peabody & Co., 17 Wall St., New York 5, N. Y. Also available is a memorandum on Polychrome Corp.

Mortgages Incorporated—Analysis—Copley & Co., Inc., 620 North Tejon St., Colorado Springs, Colo.

Mother's Cookie Co.—Analysis—Equitable Securities Corp., 322 Union St., Nashville 3, Tenn.

Murphy Corp.—Memorandum—R. W. Pressprich & Co., 80 Pine St., New York 5, N. Y.

National Standard Co.—Memorandum—E. F. Hutton & Co., 1 Chase Manhattan Plaza, New York 5, N. Y.

New York & Honduras Rosario Mining Co.—Discussion in September issue of American Investor—American Investor, American Stock Exchange Building, New York 6, N. Y.—15c per copy, \$1.00 per year. Also in the same issue are discussions of Triangle Conduit & Cable Co., Brown & Williamson Tobacco Co., Federated Purchases, and Scrap Metal Companies.

Paul Hardeman Inc.—Memorandum—Newborg & Co., 25 Broad St., New York 4, N. Y.

Philip Carey Manufacturing Co.—Analysis—Colby & Co., Inc., 85 State St., Boston, Mass.

Radio Corporation of America—Analysis—H. Hentz & Co., 72 Wall St., New York 5, N. Y. Also available are reports on United Shoe Machinery Corp. and the Air Transport Industry, with particular reference to United Air Lines and Northwest Air Lines.

Rockover Brothers, Inc.—Analysis—Hayden, Stone & Co., 25 Broad St., New York 4, N. Y.

Royal Crown Cola—Survey—Shields & Co., 44 Wall St., New York 5, N. Y.

Therm-O-Disc Inc.—Analysis—McDonald & Co., Union Commerce Building, Cleveland 14, Ohio.

Warner Brothers Co.—Analysis—Hill Richards & Co., Inc., 621 So. Spring St., Los Angeles 14, Calif.

Westgate California Corporation—Analysis—Parker Ford & Company, Inc., Vaughn Building, Dallas 1, Texas.

Zenith Radio Corp.—Analysis—Droulia & Co., 25 Broad St., New York 4, N. Y.

Dornost Publishing Common Offered

Public offering of 100,000 common shares of Dornost Publishing Co., Inc., at \$1 per share is being made by Globus, Inc., and Harold C. Shore & Co., Inc., New York City. Proceeds will be used by the company to increase the magazine's subscriptions and advertising, expand its editorial staff and for related activities.

The company, of 43 W. 63 St., New York, is engaged in the publication of a monthly magazine entitled "The National Real Estate Investor." The magazine is a professional real estate publication dealing with the problems and matters of special interest to the entire real estate industry.

Richard D. Irwin Common Offered

A. G. Becker & Co., Inc., heads an underwriting group which is offering publicly 160,000 common shares of Richard D. Irwin, Inc., at \$16.

Of the total 35,000 are being offered for the company and 125,000 for the account of certain shareholders. Proceeds to the firm will be added to working capital.

The company, located in Homewood, Ill., is a publisher of college textbooks, specializing in business and economic subjects. A subsidiary, The Dorsey Press, Inc., publishes textbooks in the social sciences.

For banks, brokers and financial institutions.

SMALL BUSINESS INVESTMENT COMPANIES

In order to stimulate the growth of the nation's economy and accelerate the flow of private capital, Congress in 1958 passed the Small Business Investment Act. It provides among other things, unprecedented tax advantages, namely:

1. An ordinary loss deduction to the S.B.I.C. rather than a capital loss deduction—in case of losses.
2. An ordinary loss deduction rather than a capital loss deduction to investors who sustain losses upon sale of their stock, regardless of the period held.
3. Stockholders profits are treated as capital gain and subject only to a maximum tax of 25%, after 6 months.

Below is a list of representative S.B.I.C.'s which we position and trade:

Company	Original Offering Price	Approx. Current Price	1961 Range
Boston Capital Corp.	15	18½	29½—13½
Capital for Technical Ind., Inc.	10	11¼	14—10
Capital Southwest Corp.	11	9%	12½—9%
Electronics Capital Corp.	10	31¼	69—21
First Small Bus. Inv. Corp. of N. J.	12½	12¼	14¼—12½
Florida Capital Corp.	8	8¼	15¼—5¼
Franklin Corporation	10	18½	25—9¼
Greater Washington Ind. Inv. Inc.	10	24½	28½—11½
Growth Capital, Inc.	20	26	34—20½
Marine Capital Corp.	15	13%	20½—13%
Mid-States Business Cap. Corp.	11	14%	19—11¼
Midland Capital Corp.	12½	14%	23½—12½
Minnesota Scientific Corp.	1.15	1½	2—1½
Narragansett Capital Corp.	11	12	17½—8½
St. Louis Capital Inc.	10	8%	11½—8¼
Science Capital Corp.	8	7%	8¼—7%
Southeastern Capital Corp.	12½	10	13½—9¼
Techno Fund, Inc.	12½	12¼	24½—10½
*Business Funds, Inc.	11	10½	11½—10½

FIRM TRADING MARKETS ON ALL THE ABOVE

*Prospectus on request.

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

The information herein is based on recognized statistical services, company reports or other sources commonly relied on, or is an expression of our opinion. It presents information believed to be of interest to the trade and does not purport to be complete. This firm has a long position in these securities and may, from time to time, have a long or short position.

Short-Term Prospects for Construction Machinery

By Louis B. Neumiller,* Chairman of the Board, Caterpillar Tractor Company, San Francisco, Calif.

Domestic sales of construction machinery have improved seasonally since the first of the year as they usually do in the spring. However, the early stages of the economic recovery have not been marked by any pronounced strengthening in the construction machinery business. Perhaps contractors are exercising greater than usual caution in their equipment buying because adverse conditions have characterized construction activity for a longer period than most other lines. The Highway Program was cut back sharply in the middle of 1959 and about the time it was restored to its former level in 1960, contractors were confronted with the developing economic recession. Now that the economy is moving upward and construction activity is increasing, industry sales are expected to show improvement in the second half of 1961, after adjustment for the usual seasonal decline.



Louis B. Neumiller

Highway construction, the most important activity requiring earthmoving machinery, has now recovered to the peak level achieved during early 1959 and a further increase of modest proportions is expected in highway contract awards this year. Longer range prospects for highway work are for further moderate increases if Congress acts favorably on the pending proposals for financing the Interstate System.

Residential building has been increasing again since the beginning of the year. This should lead to higher demand for machinery for site development and basement excavation and, after lumber inventories have been adjusted, to greater requirements for crawler tractors used in logging operations.

Similarly, the requirements for machinery used in various industrial applications are likely to respond to the economic recovery. The expansion of steel production, which has now gone on for four months, will eventually lead to a revival of open-pit iron ore mining. It has already led to an increase in bituminous coal production, which also employs some types of construction machinery.

Foreign demand for construction machinery during the first half of 1961 has been at a higher level than had been expected. Nevertheless, for the year as a whole, sales are likely to recede moderately from the record 1960 level.

Canadian machinery business has been especially weak during the first part of 1961 because of the recession there paralleling that in the U. S., which has been accompanied by a sharp cutback in the lumber industry. However, business now appears to be recovering in Canada as it is in the United States.

Prosperity continues unabated in Western Europe where industrial output is expected to rise by 4% this year. Only in Great Britain has the industrial output been stable for the past year and, even there, expansion is likely to be renewed again soon. Consequently, European machinery

sales should continue at a high level.

Sales prospects for the remainder of the year in Latin America, Africa, Asia, and Aus-

tralia are less encouraging. Australia has found it necessary to combat a balance of payments crisis through the use of restrictive credit and fiscal measures to reduce domestic demand. Basic commodity prices declined during 1960 and, although an upturn appears to have occurred early this year, the decline in export earnings has reduced the ability of the commodity exporting countries to buy from the industrial nations for a period of time. The

early recovery of the U. S. economy and the continued European economic advance insure that this hesitation in sales to the raw material producing countries will be brief.

In summary, it is expected that the upturn in the U. S. economy will lead to improvement in domestic construction machinery sales, after seasonal adjustment, during the second half of this year. Foreign sales, on the other

hand, are expected to show a slight decline from recent levels.

*A statement by Mr. Neumiller at the "Business Outlook for the Last Six Months of 1961" seminar sponsored by the First National Bank of Chicago.

With Clinton Gilbert

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—James A. Mohon is now connected with Clinton Gilbert & Co. of New York.

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August 28, 1961

Capital and Money Markets During the Coming Boom

By Hans Heinemann, New York, N. Y.

Mr. Heinemann's survey of the economic outlook does not doubt that a boom is in the making, and perhaps even a super boom, as well as accompanying pressures on prices, wages and profits. Moreover, the investment banker perceives substantial military and foreign aid expenditures not only adding to our budgetary deficit but, also, to our balance of payment gap which is said to not be under control and to have been narrowed currently by illusionary methods. Investors are advised to be prepared for unorthodox steps by the Kennedy Administration, including controls at an early stage, which may redress the balance now running so strongly in favor of equities. They are further advised on the investment merits of growth companies, old line investment companies' stocks and fixed income obligation during the coming boom.

The recession that began in the second quarter of 1960 and ended in the first quarter of 1961 was one of the shortest and mildest declines on record.

The turnaround in 1961 was sparked by an ending of inventory liquidation and a speedup of government spending. But it was by no means a timid or partial recovery. Gross national product increased from just over an annual rate of \$500 billion in the first quarter to \$515 billion in the second, while the industrial production index recovered almost all the ground it had lost, reaching a new peak in July. Today almost every indicator, except unemployment, reflects the improvement in business conditions.

Indeed, the forces shaping the upturn show differing characteristics from the three previous recoveries in the post-war period, which suggests that the period ahead may bear little resemblance to the booms of the past. The 1954-55 boom was triggered by a big increase in consumer spending; the 1958-59 spurt by a turnaround in defense spending; in contrast, the economy is now moving forward on a broad front, stimulated by massive increased defense and foreign aid spending, which gives it a solid look. And it

is probable that it can be sustained for many months, vaulting the economy to new peaks.

There is now no doubt that a boom is in the making and perhaps a super boom that will strain our productive capacity and sop up the comparatively large number of unemployed. Federal spending is rising at a rapid pace; so are business outlays for inventories; consumer spending, although rising more slowly, could accelerate as personal incomes continue climbing, touching off a new round of capital spending by business. Such a chain reaction is possible even though the next spurge in population is not due until the mid-1960s and there are no great consumer needs that are presently unsatisfied. The American urge to upgrade is still strong, however, and after three or four years of comparative sobriety, rising income could start a new spree without any additional stimulus beyond those already at work.

Profits and Pitfalls

A rise of the Gross National Product to an annual rate of \$560-\$570 billion not later than 1963 is possible, which by any yardstick would merit a boom label, but the outlook for corporate profits is

not thereby assured. The new era of competitive pressure confronting American enterprise is plainly reflected in the squeeze on profits, and though sales volume will rise as demand increases, there is some doubt that profits can keep pace. Corporate profits in 1961 should be in the neighborhood of \$45-\$46 billion before taxes, or approximately the same level as in 1960; based on the pattern of the 1950s; which saw a percentage shrinkage in corporate profits; the 1962 level should reach \$52-\$53 billion pre-tax. While this may appear a substantial improvement, the fact is that it will not represent anything more than the rise to be expected in a normal cyclical upturn. This will be enough to give some momentum to the boom; but it will mean a short-fall in Treasury revenues, and it may or may not cause businessmen to throw caution to the winds and go full speed ahead with new capital spending.

American corporations have not been asleep at the switch. They have been engaged in a mass migration to foreign countries where production costs are cheaper; and they have made serious efforts to improve their efficiency and hold down costs at home. But they are still beset by resistance to price increases, and though this may change in a boom atmosphere, business has first to restore the price cuts made in the first half of the recession before it can begin putting through price rises. Even then, across-the-board increases are improbable, for those industries with a high labor content are likely to face increased wage demands, and those already confronted with foreign competition cannot hope for relief in the form of rising prices.

Industrial production can increase for a considerable period without a commensurate increase in employment. However, if unemployment does not begin to decline appreciably, pressure for additional measures will build up in Congress and the Administration itself, which apparently favors a broad approach rather than precision measures to deal with spe-

cific pockets of unemployment. This could be another inflationary stimulus, increasing the deficit, and putting greater pressure on wage costs.

Wage costs are now rising in Europe at a faster rate than in the United States, but there is a long way to go before the gap is closed. In contrast to the high level of unemployment prevalent in the United States, Western Europe is suffering from a labor shortage, and yet it still holds a competitive edge in many areas. Historically the high cost of United States labor has been due to the short supply, while Europe has until now always had surplus labor available. European industry has demonstrated an enviable ability to utilize a high and increasing amount of labor in its manufacturing while the United States is showing a constant decrease. Automation is probably somewhat further advanced in the United States, but this has been offset by labor-management cooperation in Western Europe, which has kept productivity rising as fast, or faster, than wages, resulting in a rapid rate of real growth. This factor has acted like a magnet in attracting United States investment capital abroad.

Growing Pains

American economists are unanimous in seeking a high rate of growth. The issue is just how it can best be achieved. There is, as yet, no meeting of minds within the Administration itself, although Kennedy's economic braintrusts are disposed to a greater measure of government stimulation as one essential ingredient.

Necessarily, many of the spending measures that the Administration proposed in its first few months were aimed at countering the recession rather than stimulating growth. But anti-recession stimulants were still being prescribed after the recovery was clearly discernible on the theory that growing pains were unlikely until the economy had taken up all its slack.

This forced feeding of the economy hastens recovery and boom, but is another factor inviting the excesses of a super boom. If the United States was somehow invulnerable to external pressures, even a super boom could be tolerated without too much damage. But the United States must also safeguard the status of the dollar, and over-stimulation of the domestic economy by heavy doses of deficit spending while the deficit in the balance of payments increases seems unlikely to serve this objective.

But such a course has been embarked upon. It will mean growth, but it will also mean pain. The Administration has yet to face up to the consequences of its burdens. The defense budget has been raised almost 20% over the Eisenhower estimate, while other expenditures have increased as well. The official Treasury estimate of the 1962 deficit is now \$5.3 billion, but if past experience is any guide, the deficit will probably be considerably larger.

Cautious Cavalier

The Eisenhower Administration floundered in its undue fear of inflation when the economy was in decline; but the Kennedy Administration, with its emphasis on growth as the means of meeting all its responsibilities, may be going to the other extreme. While inflation is not a current threat, it is far from being exorcised, a state of affairs that the stock market is clearly indicating.

Kennedy's program is still in the process of formulation. The parts that have been revealed are a strange mixture of the cautious and the cavalier, the imaginative and the pedestrian.

In domestic policy, the Administration was prompt in its use of the standard bag of anti-recession

measures but unprepared to recommend a thorough reform of the tax structure, although Congress was awaiting Kennedy's lead; by the same token, his firm statement to defend the dollar has been followed by steps that threaten to diminish its status.

Kennedy's courage in response to challenge is commendable, but challenges cannot be met without a cost. Despite all his eloquence about sacrifice, no bill to raise taxes has been presented, and if the Secretary of the Treasury, Douglas Dillon, is to be taken at his word that a rise in taxes will not be necessary next year, then no bill is being considered. With the tax structure unchanged, however, the government has no other course than deficit financing, with or without controls, which, in the long run, can be a most costly method of financing.

Balance of Payments Deficits

The rising level of foreign aid is bound to increase the "hard core" in the United States balance of payments deficit, particularly over the short run. In the long run, pressure on the dollar seems likely to resume with the expansion of the Common Market. Even if the British find the conditions for entry [into the ECM] too onerous, the dollar will not escape; the onslaught will only be delayed by the attacks on the pound. For if the pound is in jeopardy, the dollar cannot be far behind.

But the Kennedy Administration cannot prepare its defense of the dollar by waiting for the outcome of the negotiations between Britain and the Six. The deficit in the federal budget is sure to raise some qualms abroad; and if the deficit in the balance of payments is swollen by emergency outlays, such as Berlin and Cuba have inspired, then the status of the dollar will again be questioned. The fact is that the United States can no longer afford the kinds of deficits that were considered tolerable in the past.

Treasury Traumas

The Treasury is confronted with the awesome task of finding the funds to pay for the Administration's commitments without jeopardizing the position of the dollar.

The new Treasury team has talked in terms of using fiscal policy and debt management as stabilizing weapons in distinction to the Eisenhower Administration's reliance on monetary policy alone. But Kennedy's tax proposals were a mixed bag, lacking the cohesiveness and flexibility that would take fiscal policy out of mothballs. True, it recognized the validity of an "incentive" plan to stimulate business investment, but its emphasis was misplaced, for most of the benefits would have gone to the firms already spending on capital equipment. A thoroughgoing tax reform might have been passed by Congress before Cuba; but once that opportunity passed, the chances of any basic changes were lost.

But the Treasury managed to resuscitate debt management as a useful stabilizing tool, innovating and experimenting with considerable success. With most foreign money markets offering high yields, it sought, with the cooperation of the Federal Reserve, to maintain short-term rates at a level that would not induce a fresh outflow of funds. By confining most of its borrowings to the short-term area, it managed to keep short-term rates from falling below 2% (in both 1954 and 1958, the 91-day Treasury bill rate fell below .75%).

The period ahead offers a sterner test. Based on the Treasury's own estimates, it will be borrowing about \$5 billion in cash during the balance of calendar 1961 (unofficial estimates range up to \$7 billion); and in the first half of 1962, normally a period of paying down debt, the Treasury

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NEW ISSUE

August 31, 1961

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(Par value \$1)

Price \$20 per Share

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may be faced with raising additional cash and, in any case, engaging in a series of big refinancings. Under current conditions this is bound to exert upward pressure on interest rates; and if it continues to concentrate on the short-term area, the debt structure itself would have an inflationary potential.

Monetary Defenses Against Inflation

Although the threat of inflation is not immediate, the premonitions showing up in both the stock market and the money market cannot be dismissed out of hand. The defenses against inflation, after all, are far from foolproof; and it does not take a actual inflation, but merely the expectation of inflation, to start a run on the dollar. The rising total of dollar balances held abroad is like a bomb that could go off by spontaneous combustion. This is one of the major changes that have taken place since the 1950s, when the deficit in the balance of payments was an objective of government policy. Today, it is recognized that deficits must be controlled if they cannot be avoided, and that domestic inflation can have international repercussions.

Eisenhower's policy for dealing with the deficit was the classic remedy of deflation—tight money and a budget surplus. The Kennedy prescription is bold and unorthodox, involving easy money and government spending to stimulate growth, while relying on flexible techniques in monetary management and debt management to resist inflation. In the first half of 1961, the Federal Reserve helped maintain the short-term rate by abandoning its previous adherence to trading only in bills, a technique that had exaggerated fluctuations in yields. But with a rising economy, which should activate an increased demand for credit, the money managers will not have to concern themselves with shoring up the short-term rate. Their concern will be to keep it from going too far too fast.

Illusionary Balance of Payment Improvement

After three years of swollen balance of payments deficits, totaling over \$11 billion, the United States balance of payments registered a marked improvement in the first half of 1961, with the prospect that the deficit for the year would be much smaller than anticipated. Yet this reversal does not mean that the deficit is under control or that it will not re-emerge. On the contrary, the deficit is like a storm that after lashing the shoreline with high winds, has moved out to sea in a position to strike with even greater destructive force in the future. The lull we are now experiencing has produced an air of complacency, so that little is being done to prepare against another battering.

The strength of the dollar in 1961 was partly an illusion—it improved its position largely because the pound sterling weakened. Germany's prepayment of almost \$600 million in its postwar indebtedness contributed to the decline of the deficit. Even more, the inclusion in the total of United States merchandise exports figures of shipments of farm surpluses and "tied" loans gives a false impression on the surplus side—a difference of \$1.5 billion in 1960, and a still larger amount in 1961. This is tantamount to a sleight of hand that cannot be continued indefinitely.

The illusion of strength might have been exposed if it were not for the cooperation from European central banks which restrained their purchases of gold from the United States. This was not the result of any formal agreement such as the Bank of England obtained after the revaluations by Germany and The Netherlands;

but the desire not to "rock the boat" was undoubtedly a determining influence. In effect, the pressure on sterling and the dollar was relieved by an informal and temporary retreat from convertibility, and *ad hoc* improvisation that has proved useful. The central bank agreements reached at Basle, the proposed expansion in the credit facilities of the International Monetary Fund and the Treasury's excursions into the foreign exchange market can also serve to moderate short-term pressures, but they are not a substitute for internal discipline and cannot be counted on as a part of a permanent defense.

Looking ahead, the deficit in the balance of payments is bound to rise in 1962. On capital account, government spending for foreign economic and military aid is slated to increase substantially. Though private investment may fall in Latin America, this will probably be offset by new expenditures abroad in response to the challenge of an expanded Common Market. On current account, the United States boom will increase demand for imports, and though exports may continue strong if Europe's growth rate is maintained, a slackening in demand by both Canada and Britain seems sure to reduce the trade surplus. Thus, a return to the 1958-60 level in the balance of payments deficit is a possibility.

Western Europe must increase its foreign aid programs at a much faster pace now that the United States is increasing its own spending. It must also share the burden of military aid now that the concept of a full-scale preparedness has replaced the absolute reliance on the nuclear deterrent and is increasing the United States defense budget.

The United States must use its present breathing spell more effectively than it has done to date. Even with a greater measure of foreign cooperation, the United States deficit will increase unless further efforts are made to control it. The long-run defense is, of course, non-inflationary growth, but this cannot be achieved without the sort of self-imposed discipline which the British are now practicing and the United States can ignore only at its peril. These disciplines include such measures as restraint in the use of the ubiquitous expense account, wage restraints, rigorous control of waste in agricultural subsidies, in military spending and in all government expenditures. Also there is a need for tax measures to cut down consumption and increase capital investment.

The Bond Market

During the first half of 1961, a period when the economic decline was halted and recovery began, interest rates, both short-term and long, were remarkably stable. This period contrasts with the 1958 pattern, which saw a sharp rise in rates as soon as recovery became apparent. The difference can largely be explained by the Federal Reserve's change in strategy; in 1958, it began reversing its credit policy very promptly; in 1961, it made clear that there would be no immediate application of the credit brakes.

But the expectation that rates would continue stable was shaken by the British defense of the pound and the Berlin crisis. Although the Federal Reserve feels that the inflationary symptoms cropping up in Wall Street are not entirely warranted, it cannot ignore market psychology either at home or abroad. Its new emphasis on stimulating growth will continue, but investors should be prepared for a change. As inflation recurs, a new crisis in rates will develop as the desire to stimulate growth clashes with the need to protect the dollar.

Given an overstimulated economy, one which invites an outflow

of short-term funds, it is logical to expect that we will return to the old reliance on monetary management, i.e., high interest rates. But another bout with high rates may prove distasteful to the Democratic party which has traditionally favored low rates, and it may seek a way out through controls instead. The economic philosophy of the Administration which stresses the need to reallocate resources, and its sophisticated political feel, both argue against a ready acceptance of high interest rates, a severe tightening of money or an increase in taxes before the 1962 Congressional elections. After the elections, the President's demand for sacrifices may express itself in the form of legislation to control credit, wages and prices.

This is not, of course, a certainty. But the astute investor must take the possibility of controls into account, particularly as interest rates appear headed for new peaks that might slow down or halt the economic boom so essential to the successful waging of the cold war. Such controls might restore the health of the bond market while putting something of a blight on common stocks.

The Stock Market

Today, with the new boom getting under way in the United States while European economic activity pauses to catch its breath, American equities command renewed attention both here and abroad. In the last few years the equities of the Common Market, benefiting from Europe's super boom, had a much bigger rise than equities in the United States, but now the shares of most well-known European companies have been bid up to a level where their price-earnings ratios equal those of American stocks. Moreover, Europe has its own problems. Its economy is now facing the problem of integrating the Inner Sixes and the Outer Seyvens. It is facing

an increased labor shortage in view of the end of the migration from East Germany to West Germany. As a result, it seems likely that Europe will have to deal with ever increasing pressures for higher wages and for an increased demand for more automation to offset the increase in labor costs, a problem with which American industry has long been familiar.

The American and Canadian economies have excess capacities and a large pool of unemployed, offering the possibility of great expansion. Nevertheless, investment in American equities demands flexibility and alertness as never before. The so-called growth issues sell at extremely high price-earnings ratios. Growth companies are vulnerable to any reimposition of excess profit taxes because, for the most part, they have a small capital investment in relation to the volume of business they are doing. The big rise in the American market in the last few years has, in many cases, ignored the old-line investment stocks of companies which are very heavily capitalized, and these stocks promise to out-perform the growth stocks in earnings and in stock prices in the months ahead.

Investor Choice

The coming boom, stimulated by the realities of the cold war, will differ substantially from the pattern of previous booms. It seems likely, therefore, that investor choices will undergo substantial changes. The investor can no longer afford to make permanent commitments; alertness and flexibility are called for because the boom may well bring excessive interest rates and excessive demand for equities. Under these conditions, the investor must adopt hit and run tactics. If the cult of equities goes to new extremes, which seems likely, it may, paradoxically, offer the fixed income obligation a chance to shine anew.

R. J. Bedard With Harbison & Henderson

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Raleigh J. Bedard has become associated with Harbison & Henderson, 210 West Seventh Street, members of the Pacific Coast Stock Exchange. Mr. Bedard, who has been in the investment business for many years, was formerly sales manager for Oechsel, Mudge & Co.

With J. N. Russell

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Roderick R. Russell has joined the staff of J. N. Russell & Co., Inc., Union Commerce Building, members of the New York and Midwest Stock Exchanges.

With Dean Witter Co.

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Ore.—Herman L. Lind, Jr. is now connected with Dean Witter & Co., Equitable Building. He was previously with Camp & Co.

Two With Garat Polonitza

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Thomas C. Green and William J. Reigel have become affiliated with Garat & Polonitza, 8736 Sunset Boulevard, members of the Pacific Coast Stock Exchange. Both were formerly with Olmstead, Allen & Company.

Joins Blalack Staff

(Special to THE FINANCIAL CHRONICLE)

SAN MARINO, Calif.—Thomas H. Wells III is now associated with Blalack & Co., Inc., 2477 Huntington Drive, members of the Pacific Coast Stock Exchange. Mr. Wells was previously with Dean Witter & Co.

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NEW ISSUE

August 28, 1961

150,000 SHARES

Eastern Air Devices, Inc.

COMMON STOCK

(\$1.00 Par Value)

These shares are being offered by the Company to the holders of the Common Stock of the Crescent Petroleum Corporation, subject to the terms and conditions set forth in the Prospectus. Subscription Rights expire at 3:30 P.M., Eastern Daylight Time, September 15, 1961.

The several Underwriters may offer the Common Stock of Eastern Air Devices, Inc. both during and after the subscription period, pursuant to the terms and conditions set forth in the Prospectus.

SUBSCRIPTION PRICE: \$5.00 per Share

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

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Solving the Dilemma Confronting the IMF

By Paul Einzig

Probable problems and proposed solutions apt to come up at the IMF's annual meeting, starting September 15 at Vienna, are reviewed by Dr. Einzig who urges that international organization encourage its members to use Forward Exchange tactics in the cause of international monetary stability. Dr. Einzig is no neophyte when it comes to this subject as his forthcoming book, "A Dynamic Theory of Forward Exchange" (St. Martin's Press, New York City) should testify or to any other phase of international economics. The internationally known economist warns against unjustified creation of international liquidity, and refers to the difficulties of creating more than the present two reserve currencies and of having Britain and the United States relinquish their role as the World's bankers. In fact, he sees the development of a Euro-Dollar weakening the sterling-dollar international duopoly.

LONDON, Eng.—The attention of financial markets all over the world, and also the more intelligent section of public opinion, will be focused upon Vienna on Sept. 18 when the annual meeting of the International Monetary Fund will open there. On previous occasions the approaching date of the annual meetings gave rise to widespread speculation about possible changes in parities or about the possible widening of spreads between support points of exchanges. On the present occasion there appears to be no such anticipation, even though the possibility of some speculation developing to that effect before the opening of the meetings, or during its duration, cannot be ruled out. At the time of writing, however, the expectations of the outcome of the impending meeting are of a different kind.

It is widely hoped that the Vienna deliberations will result in some fundamental change of the very system that has been in operation for the last 15 years. Opinions differ about the formula which should be adopted in order to obviate or mitigate the one-sided pressure to which the two principal international reserve currencies, the dollar and sterling, have been exposed from time to time. Various proposals have been put forward to that end, and their principles and details are likely to be the subject of lively controversy during the meeting. According to the popular forecast in the financial press the Bernstein Plan stands a better chance of being adopted than the Triffin Plan. But quite possibly the formula chosen will be on different lines from either of them.

The Crux of the Problem

The solution that will be sought will have a dual purpose—to increase international liquidity without resorting to an all-round devaluation, and to relieve sterling and the dollar from the strain to which they are exposed through their role of serving as reserve currencies. In respect of both solutions the meeting will be confronted with a difficult dilemma.

The overwhelming majority of vocal opinion throughout the Free World is strongly in favor of a solution that would enable the member governments to pursue expansionary policies without being handicapped by inadequate international liquidity. The opposite point of view was put forward recently by M. Jacques Rueff, the influential financial adviser to the French Government under the various regimes holding office during something like a quarter of a century. But his is a lone voice crying in the wilderness. Even so, many quarters may feel that there must be a happy medium between the "inflation without tears" policy advocated by expansionists and the deflationary policy of doing away with the gold exchange standard advocated by M. Rueff. Many of us are not happy about the prospects of a solution which might open the floodgates for inflation on a national and international scale.

No doubt the case for providing resources to enable the governments to defend their currencies against purely speculative attacks and movements of hot money, is a strong one. On the other hand, should the International Monetary Fund make it too easy for its members to mobilize additional resources, regardless of whether

or not pressure on their currencies is justified by basically unsound situations and policies, the immediate advantages derived from additional facilities are likely to be paid for heavily in the long run.

Standing Up to Essential Standards

It is of the utmost importance, therefore, that any increase in the potential drawing rights of member governments with the Fund should be accompanied by a drastic tightening of the rules under which the use of such facilities is authorized. I am aware that in advocating this I am swimming against the tide, for the fashionable view is that not only should drawing facilities be increased but the use of such facilities should be made to become a matter of routine. That would of course be ideal, if only the governments could be trusted not to misuse the facilities for bolstering up their currencies against pressure justified on the ground of fundamental disequilibrium. The temptation to do so instead of resorting to unpopular measures to correct the disequilibrium would be greatly strengthened if at the same time as increasing drawing facilities the International Monetary Fund were to relax instead of reinforce its vigilance over their use.

The problems involved in the above dilemma are ideological rather than technical. One either believes in expansion at all cost or one does not. If one believes in it it is easy to persuade oneself that the case for increasing drawing rights and facilities in their use is unanswerable. It will be very tempting to disregard or underestimate the dangers involved and to exaggerate the advantages. It remains to be seen whether in finding a solution the International Monetary Fund will be able to resist that temptation.

Reserve Currencies

The second dilemma raises points of a considerably more technical character. Until comparatively recently the possession of a currency which is used for purposes of international reserve was looked upon as an immense advantage from the point of view of both prestige and material interests of the country concerned. During the last year or two, however, it has become increasingly fashionable to argue that the possession of such a currency is more trouble than it is worth. So long as it was only sterling that was exposed to the disadvantages derived from serving as a reserve currency, such arguments carried relatively little weight. After all,

already during the 19th Century Britain established a tradition of managing the international gold standard on a shoestring. There was nothing new in the inadequacy of the British gold reserve in recent years, and Britain appears to have managed to survive the series of crises resulting from it. When, however, even the dollar, with its immense gold backing, came under a cloud in 1959-60, a great many quarters all over the free world arrived at the conclusion that the system under which only two currencies serve as international reserves has great disadvantages from the point of view of international stability.

Accordingly, various solutions have been put forward to relieve the one-sided burden imposed by that role on the sterling and the dollar. A less ambitious and more realistic solution has already been put into operation to some extent. Under it Central Banks are prepared to acquire and hold each others' currencies, subject to certain limits, and the International Monetary Fund has come to grant drawing rights in terms of a wider variety of currencies. Possibly all that will emerge from the Vienna meeting will be a regularization and extension of the practices that have been in actual operation during recent months.

Sterling's and Dollar's Role

On the face of it the case for relieving the dollar and sterling of their risky and burdensome role as reserve currencies appears overwhelming. While until recently there was fierce competition between the United States, Britain, and also other countries from time to time, for the role of the world banker, it is doubtful whether any substantial section of influential opinion could be mobilized today either in the United States or in Britain against a solution under which sterling or dollar would relinquish that role.

But it is easier to express a wish to that effect than to carry it out. If my bank should decide that it no longer wishes to take my account it can pay out my balance with the greatest ease. But for the United States or Britain a decision to cease to act as international bankers would involve paying out of balances amounting to many billions of dollars. Neither Britain nor even the United States could afford to lose such gigantic amounts of gold. As far as Britain is concerned the question cannot arise because the amount of foreign-held short-term sterling assets is several times larger than the gold reserve. As far as the United States is con-

cerned the operation would leave a balance, but it would be grossly inadequate for serving as the basis of the domestic credit structure and for the requirements of external military and economic aid.

In any case, the operation would not be feasible unless the large number of holders of balances are prepared to accept some form of international currency in lieu of dollar or sterling. Moreover, unless millions of importers and exporters all over the world can be persuaded to transact their business in terms of such a unit it would be necessary to keep large dollar or sterling balances for meeting current business requirements. While Central Banks and Treasuries might be willing to make the change, unless private interests are also willing the monetary authorities would have to continue to keep a large part of their reserves in the principal currencies which are likely to be required.

Terms It Utopian

It seems, therefore, quite clear that suggestions that the United States and Britain should relinquish their role as the world's bankers have in existing conditions a distinctly Utopian flavor. An alternative solution would be to increase the number of currencies used for international reserves. Why not add the D. mark, the Swiss franc, the guilder, the French franc, the lira, the Swedish kronor, etc., to the list? Because the extent to which such efforts would be successful they would create more problems than they would solve. In theory the risk would be spread more widely. In practice only one of the currencies would be subject to attack at any given moment, so that it would have to face the full weight of such attacks. Even if the international reserves are dispersed among seven or eight countries, their sudden reduction, coupled with heavy speculative and hedging transactions, and the operation of "leads and lags," would be quite sufficient to endanger the stability of the currencies concerned. If any of the secondary reserve currencies should be unable to stand the strain its depreciation would generate distrust against the other.

Already the development of markets in deposits in terms of various foreign currencies, on the lines of the Euro-dollar has gone a long way towards weakening sterling-dollar duopoly in the international money market. Should this trend be greatly encouraged it might mitigate the potential pressure on sterling or dollar but it would certainly increase the

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New Issue

August 29, 1961

120,000 Shares

Applied Research inc.

Common Stock
(Par Value 25¢ per share)

Price \$6.50 per share

Copies of the Prospectus may be obtained from the undersigned in any state in which such securities may be lawfully offered.

Cruttenden, Podesta & Co. Spear, Leeds & Kellogg

This announcement is under no circumstances to be considered as an offer to sell or a solicitation of an offer to buy any of these securities. The offer is made only by the Prospectus which is available only in such States where these securities may be lawfully sold. These securities are offered as a speculation.

NEW ISSUE

August 29, 1961

100,000 SHARES

DORNOST PUBLISHING COMPANY, INC.

COMMON STOCK
(Par Value \$.01 Per Share)

PRICE \$1.00 PER SHARE

GLOBUS, INC.

HAROLD C. SHORE & CO., INC.

potential pressure on other currencies.

Advocates Forward Exchange Tactics

What then is the right solution? There is ample scope for mitigating that potential pressure without materially altering the international balance of power as between the various currencies. To a large degree the forces making for instability have increased in recent years as a result of the increase of the potential disturbing influence of forward exchanges. There is now much more commercial covering and hedging than before the War. The volume of investments abroad has greatly expanded and is likely to continue to expand, which means that whenever a currency comes under a cloud foreign residents owning any form of assets hasten to hedge against the risk of losses through an exchange depreciation. It would be idle to try to resist a landslide represented by one-sided hedging, covering and speculation against the currency with the aid of technical devices. There are, however, many situations in which judicial and timely application of Forward Exchange tactics could prevent or mitigate the development of such situations. The monetary authorities of a number of countries have duly realized the advantages of such tactics but others are lagging behind in this respect. It would be to the great advantage of all if the International Monetary Fund were to use its prestige and power to encourage member governments to employ Forward Exchange tactics to the best advantage to themselves and to the cause of international monetary stability. There is ample scope for international cooperation and for the exchange of technical and statistical information that would assist the authorities in their task of elaborating the right technique. The International Monetary Fund could play a very important part by providing the channel for such arrangements.

Admittedly, progress in that direction would not be nearly as spectacular as the solutions advocated in various quarters. For one thing the subject is generally considered to be too technical for most people to understand. Even the overwhelming majority of Treasury officials, bankers and monetary economists fight shy of it. Yet, unlike nuclear physics or advanced mathematical economics, Forward Exchange is not beyond the understanding of the average intelligent person, provided he does not make up his mind in advance that he cannot be bothered to master its technicalities.

Of course, obviously a brief meeting such as the Vienna annual meeting of the International Monetary Fund, could not be expected to do more than decide on the broad principle of an increased application of Forward Exchange tactics and of international cooperation to that end. The elaboration of a detailed policy and technique would require prolonged interchanges. But it would be a great achievement if a decision on the principle of the thing could be reached at the present meeting. An announcement to that effect should go some way towards discouraging subversive activities in the Foreign Exchange markets, so that it would reduce the need for the elaborate changes in the system.

Johnson, Lane, Space Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

CORAL GABLES, Fla.—James M. Trotter, III has become associated with Johnson, Lane, Space and Co., Inc., 2423 Le Jeune Road. Mr. Trotter was formerly associated with Sutro Brothers,

The Golden Defense

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

A consideration of gold stocks as useful vehicles for salting away market profits and for defending against possible recession; plus a brief outline of two leading issues.

With the Dow-Jones Industrial Averages fluttering around an all time high some 325 points above the 1929 top of 386, increasingly, board room discussion, these days, centers around defensive securities. What should you do with the money (1) if you have plump profits you want to cash in on, and (2) if you want to protect present or additional invested funds against severe price erosion in event of possible recession?

Currently the standard answers to these questions have been found in bonds, particularly tax exempt ones, convertibles available on a respectable yield basis (with only a moderate premium required for the convertible privilege); raw and income producing real estate; and, for the sophisticated, paintings, precious stones and even aged brandy. But the favorite financial storm or bomb shelter for civilized man for over 3,000 years has been gold. This glittering asset has been prized for its immunity to rust and corrosion, for its portability and storability, for its universal acceptance as a medium of exchange and a store of value, and for its artistic and decorative qualities in everything from rings and toothpicks to solid gold Cadillacs. And in recent decades it has been respected for its absolutely impervious price. The largest and richest organization in the world, Uncle Sam, stands ready to buy gold in limitless quantity at \$35 an ounce; and he's been doing so for over 26 years.

There's just one thing wrong with gold. Americans at home cannot legally buy it or own it. The commodity has become not a golden calf but a sacred cow! There is, however, a way around this tabu against owning gold. You can own it, stored in the ground—not at Fort Knox but in a mine. And the way to do this is to buy gold stocks. Their defensive qualities have been well demonstrated. For example, Homestake common, which we shall shortly discuss, ranged between 8½ and 11½ in 1929 and between 13¾ and 20½ in dismal 1932.

Homestake Mining Company

Homestake is the largest American gold producer and has been so for decades. It accounts for one-third of total domestic output. Homestake is an extremely durable and dependable enterprise, having paid dividends continuously since 1878 with the exception of the war years, 1943-45. It has, since 1956, supplemented its earnings from gold by substantial production and delivery of uranium oxide to the Atomic Energy Commission. Its total assets have increased from \$30 million in 1954 to about \$50 million today.

In its famous mine in South Dakota, Homestake produced, in 1960, 554,770 ounces of gold which it sold at an average net price of \$34.91 per ounce, against production costs of around \$27. At the end of 1960 known ore reserves totaled 13,727,350 tons assaying, on the average, at \$12.40. Exploration continues, and extensive additional deposits, deeper in the earth, have already been located but not fully explored or assayed. Gold delivered 65% of consolidated income in 1960.

Homestake has large interests in, and derived substantial profit from, uranium. It owns three uranium mines outright, La Sal, North Alice, and Huber which, together, delivered 235,000 tons of uranium ore with pre tax profits

of over \$1 million. In addition, it has a 25% interest in a uranium partnership with Sabre - Pinon Corp., and thus shares in a 1,500 ton per day mill, and in a \$118 million uranium contract with Atomic Energy Commission running till the end of 1966. In a second joint venture—Homestake-New Mexico Partners, Homestake has a 24.25% interest. Here the contract runs through March 31, 1962, but an extension is probable. Together these two partnership interest delivered \$1¼ million in pre tax earnings in 1960.

Homestake is respected for its pre-eminent stature in gold mining, its large ore reserves and its supplementary income from uranium. The stock outstanding in the amount of 2,011,910 shares is listed on the New York Stock Exchange and has demonstrated remarkable stability in price ranging from 1950 to date between a low of 31 and a high of 53½. Earnings per share for 1960 (including a special credit of 43 cents) were \$2.74. Indicated dividend is \$1.60 regular, plus a 40 cent extra. There is also an attractive issue of 5½% debenture, convertible into common at \$39.50 per share. These debentures sell currently at 125.

Homestake common represents the major gold equity in North America and possesses sturdy, if not romantic, investment qualities, attractive to individuals interested in the preservation of capital, especially under conditions of economic rigor.

Golden Cycle

The second largest gold producer, Golden Cycle, is not nearly so well known, as it has a much smaller capitalization (251,185 shares of \$10 par) and its shares are traded over-the-counter. Today this stock is available at around a five year low of 8¾.

Golden Cycle owns the Ajax Mine at Cripple Creek, Colorado

which produced 36,200 tons of gold ore averaging \$24.79 per ton in 1960. In addition Golden Cycle operates the largest custom gold mill in the world, also at Cripple Creek. Smaller and independent mine owners can bring their ore there for conversion into gold, on a fee basis. This custom milling has provided steady revenues to Golden Cycle for decades.

The company is also a significant producer of uranium, primarily at its Atkinson Mesa property in Colorado. Uranium production produced \$750,000 in revenue in 1960.

In addition to mining and milling assets, Golden Cycle has real estate holdings in the Pike's Peak area, believed, by some, to be worth perhaps more than the entire market value of the stock at current quotations. In any event Golden Cycle has a quite satisfactory balance sheet with current assets, at the beginning of the year of \$860,726, against current liabilities of only \$291,217. After heavy charge-off for depreciation and depletion for many years, book value still stands above \$17 a share, roughly \$8 over current market.

Market range on Golden Cycle favors today's buyer. The stock sold at \$59 in 1936, and at \$25 as recently as 1955. The 1960 range was between 9½ and 13¼. 1960 earnings were \$199.951 before heavy writeoffs totalling \$292,662. A loss of \$92,711 was reported after this deduction. A 2½% dividend was paid in stock, 12/30/60. Golden Cycle is not a popular stock today, but to those who place reliance on book values, and believe in gold as a two-way hedge against either inflation or deflation, this stock could scarcely be adjudged overpriced at the present time.

One final word about gold shares. While they suffer a profit squeeze in good times with rising costs against a fixed sale price, they benefit in depression as and when the price of labor goes down. And in the background there's always the hope, if not the expectation, of a dramatic increase in the price of gold if for no other reason than to reflect the higher costs of its production. The last time the gold price rose from \$20.67 to \$35 an ounce (in 1934)

gold shares responded spectacularly.

F. Shipley With Sellgren, Miller

LOS ANGELES, Calif. — Forest W. Shipley has become associated with Sellgren, Miller & Co., 639

South Spring Street. Mr. Shipley was formerly a Vice-President of Marache & Co.

Also joining the Sellgren, Miller staff are Patrick W. Hopper, John Kaufman, Morris M. Leffer, Daniel J. Lim and Robert A. Winston. Mr.

Kaufman and Mr. Lim were formerly with Morris Cohon & Company.



Forest W. Shipley

Stearns & Co. to Admit Partners

On Sept. 8, Stearns & Co., 80 Pine St., New York City, members of the New York Stock Exchange, will admit Herman Sinnet, John E. Stieglitz, and Arthur D. Sokolow to partnership.

Johnson V.-P. of L. G. Beaubien Co.

MONTREAL, QUE., Canada—L. G. Beaubien & Co. Limited, 221 Notre Dame Street, West, have announced the election of Grahame G. Johnson as a director and Vice-President of the company.

With Pacific Coast Secs.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Paul J. Nicoletti Jr. has rejoined the staff of Pacific Coast Securities Company, 215 West Seventh Street. He has recently been with Dempsey-Tegeler & Co.

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

NEW ISSUE

August 28, 1961

\$2,000,000

Vinco Corporation

6% Convertible Subordinated Debentures due August 15, 1976

To bear interest from August 15, 1961

Initially convertible into Common Stock of the Company at \$10.00 per share. (Subject to adjustment under certain conditions.)

Price 100% and accrued interest

Copies of the Prospectus may be obtained from such of the underwriters as may lawfully offer these securities in such States.

S. D. FULLER & CO.

STEIN BROS. & BOYCE

LAIRD, BISSELL & MEEDS

BOENNING & CO.

WESTHEIMER & COMPANY

ARTHURS, LESTRANGE & CO.

DRAPER, SEARS & CO.

HAMPSTEAD INVESTING CORP.

PETERS, WRITER & CHRISTENSEN, INC.

Present and Future Market For Solar Energy Devices

By Richard F. Linde, Executive Vice-President, Technical and Management Service Division of C. F. C. Funding, Inc., New York City

Investment opportunities presented by the new field of solar energy are described by Mr. Linde, who points out that this tyro among energy-sources already has over 100 companies involved in it one way or another with sales of \$17. to \$20 million for solar batteries, photoelectric cells, solar water heaters, etc. The writer foresees adolescence succeeding infancy in the next five years and observes that, even without technological or manufacturing breakthroughs, solar batteries output will continue to expand.

The availability of conventional sources of energy such as water power and fossil fuels is limited. There is little doubt that new sources of energy will be required if our civilization is to maintain its present rate of advancement.

Nuclear reactions offer one new source of energy, but the supply of fissionable material is quite limited and a controlled fusion reaction has not yet been achieved.

The energy of the sun which reaches the earth as sunlight is a very abundant source and is available at no cost. If as little as 1/100th of 1% of the solar radiation were converted into a usable form it would be greater than our total energy requirements. There are several ways in which it is potentially possible to do this. The radiation can be converted directly into electricity by means of a photoelectric process such as in a "solar battery." It can be converted into heat by being absorbed by some material such as by a piece of metal painted black. The heat thus absorbed can then be used to produce hot water, steam, or hot air and/or can be further converted to electricity. Finally, solar radiation can be utilized in chemical processes to produce fuels or other sources of stored energy.

The solar energy devices which are presently available are photoelectric cells, "solar batteries,"



Richard I. Linde

solar water heaters, solar cookers and furnaces, solar distillers and salt crystallizers, and miscellaneous items such as solar toys and cigarette lighters. The total present sales of all these items is estimated at only \$17-20 million, but this could easily increase to five times this figure within five years.

A. Availability of Conventional Energy Sources

While the conventional sources of energy such as the fossil fuels (coal, oil, and gas) and water power appear to be very abundant, they are not uniformly distributed geographically and are not in unlimited supply. Some authorities have estimated that by as early as the year 2000, the fossil fuels will be in short supply. While previous estimates of this nature have proven overly pessimistic, there are already signs that these sources of energy will become increasingly more costly to obtain. Water power has not been fully utilized in all the countries of the world, but most of the practical and easily applied sources in the United States have been developed. In any event, there is little doubt that new sources of energy will be required in the relatively near future if our civilization is to maintain its present rate of advancement.

B. New Energy Sources

I. Nuclear Reactions

As a consequence of the discoveries in atomic physics and the development of nuclear technology during the 20th century, reactions of nuclei of atoms have become a source of energy. Energy is released in the fission or splitting of nuclei of the heavier chemical elements and also in the fusion or combination of nuclei

of the lighter elements. Atomic weapons release the energy of these reactions rapidly, but, at least in the case of fission reactions, ways have been found to control the release and collect the energy in a usable form. Some atomic reactors have already been built to utilize this energy and to convert it to electric power. However, even if the present high cost of producing electric power in this way is reduced the use of fission reactors will be limited by the amount of fissionable material which is available. This is not an immediate problem, but is similar in magnitude to that of fossil fuels. The control of fusion reactions has not yet been solved, but much work is being done toward this end. The materials which would be used in this type of a reactor are much more abundant than fissionable materials and if the control problems can be solved in an economically feasible manner, the problem of a lack of energy sources would be put considerably farther into the future.

II. Solar Energy

The sun is a gigantic atomic fusion reactor and part of the energy released from it reaches the earth as sunlight. The quantity available to us from this source is staggering. If even as little as one hundredth of 1% could be converted into a usable form it would supply considerably more than our present total energy requirements. The annual energy consumption in the United States is about 15 trillion horsepower-hours while the average annual quantity of solar energy which reaches its land area is in the range of 25,000 trillion horsepower-hours.

C. Methods for Utilization of Solar-Energy

There are three ways in which solar energy can be applied practically:

I. Direct Conversion to Electrical Power

In 1876 W. G. Adams and R. E. Day discovered that light falling on a selenium plate would cause electric current to flow into a circuit to which the plate was connected. Since then several other materials which exhibit this same property have been developed. The greatest breakthrough to date came in 1952 when scientists at the Bell Telephone Laboratories developed a semiconductor cell using treated silicon which had a relatively high conversion efficiency (8%). This made the prac-

tical application of the photoelectric effect possible.

II. Conversion to Heat Energy

Most everyone is aware that sunlight warms any surface it strikes (to a lesser or greater extent depending upon the characteristics of the material which makes up the surface). Most of us are also aware that if the light is focused on a small area using a lens, enough heat is produced to burn combustible materials such as paper. These phenomena can be applied so that confined water or air can be heated to a temperature of several hundred degrees or a pot or vessel can be similarly heated. The practical applications are numerous and varied.

III. Catalysis of Chemical Reactions

It is well known that photosynthesis (the chemical process which produces carbohydrate in plants) involves the conversion of sunlight into chemical energy stored in plants. In recent years a number of industrial chemical processes have been developed which utilize light. While only a few of these are actually in use on a commercial scale, and those that are generally use an artificial light source, this is an area of significant potential for future work.

D. Advantages and Limitations to The Use of Solar Radiation As An Energy Source

The primary advantages of solar radiation as a source of energy are that it is available at no cost, is very abundant, and it is not restricted in its availability geographically (although some areas are more favorable than others). Its main disadvantages are that it is available for only part of the day, it is diffused and requires focusing or a large collecting surface for use, its intensity and availability are affected by weather and, in many cases, the initial cost of the equipment involved in its use is relatively high.

E. Presently Available Devices

I. Photoelectric Cells and Solar Batteries

The photoelectric cell was one of the first commercial applications of solar radiation. However, it was used almost solely for measuring light rather than as a device to produce usable power. Within the past few years improved cells of the selenium type have been used to provide the power for the change of lens openings in cameras and have been used to activate relays in response to light. The number of these cells used has been growing very rapidly.

The so-called "solar batteries" work on the same basic principle as the photoelectric cell except that a piece of silicon metal, which contains a trace of arsenic in its base and a trace of boron in the surface exposed to the light, is used in place of the selenium. It produces more power per unit of area and weight, but is much more costly. While theoretically these cells could have a conversion efficiency of 22%, present cells have efficiencies of 12-15% and it is believed that the ultimate value has nearly been reached. The cost of the present units is about \$6 per square inch of active surface or about \$100 per watt of output. Unless lower cost manufacturing techniques are developed, these cells will be used only in very special applications which have low power requirements and where light portable power generating equipment with good reliability, long life, and no maintenance requirements is necessary. Military and space equipment will be the primary end use area. Commercial applications may be in devices such as higher priced portable radios.

II. Solar Heating of Houses

About 25% of the total energy consumed in the United States is used to heat or cool residential buildings. This represents a great potential for the use of solar energy. While cooling would require some intermediate devices working on electrical or steam power (which might be generated using solar energy), heating systems which utilize solar radiation as the sole heat source are already in use. In such systems, collectors which are exposed to the radiation absorb the heat. These are enclosed spaces with a blackened heat collecting surface over or under which water is passed. They are generally placed on the roof. The water flowing in the collectors picks up the heat absorbed by the blackened surface and flows to an insulated storage tank where it is kept until heating is desired. When the house is to be heated, the hot water is passed through coils around which air is blown. The air, thus heated, is circulated to the various rooms of the house in the manner of a conventional blown air heating system. Similar collectors are used in the sunnier areas to heat pools and water for general household purposes. It has been estimated that there are approximately 25,000 solar water heaters already in use just in the State of Florida. While the sunnier climates are obviously the ones in which such a heating system would operate most efficiently, it should be noted that several houses with this type of system have been successfully heated in the State of Massachusetts.

III. Solar Furnaces and Cookers

Through the use of lens and parabolic mirrors it has been possible to produce devices which concentrate enough solar radiation to produce temperatures of several thousands of degrees. These large devices are being used both experimentally and commercially as furnaces for melting various metals and other minerals. Smaller devices of this type have been sold as portable stoves for campers and for people in underdeveloped regions. While the use of these devices is limited at present, the potential for them is good if the price can be brought down and their operation made more foolproof.

IV. Solar Distillation and Salt Production

The use of solar radiation to distill saline water is under intense study and several pilot plants have been erected in the United States and abroad to determine the feasibility of this approach.

V. Other Uses

A few other devices such as solar toys and cigarette lighters have been placed on the market, but represent little in terms of either technical or economic achievements.

F. Total Market of Solar Energy Devices

I. Present

In a field such as that of the applications of solar energy which is, in a commercial sense, very new, both the technology and the products using it are changing so rapidly that it is almost impossible to get an accurate picture of the market for these products. However, some estimates can be made.

There are well over 100 companies manufacturing devices and/or doing research on products which involve the application of solar energy. The product with the largest dollar volume is the solar battery. There are at least four producers whose total sales of these devices probably are in the range of \$8-10 million per year at present. Photoelectric cells of both the silicon and selenium type account for an es-

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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

timated \$5-6 million in sales. There are at least 12 manufacturers of solar water heaters (mainly for heating pool water) whose sales of these units are probably not much more than \$2.5 million in the aggregate. Solar cookers have been offered by several producers and have received some acceptance, but the total sales volume in the United States is estimated at under \$500 thousand annually. Solar toys, cigarette lighters and similar items account for sales of only a few hundred thousand dollars, at most. Some desalination equipment has been made for test purposes under the government program in this field, but this cannot be considered in the commercial stage at this time. From the above, it can be seen that the solar energy field is still in its infancy.

II. Future

If the present market is difficult to gauge, the future can only be hypothesized. Even without technological or manufacturing breakthrough, the use of solar batteries will continue to grow. The extent of this growth will depend primarily upon our space program. New thermoelectric and/or thermionic type cells utilizing solar energy as a heat source may take the place of some of the present type cells. The use of photoelectric cells in cameras seems well established and will continue to grow. Sales of cells for this purpose should at least double over the next two years. Other applications of these products may become important. New cheaper and more compact solar cookers are being developed and are expected to be important products for sale to sportsmen. Sales should reach several million dollars within the next two to three years if they can be offered for under \$10 each, as now seems probable. Solar heating of buildings is still not perfected to the point where it is generally acceptable, but good progress is being made and readily salable systems should become available within the next five years. This field has perhaps the greatest potential of any since if only 10% of the new residential construction involved the use of solar heating (and/or cooling) annual sales of several hundred million dollars would be achieved. Sales of pool water heating units will continue to expand along with the growing demand for pools. Desalination of water also presents the possibility of achieving very large sales volume, but it is too early to tell which of the various approaches to obtaining potable water will prove most economic. The type of apparatus using solar energy appears to have application in at least some areas. Work is being carried out on using solar energy to operate portable refrigerators. If this is successful, it will be an additional item for sale to the outdoorsman. Sales volume might run \$3-5 million annually. Photochemical reactions are being given considerable study and it is likely that within the next decade equipment utilizing solar energy will be found in many chemical plants. Therefore, it would seem that the infant will reach at least adolescence within the next five years.

C. V. Tully Joins Harriman Ripley

Harriman Ripley & Co. Incorporated, 63 Wall Street, New York City, underwriters and distributors of investment securities, have announced that Cormac V. Tully is now associated with the firm as a common stock trader. Mr. Tully was formerly in the stock trading department of Weeden & Co.

PUBLIC UTILITY SECURITIES BY OWEN ELY

Virginia Electric & Power Company

Virginia Electric & Power, rated one of the "fast growth utilities," has benefited by a good rate of industrial growth in this old line state, a favorable regulatory climate, and sound management. The company, with annual revenues of over \$160 million, obtains 92% of its revenues from sale of electricity and 8% from gas service. It serves most of Virginia and adjoining small areas in West Virginia and North Carolina; gas service is limited to the Hampton Roads area. A population of some 2,800,000 in 1,357 communities is served, with additional municipalities receiving wholesale service. Principal industries are tobacco, textiles, paper, chemicals, food products and ship building. Revenues are about 44% residential and rural, 32% commercial, 15% industrial and 9% miscellaneous, including sales to all REAs in the area. Residential usage of nearly 4,100 kwh is above the national average.

The company has benefited by an increase in population of 37% in the past decade in its area although the state of Virginia as a whole gained only 20%. Revenues increased 157% during this period and net income 202%. Unemployment in Richmond is the second lowest in the U. S. (the first city being Washington, D. C.). In the past five years the company's kwh sales have shown an average annual (compounded) rate of gain of 10.4%, while per share earnings increased nearly 8%.

The company is not much concerned with competition from public power. Construction of a Federal dam near Fredericksburg called Salem Church Dam has been proposed, but the project is not considered economically feasible. Relations with REAs as customers have been good, probably as a result of the Facilities Act which empowers the State Corporation Commission to allocate territory for operations.

Peak load requirements occur in the summertime as a result of heavy air conditioning demands. To improve the load factor, the company is promoting electric heat pumps in new home construction. The greatest construction is currently in the Washington area, resulting from additional Pentagon employees. The company has reduced some residential rates to stimulate electric house-heating, and has stepped up its promotional program to increase the number of all-electric homes. There are now 900 heat pumps and 3,500 space-heating installations in the area and the company believes that there is a real future potential in the heat pump, which increases residential kwh consumption to about six times the previous amount.

As of July 31, 1961 generating capability was 2,104,000 kw compared with the peak load of 1,925,000. Two 200,000 kw units will be completed in 1962 and a hydroelectric unit with the same capacity should be completed in 1963.

The construction program this year is estimated at \$35 million compared with \$57 million last year. In June the company sold \$30 million mortgage bonds and the next financing is scheduled for about a year later, at which time it may have to sell some \$30-40 million securities. Announcement of details of such financing will probably be made next February. At present the capital set-up is 53% debt, 10% preferred stock and 37% common stock equity; however, if earned surplus re-

stricted for deferred taxes should be included in the equity, the ratio would increase to 40%.

The company has established some interesting records for efficiency. In 1960 the cost per kwh for a new generating unit was only \$117 compared with \$145 in 1955; while the former figure is the lowest cost reported for the U. S., the company estimates that a 300,000 kw unit to be installed in 1964 may cost only \$98 per net kwh.

Since 1957 the company has added 700,000 kw in generating capacity but has reduced production personnel by 80 employees. In the period 1962-64 they expect to add some 900,000 kw which will require only four operating men, four plant guards and about eight coal handlers. The company recently installed an analog computer which permits purchase of available interruptible power from neighboring utilities at reduced costs. In June this year, the cost of fuel per million btu was 30.3c.

Plans are being developed for installation of a unit in 1965 located in the coal fields of West Virginia, which should produce electricity at even lower costs due to the use of cheaper coal plus lower transportation costs, notwithstanding the added investment of a 460,000 volt transmission line to bring the current into the system. This line will also be part of an extra high voltage grid connecting with neighboring utilities.

A recent survey by a national research firm listed Virginia as one of four states where regulation is particularly favorable. While original cost rather than fair value is used for establishing a rate base, the rate of return is somewhat more liberal than in many other states. When the company recently adopted flow through accounting, an informal agreement was reached with the State Corporation Commission that in view of the automatic increase in earnings resulting from this method of accounting, a rate

of return as high as 6½% might be permitted, and this rate of return has been approved for a telephone company in the area. Gas companies in the state have been permitted to earn up to 8% without interference from the Commission. As the company is currently earning less than 6¼% on its electric operations (although gas is earning nearly 7%), it appears unlikely that any rate reductions will be ordered at this time in Virginia. Moreover, the company from time to time makes promotional rate reductions on its own initiative. While the regulatory climate in North Carolina is less favorable, only 8% of revenues originate in that state.

The current outlook seems quite favorable. Among the more important activities in the area are the new Dulles International Airport and the new Central Intelligence Agency office building, both located in our northern Virginia area; and in the Eastern Division the start of construction on the \$140 million bridge-tunnel between the Eastern Shore and the growing seaport of Norfolk. The company expects to add about 115,000 kw in commercial and industrial load this year compared with some 60,000 kw last year. Recent earnings were \$1.93 compared with \$1.81 in the previous 12 months, despite some unfavorable factors.

At the recent price around 62, the stock yields 2.1% and sells at 32 times recent earnings.

Funston to Discuss Market on TV

The stock market and the role it plays in the American economy will be examined on "Editor's Choice" Sunday, Sept. 3 (ABC-TV, 10:30-11 p.m., EDT), with Keith Funston, President of the New York Stock Exchange, appearing as guest.

Mr. Funston will be interviewed at the New York Stock Exchange by Fendall Yerxa, editorial director of "Editor's Choice," to explain the operation of the stock market and the effect it has on the national economy, with emphasis on what it means to the small investor. "Editor's Choice" is produced by Sidney Darion and directed by Marshall Diskin.

First Neb. Secs. To Be Formed

LINCOLN, Neb. — First Nebraska Securities, Inc., will be formed as of Sept. 7 with offices at 1001 O Street. The firm will acquire



E. M. Hunt

a membership in the New York Stock Exchange. Officers will be Evert M. Hunt, President, who will hold the Exchange membership; Dale C. Tinstman, Executive Vice-President; Jerome A. Druliner, Vice-President and Secretary; Gene H. Tallman, Vice-President and Treasurer; and Charles J. Burmeister, Assistant Secretary and Assistant Treasurer. Mr. Hunt and Burmeister are officers of the First Trust Co. of Lincoln; Mr. Tinstman and Mr. Tallman are officers of Tinstman & Co., Inc. Mr. Druliner is Lincoln co-manager for Crutten-den, Podesta & Co.

International Flight Caterers Common Offered

Amber, Burstein & Co., Inc., is offering 75,000 shares of International Flight Caterers, Inc., Miami, Fla., at \$4.00 per share. Net proceeds estimated at \$247,000 will be used for plant expansion, acquisition of food trucks, working capital and advertising.

International Flight Caterers conducts a catering business at Miami International Airport and New York International Airport (Idlewild), N. Y.

Under lease at Miami are 5,200 square feet of space and 7,700 square feet of space are leased at Idlewild to service catering facilities. The company employs approximately 100 people to operate the two plants.

This announcement appears as a matter of record only, these securities having been placed privately through the undersigned.

NEW ISSUES

Metromedia, Inc.

\$3,000,000
6¼% Senior Notes due January 1, 1971
and
\$4,000,000
6¼% Junior Notes due January 1, 1975
(with Warrants for the purchase of 95,000 shares of Common Stock)

30,000 Shares
\$3.125 Cumulative Convertible Preferred Stock
(without par value)

Kuhn, Loeb & Co. Carl M. Loeb, Rhoades & Co.

August 30, 1961

Coming Economic Revolution Due to Scarce Fresh Water

By Roger W. Babson

Man's capacity for burgeoning population pace running into the fact that "only God can make more natural fresh water" is shown capable of creating numerous economic problems. Mr. Babson touches lightly on some of the investment problems involved.

Most writers are talking about the population "explosion" ahead of us; but no one explains how the greatly increased population is to get enough fresh water for drinking and irrigation.

Salt Water Treatment

As three-fifths or more of the world is covered by salt water, it may be useless to try to turn it into fresh water. We may do far better to learn to live off the vegetable products of the ocean, as we do its fish, etc. However, Congress has appropriated money to build two experimental plants for desalting ocean water—one on the East Coast and one on the West Coast. All chemists know this can be done; but it is very expensive. The Ionics Inc. Company of Cambridge, Mass., has the best success therewith; but I hear they recommend only that the "brackishness" be taken out of an existing source of water supply. I have recently visited such a plant. It is both practical and economical.

The plan which interests me greatly is to bring fresh water from Canada. Northwest Canada has three large lakes that drain the rainfall northward into the Arctic Ocean—which is very wasteful. Although it would be very expensive, great canals could be built for turning these streams and reversing their flow southward. Then this fresh water would be used to irrigate the dry plains of Montana, the Dakotas, Wyoming, Arizona, and New Mexico. For further details, readers should write Mr. John Powers, Jr., of Homewood, Alabama. The Atomic Energy Commission may now be considering such a "peace" project for 50 years hence.

Mining Fresh Water

In view of the projected increase in population and greater per capita use, the cost of fresh water and "soft drinks" will increase! To help with this problem the first step might be for cities to build a separate plant to distribute only salt water. Thus each house and industry would have two water bills to pay. Unless there is a World War III,

homes and factories with successful driven wells will be in demand, as will those bordering non-polluted rivers, streams, and lakes. My reference to World War III concerns the danger from "fall-out" when using water from streams, lakes, and uncovered reservoirs.

Driven wells, moreover, are wholly dependent upon electricity for pumping. Hence, as a part of any "shelters" such as the Civil Defense agencies are recommending, there should be included fully charged storage batteries along with the food and other needed supplies. Fresh water may be shipped by tank cars or great pipes, or the fresh water may be frozen and shipped as frozen food is now shipped. The purpose of this column now is to get readers thinking about what an economic revolution is ahead based upon a scarcity of fresh water.

When Buying a Home

When I was a boy most homes had brick cisterns in their cellars. These were kept filled by the rain which fell upon the roofs. People who could not afford cisterns went to the "town pump" twice a day to fill their pitchers and pails. Each community would have several of these "town pumps" for the convenience of the people. Sources of diphtheria, typhoid, and other diseases were traced to these public pumps—leading to the installation of city water systems and later to municipal sewerage.

I urge my readers to consider the fresh water problem when locating their home. Select a state and city which has a good supply of fresh water. If possible, have a house which borders an unpolluted running stream or river. Such a location today is worth a premium over inland locations. Look ahead and speculate on the information given in this column. You can make money therefrom when and if you ever need to sell. If you wish to speculate, buy some such land—well drained—along with life insurance and good stocks. Man can always build more houses and develop

more subdivisions; but only God can make more natural fresh water.

Named Director

The election of Milton N. Mound, a New York City attorney, to the board of directors of Oppenheimer Fund, Inc., has been announced by Max E. Oppenheimer, Chairman and President of the fund.

Mr. Mound is a partner in the law firm of Mound & Isaacs.

Joins Keon & Co.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Thomas Kent Euper has joined the staff of Keon and Company, Inc., 618 South Spring Street, members of the Pacific Coast Stock Exchange. He was formerly with Harbison & Henderson.

DIVIDEND NOTICES



DIVIDEND NO. 213

August 24, 1961

The Board of Directors of THE ANACONDA COMPANY has today declared a dividend of Fifty Cents (50¢) per share on its capital stock of the par value of \$50 per share, payable September 28, 1961, to stockholders of record at the close of business on September 5, 1961.

R. E. SCHNEIDER
Secretary and Treasurer
25 Broadway, New York 4, N. Y.

ELECTRIC BOND AND SHARE COMPANY

New York, N. Y.

Notice of Dividend

The Board of Directors has declared a quarterly dividend of thirty cents (30¢) a share on the Common Stock, payable September 29, 1961, to shareholders of record at the close of business on September 8, 1961.

B. M. BETSCH,
Secretary and Treasurer
August 24, 1961.

DIVIDEND NOTICES

SUNDSTRAND CORPORATION

DIVIDEND NOTICE

The board of Directors declared a quarterly dividend of 12½¢ per share on the common stock, payable September 25, 1961, to shareholders of record September 11, 1961.

G. J. LANDSTROM
Vice President-Secretary

Rockford, Illinois
August 22, 1961

SERVING HOME AND INDUSTRY WITH ESSENTIAL BASIC PRODUCTS

EASTERN GAS AND FUEL ASSOCIATES



DIVIDENDS

COMMON STOCK — A regular quarterly dividend of 40 cents a share, payable September 28, 1961 to shareholders of record September 5, 1961.

4½% CUMULATIVE PREFERRED STOCK — A regular quarterly dividend of \$1.12½ a share, payable October 1, 1961 to shareholders of record September 5, 1961.

R. P. TIBOLT, President
250 Stuart St., Boston 16, Mass.
August 24, 1961.

Our stock is listed on the New York Stock Exchange. Symbol is EFU.

DIVIDEND NOTICES

GEORGE W. HELME COMPANY

9 Rockefeller Plaza, New York 20, N. Y.
On August 30, 1961, a quarterly dividend of 43¼ cents per share on the Preferred Stock, and a dividend of 40 cents per share on the Common Stock, were declared, payable October 2, 1961, to stockholders of record at the close of business September 12, 1961.

P. J. NEUMANN, Secretary

THE COLORADO FUEL AND IRON CORPORATION

Dividend Notice

The Board of Directors of The Colorado Fuel and Iron Corporation today (Tuesday, August 29, 1961) declared the regular quarterly dividend of sixty-two and one-half cents (62½ cents) per share on the series A \$50 par value preferred stock, and sixty-eight and three-fourths cents (68¾ cents) per share on the series B \$50 par value preferred stock.

These dividends are payable September 30, 1961 to holders of record at the close of business on September 8, 1961.

The Board of Directors took no action with respect to the common stock for this quarter.

D. C. McGrew,
Secretary



COMMERCIAL SOLVENTS

Corporation

DIVIDEND NO. 107

A dividend of fifteen cents (15¢) per share has today been declared on the outstanding common stock of this Corporation, payable on September 29, 1961, to stockholders of record at the close of business on September 5, 1961.

A. R. BERGEN
August 28, 1961. Secretary.



TENNESSEE CORPORATION

July 26, 1961

A quarterly dividend of thirty-five (35¢) cents per share was declared, payable September 22, 1961, to stockholders of record at the close of business September 8, 1961.

JOHN G. GREENBURGH,
61 Broadway, New York 6, N. Y.
Treasurer

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

Richard D. Irwin, Inc.

160,000 Common Shares*
(No Par-Value)

*Of which 35,000 Shares
constitute a new issue

Price \$16 per Share

Copies of the Prospectus may be obtained in any state from such of the Underwriters, including the undersigned, as may lawfully offer the securities in such state.

A. G. Becker & Co.
Incorporated

Lehman Brothers

August 30, 1961

White, Weld & Co.
Incorporated



QUALITY

The
American Tobacco
Company

228TH PREFERRED DIVIDEND

A quarterly dividend of 1½% (\$1.50 a share) has been declared upon the Preferred Stock of THE AMERICAN TOBACCO COMPANY, payable in cash on October 2, 1961, to stockholders of record at the close of business September 8, 1961. Checks will be mailed.

HARRY L. HILYARD
Vice President and Treasurer

August 29, 1961

© A. T. Co.

THE MARKET . . . AND YOU

BY WALLACE STREETE

The pre-holiday lull for the stock market set in early this week as Labor Day approached. This particular dividing line between the doldrums of summer and the fall pickup in business activity has become a time for caution in recent years and the pattern held intact this time.

As was the case in the June-July stalemate, the industrial average refused to give ground importantly, carving out a range of only a little more than 10 points since the 725 high was posted early last week. In the process, some favorable omens for a good business showing in the fall were ignored.

There was an apparent lack of interest in the market by the general public and even some large blocks such as 120,000 American Airlines failed to boost volume importantly which, for four sessions, held in a rut between 3,050,000 and 3,160,000 shares.

The Berlin Angle

There was some disposition to blame the continuing crisis in Berlin for the lack of interest in the market and a cautious investment approach. But the crisis has been around for some time and despite it the market had posted an all-time peak as well as suffering some spirited setbacks. There has been ample time for the crisis to be discounted.

The auto shares were the quiet ones in this major group, neither getting alarmed by the threats of a strike or strikes, nor overly cheered by the agreement by the union and American Motors which introduced profit-sharing to that industry as far as the rank and file workers are concerned.

American Motors, in fact, is one of the more sluggish stocks of the year, having held in less than a five point range so far. The same shares had a range of a dozen points last year after they had been split. The old shares were the volatile ones, having marched from \$8 in 1958 to a peak of nearly \$97 the following year. There was much favorable comment on the shares, but it probably will take time for the evidence to emerge on how well this secondary producer can do against the new models of the Big Three.

Food Chain Activities

Great Atlantic & Pacific in the food store chain group was prominent for one of its rare appearances in the limelight. And here it was largely a case of talk since there was little concrete to support the rumors of the chain moving importantly into the discount field. The rumors started in the usually well-informed trade papers.

The stock of A. & P. had its last big runup in 1958 just prior to a 10-for-1 split as what was largely a family-owned enterprise prepared to distribute a good portion of its holdings to the public. In that year the old shares more than doubled and, like American Motors, the new ones settled down to routine trading. They have since held in a range of around 30 for the low, 59 for the high which was posted in 1958, and this year haven't approached either extreme until they climbed toward the high mark as interest picked up.

Food stocks generally were in mild but persistent demand, even through sluggish markets. Even Hershey Chocolate, which has doubled in a year and a half, still proved to be a popular item. Followers of the issue note the market appreciation but point to the steady and sharp improvement in the company's fortunes to justify it.

since 1954 Hershey has been able to boost earnings from \$2.75 to \$7.69, with a goal of some \$8.75 this year. And in the process the company has increased its dividend moderately in each of the last half dozen years to lift it from \$2 to last year's \$3.70, and a possible total of \$4 this year. In addition to benefiting from an oversupply, hence low prices, for cocoa, its basic material, Hershey has been busy introducing new products to lessen its dependence on the cocoa market.

Kroger, despite its standing as the third largest grocery chain, has been mundane, which is in large part due to a drop in earnings for the first half of this year as the recession's effects took hold. The prospects favor a resumption of the long-term earnings uptrend for the chain, bolstered in part by its entrance into the drug store field after an initial acquisition late last year. Whether it will be able to show an improvement over last year's earnings of \$1.87 with a good second half windup is moot, but for next year the outlook is bright as is the prospect of some improvement in its dividend.

All of the facets haven't been spelled out yet, but the acquisition by First National Stores of the New York outlets of Safeway was enough to sweep this issue to a new high since 1959, but still well short of the peaks of 1958 and 1959. First National is the dominant food chain of New England, and has been busy enlarging its service area by adding units in New York and New Jersey. The prospects for steady improvement in earnings that were inherent in this expansion were given a powerful boost with 164 stores added in one fell swoop. The only restraining item was that the cost to First National was not announced immediately, nor the date when the acquisition will become effective.

Shares of Safeway, with little specific to go on, were somewhat heavy on the announcement since this chain has been busily expanding for at least the last five years, in the process adding 877 modern stores while closing 658 obsolete ones. It had a total of more than 2,200 stores at the end of last year.

"Con-Ed"—Ambivalent Reacting

In the utility section the debatable item was Consolidated Edison, which is one of the world's largest utilities with annual revenues of nearly two-thirds of a billion dollars. To the clan that is anti-Con-Ed, the fact that the company hasn't been able to show comfortable pre-share earnings results (net dropped from \$3.92 in 1959 to \$3.88 in 1960) and the population losses of New York are the unfavorable facets.

Followers of Con-Ed, however, hold that the suburban areas have been able to show fat gains in Con-Ed's service area while New York's population has been off some 2.3%. And the frantic building and rebuilding activity in the city, with new skyscrapers and apartment buildings sprouting—will, in time, give Con-Ed's business a good increase because of the far greater demands for service that modern buildings require. The argument would become academic if Con-Ed in time is given a rate increase to bring its return more in line with that given other utilities.

Favored Chemical

In the chemical section Hercules Powder, although not statistically cheap, is a favored item because much of its operations are immune to the over-capacity and price-

cutting that have characterized the prime chemical lines. Hercules has a leading position in missile work in two important projects, the Minuteman and the Polaris. And for the future, it is working now on development of rockets capable of landing on the moon. The benefits of the space work are not expected to be dramatic for some time.

But meanwhile, Hercules has been extremely cost conscious, and prides itself on being the lowest cost producer for many of the items in its diversified line that serve well over a dozen separate industries. Despite the recession, the company was able to show first half profits that edged ahead of last year's comparable results, a good achievement in an industry that had troubles. By next year, some heavy start-up costs are expected to taper off and that will help earnings show a rebound as heavy investments in past years start to pay off.

[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.]

English Walling With Pressprich

CHICAGO, Ill.—English Walling, formerly Vice-President of the Chicago National Bank, has joined the Chicago office of R. W. Pressprich & Co., 135 South La Salle Street, Walter J. Fitzgerald, Partner has announced. This firm has offices in principal cities throughout the country and are members of the New York and Midwest Stock Exchanges. Mr. Walling will devote himself primarily to private and negotiated financing, a field in which R. W. Pressprich & Co. has been most active.

Named Director

Richard H. Woodward Jr., registered investment advisor, and former general partner in Merrill, Lynch, and Co. and E. A. Pierce and Co., has been elected a Director in Chemtree Corporation, Harriman, N. Y.

White Inv. Co. Formed

(Special to THE FINANCIAL CHRONICLE)
MINNEAPOLIS, Minn.—White Investment Company, Inc. is conducting a securities business from offices at 712 Second Avenue, South.

87th Annual A. B. A. Convention Arrangements Completed

Committees representing banks of the San Francisco Clearing House, host to the 87th Annual Convention of The American Bankers Association to be held in San Francisco Oct. 15-18, are making final arrangements for the big meeting. Paul E. Hoover, President of the San Francisco Clearing House and President of Crocker-Anglo National Bank, is General Chairman.

The roster of membership of the committees follows:

General Convention Committee

Mr. Hoover, Chairman; Ransom M. Cook, President, Wells Fargo Bank American Trust Company, Vice-Chairman; Edwin E. Adams, President, The Bank of California N. A.; C. R. M. Allan, President, Bank of Montreal (San Francisco); Robert B. Arnold, President, The Canadian Bank of Commerce (California); Francis S. Baer, Chairman of the Board, United California Bank; S. Clark Beise, President, Bank of America N. T. & S. A.; W. W. Crocker, Chairman of the Board, Crocker-Anglo National Bank; I. W. Hellman, Chairman of the Board, Wells Fargo Bank American Trust Company; Earle H. LeMasters, President, Pacific National Bank of San Francisco; Elliott McAllister, Chairman of the Board, The Bank of California N. A.; Mont E. McMullen, Chairman of the Board, First Western Bank and Trust Company; Harold C. Peterson, President, The Hongkong and Shanghai Banking Corporation of California; Clarence Foon, President, Bank of Canton; Makoto Sasaki, President, The Sumitomo Bank of California; Jacob Shemano, Chairman of the Board and President, Golden Gate National Bank; Tatsulchi Shibata, President, The Bank of Tokyo of California; Eliot J. Swan, President, Federal Reserve Bank of San Francisco; and Joseph O. Tobin, President, The Hibernia Bank.

Executive Committee

Frank M. Dana, Executive Vice-President, Bank of America N. T. & S. A., Chairman; Paul B. Kelly, First Vice-President, Crocker-Anglo National Bank, Vice-Chairman; Russell W. Schumacher, Executive Manager, The San Francisco Clearing House Association, Treasurer; George J. Greenwood, Vice-President, The Bank of California N. A.; H. O. Johnson, Senior Vice-President, United California Bank; Ralph H. Rebele, Executive Vice-President, Wells Fargo Bank American Trust Company; Carl K. Schieck, Senior Vice-President, Pacific National Bank of San Francisco.

Entertainment Committee

E. Herrick Low, Senior Vice-President, United California Bank, Chairman; Ferd R. Stent, Vice-President, Crocker-Anglo National Bank, Vice-Chairman; Halden L. Conrad, Jr., Assistant Cashier, United California Bank; James M. Crane, Vice-President, Pacific National Bank of San Francisco; William S. Creighton, Vice-President, United California Bank; James A. Horsburgh, Vice-President, Wells Fargo Bank American Trust Company; Kirk Jeffrey, Senior Vice-President, First Western Bank and Trust Company; and Carter L. Larsen, Assistant Vice-President, The Bank of California N. A.

Housing Committee

John E. Bredend, Vice-President, Wells Fargo Bank American Trust Company, Chairman; Walter F. Winrott, Jr., Vice-President, Crocker-Anglo National Bank, Vice-Chairman; Don A. Beecher, Vice-President, Bank of America N. T. & S. A.; Irving

W. Danielson, Vice-President, The Bank of California N. A.; Andrew C. Gaitner, Vice-President, Pacific National Bank of San Francisco; and N. John Thompson, Vice-President, United California Bank.

Information Committee

Alfred J. Mayman, Senior Vice-President, The Bank of California N. A., Chairman; Donald Falconer, Vice-President, Bank of America N. T. & S. A., Vice-Chairman; T. James Carlile, Assistant Vice-President, Crocker-Anglo National Bank; Gordon K. Craig, Assistant Trust Officer, The Bank of California N. A.; Franklin A. McWilliam, Vice-President, United California Bank; and Robert A. Saxe, Vice-President, Wells Fargo Bank American Trust Company.

Personnel Committee

Charles F. MacLellan, Vice-President, Pacific National Bank of San Francisco, Chairman; Lewis L. Bush, Vice-President, Wells Fargo Bank American Trust Company, Vice-Chairman; John A. Dillon, Vice-President, Bank of America N. T. & S. A.; Sigfred E. Hansen, Assistant Vice-President, Crocker-Anglo National Bank; G. Harry Hutaff, Cashier, The Bank of California N. A.; and Oliver C. Scholle, Vice-President, United California Bank.

Registration Committee

Alvin F. Derre, Vice-President, Crocker-Anglo National Bank, Chairman; Ross Buell, Vice-President, Wells Fargo Bank American Trust Company, Vice-Chairman; William P. Green, Assistant Cashier, The Hibernia Bank; Leo J. Murphy, Trust Officer, United California Bank; F. R. Southee, Vice-President, Bank of Montreal (San Francisco); F. G. Stradcutter, Assistant Vice-President, The Bank of California N. A.; and Michael J. Walsh, Assistant Cashier, Crocker-Anglo National Bank.

Transportation Committee

J. M. Fischer, Vice-President, Bank of America N. T. & S. A., Chairman; J. G. Updegraff, Assistant Vice-President, First Western Bank and Trust Company, Vice-Chairman; Roy K. Hayes, Vice-President, The Canadian Bank of Commerce (California); Dean J. McDowell, Vice-President, Bank of America N. T. & S. A.; and A. F. Sodini, Vice-President, Bank of America N. T. & S. A.

Ladies Committee

Mrs. Paul E. Hoover, Chairman; Mrs. Edwin E. Adams, Vice-Chairman; Mrs. C. R. M. Allan; Mrs. Robert B. Arnold; Mrs. Francis S. Baer; Mrs. S. Clark Beise; Mrs. Ransom M. Cook; Mrs. W. W. Crocker; Mrs. Frank M. Dana; Mrs. George J. Greenwood; Mrs. I. W. Hellman; Mrs. H. O. Johnson; Mrs. Paul B. Kelly; Mrs. Earle H. LeMasters; Mrs. Elliott McAllister; Mrs. Harold C. Peterson; Mrs. Ralph H. Rebele; Mrs. Carl K. Schieck; Mrs. Russell W. Schumacher; and Mrs. Eliot J. Swan.

Parker, Ford Branch

LAWTON, Okla. — Parker, Ford and Company, of Dallas has opened offices at Lawton, Okla., Leslie P. Lagoni, Chairman of the Board, announced recently.

The Lawton office is the 13th established in the two-state area of Texas and Oklahoma by the fast-growing firm in the last six years. The new facilities will be staffed initially by Richard D. Hart and Robert B. Barton.

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

Not a New Issue

August 30, 1961

50,000 Shares

Fischbach and Moore, Incorporated

COMMON STOCK
(\$1.00 Par Value)

Price \$ 18.25 per Share

Copies of the Prospectus may be obtained from the undersigned.

ALLEN & COMPANY

The Manufacturer's Stake In Today's Urban Renewal

By William L. Slayton,* Commissioner, Urban Renewal Administration, Housing and Home Finance Agency, Washington, D. C.

Manufacturers of home equipment and materials are urged to get directly into the urban renewal area by Federal housing official who describes opportunities involving \$20 billion in private spending expected to result from \$6 billion injection of public funds. They must, according to Mr. Slayton, rethink their selling and distribution methods and product design if the needs of home improvement are to be met. Cited as an example of what is being done is the activity of Sears, Roebuck and Company, Reynolds Metals Company and Aluminum Corporation of America.

Manufacturers, I believe, have a tremendous stake in urban renewal . . . both as citizens and businessmen. In addition to a need for

productive citizen endeavor there is also opportunity for honest profit. Later, I shall give examples of both. First, I should like to review briefly the urban renewal process. I won't be like the slick door-to-door salesman who stopped at one home and said to the lady of the house, "I want to show you an item your neighbors say you can't afford to buy." But I shall talk about a multi-billion dollar undertaking that I know manufacturers of home equipment and materials can afford. It is also one in which they should be eager to participate.

Through Title I of the Housing Act of 1949, the basic urban renewal legislation, the Urban Renewal Administration makes loans and grants to cities to help them get rid of slums and blight. Some of the projects involve demolition of all structures in an area and complete rebuilding. Other projects involve rehabilitation of existing buildings, with varying extent of repair. Still other projects include both clearance and rehabilitation.

When a city's plan for renewal meets Federal requirements for aid, we lend money to finance land acquisition, clearance, and preparation of the land for sale to private builders. The difference between what it costs to get project land ready for a builder and what the local renewal agency can get for it is met partly by the Federal Government and partly

by the city, with the Federal Government paying two-thirds or three-fourths depending on various factors.

We have approved some 900 projects in about 500 localities. Practically every city of 250,000 population and over is participating in the program. Approximately 200 of the communities engaged in urban renewal have populations of less than 25,000; of these, about 100 have fewer than 10,000 people.

So here we have a real cross-section of America . . . large cities, small towns . . . projects embracing every aspect of physical improvement. All of the localities in the program have one common denominator—they are making the most dramatic, forceful, and comprehensive building and rebuilding effort in our nation's history . . . a planned, organized drive by communities to upgrade the environment in which their citizens live.

What are the dollar amounts involved in urban renewal? From the beginning of the urban renewal program in 1949 to passage of the Kennedy housing and urban renewal program a couple of weeks ago, Congress authorized \$2 billion for urban renewal. The new Kennedy program authorizes another \$2 billion. This \$4 billion in Federal funds is being matched by more than \$2 billion by the cities and towns. That makes \$6 billion in public funds. Experience to date indicates that every dollar in Federal public urban renewal expenditures results in the spending of from four to five dollars in private investment, so we expect this \$4 billion Federal investment to generate a private investment of about \$20 billion.

Now let's take a look at rehabilitation. A recent report by the Urban Renewal Administration estimates that about \$225 million will be spent by property owners to conserve or improve their homes in the 121 project areas

scheduled for rehabilitation. These areas contain 96,000 dwellings designated for conservation. Conservation has already been completed in nearly 13,000 of these units, and is in process in nearly 8,000 more.

Home Improvement Market

Let's take another look at the home improvement market. As Urban Renewal Commissioner, I take an intense interest in everything that makes for home improvement, even though much of it may be outside of our program. The Bureau of the Census recently reported that more than \$13 billion was spent on home improvement in the United States in 1960 . . . and I believe that 1961 will show a similar trend.

Let me point out that here is a market many manufacturers who are prone to think of markets in terms of new construction only have overlooked. In addition to the employment that home improvement creates at local construction sites, it provides jobs in the lumber, cement, and appliance industries, as well as innumerable others. Last year, though new housing starts were down about 18% from the preceding year, total expenditures on residential additions, alterations, repairs, replacements, and maintenance were up 3.4%.

Can manufacturers afford to get into urban renewal? I believe manufacturers should ask themselves — and their home offices: "Can we afford not to get into urban renewal?"

Crucial Period

This is a crucial period in urban renewal history. We have had 12 years of experience in urban renewal programming and action. With the exception of rehabilitation, we are well experienced in urban renewal . . . we do not have to stop and learn the ABC's of the process . . . we can provide cities the speed they have a right to expect and the stability they need to proceed with their renewal plans and programs.

Now we also have the legislative tools to accomplish a genuine across-the-board housing and urban renewal job. The \$2 billion authorization in the new Kennedy housing and urban renewal program provides a solid base for future operations. The Housing Act of 1961 has tremendous implications for urban planning, mass transportation, housing for various income groups, and home improvement. In urban renewal, for example, we have several new provisions for both new and rehabilitated housing. The Federal Housing Administration has a new home improvement loan program.

Supplementary insured loans are now available. The limit is \$10,000, the maximum interest rate is 6%, and the maximum term is 20 years.

The new legislation also includes two major aids for housing for families of moderate income. One is FHA-insured loans for sales housing, with mortgages of up to 35 years . . . 40 years for hardship cases . . . and with down-payments of only 3%. The other is FHA-insured mortgages for rental housing at below-market rates.

There are many other aspects of the new Kennedy housing and urban renewal program, but I believe that my brief summary will give enough insight to see that this Administration means business . . . in many ways . . . as far as urban renewal is concerned. At the Urban Renewal Administration we have speeded up several procedures . . . we are investigating new ways of shortening the process . . . and we are working with our sister government agencies, such as the Federal Housing Administration, to telescope the processing period.

Now, how do home equipment and materials manufacturers get into the act? Selling the building materials and equipment needed in this vast undertaking is one obvious answer. But if firms are thinking of selling in the old-fashioned way . . . they are making a big mistake. To capitalize on the opportunities in urban renewal companies must rethink . . . rethink their services, their products, their ideas . . . perhaps even their merchandising techniques.

First of all, manufacturers should begin now to participate in urban renewal. I know that many are represented in such worthy organizations as ACTION. Such organizations are wonderful . . . and are doing a world of good . . . but that isn't enough. Manufacturers will have to participate in urban renewal not only on the national level, but also . . . and even more importantly . . . in the localities where the campaigns to save, build, and rebuild neighborhoods and whole areas are going on.

Companies Entering the Field

Let me give a couple of examples of how this is being done. Sears, Roebuck and Company is carrying on a nation-wide program of participation in urban renewal in the cities where the chain's stores are located. Store managers are encouraged to engage in local renewal programs; the organization produces a national newsletter . . . motion picture films . . . and publications on urban renewal matters. This is an excellent example of private enterprise engaged in community matters of vital importance.

Or take Reynolds Metals Company. A few years ago it established the Reynolds Aluminum Service Corporation as its urban renewal subsidiary. Last week it broke ground for a 500-unit housing development in the Southwest Washington urban renewal area. In a short time the project will be a showcase for Reynolds products . . . as well as a good residential area for middle income families.

At the groundbreaking, my chief, Housing Administrator Robert C. Weaver, pointed to:

" . . . the significance of this development as an example of how much can be accomplished in the redevelopment of our cities by a partnership between . . . government and industry. It was a revolutionary step for the manufacturer of a basic building material to move directly into the redevelopment field, as Reynolds Metals Company has in this and its other projects. The benefits of that step, however, will be felt far and wide. Those of us who are primarily interested in promoting urban re-

newal, regardless of the building material used, would be delighted if the steel companies — which have also been looking for new markets — would decide to become investors in this field also."

Other manufacturers are beginning to come into urban renewal. The Aluminum Corporation of America, as Doctor Weaver also pointed out, is participating in two apartment developments.

Question: Is your firm thinking of participating in this way in urban renewal?

New Ideas and New Designs Needed

This new construction market in urban renewal projects is the area where new ideas and new designs will be pushed. Urban renewal is stimulating newer and better designs than any other public-private program . . . and we in the Urban Renewal Administration are continually urging localities to emphasize good design.

How many are keeping up with the new design needs and trends? Thinking in terms of products that can and should be used? For instance, who will be the first to devise a really efficient self-contained heating and air-conditioning unit that can be installed in a wall . . . one that is quiet, long-lived, reliable, and moderately-priced?

Where is the manufacturer who is researching into a less expensive material for concrete forms that will make it possible to have exposed concrete without an expensive treatment after the forms are stripped away? This would contribute significantly to bringing down the cost of buildings.

What about other products that the new frontier in urban renewal needs . . . and will ultimately find among some competitors? I am thinking of more functionally designed kitchen equipment and plumbing fixtures . . . new, stable plastics . . . a less expensive wall covering for bathrooms . . . fewer and better organized designs and colors in floor tiles and other coverings . . . balconies — the new apartment trend — that will be good, cheap, and sturdy.

And in rethinking services for urban renewal, we should not overlook the unique requirements of rehabilitation work. Many firms will need to re-do their distribution system. This is not a large-volume-per-project operation. Rather, the work is done by thousands of small contractors, or even home owners. The Census report I mentioned earlier also states that, of the \$9.5 billion spent by owner-occupants, about one-third went for do-it-yourself projects.

Therefore, firms will have to think in terms of huge volume composed of untold thousands of small orders. In urban renewal areas where rehabilitation is taking place we know that the average cost of conserving and improving residences is about \$3,000 . . . and it is in this kind of fragmented market firms will have to operate.

Well, in this brief paper I have tried to describe the opportunities for home equipment and building materials manufacturers in urban renewal. I believe the possibilities are great. Firms should:

- (1) Retool their thinking for urban renewal.
- (2) Participate as sponsors and organizers of projects.
- (3) Pay closer attention to the needs of home improvement operations.

They will find that it pays . . . as urban renewal has paid the 500 localities which have undertaken projects and the industries which have participated. It means better business, sounder communities, and a more prosperous national economy.

*From a talk by Mr. Slayton at the National Housing Center, Washington, D. C.



William L. Slayton

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.

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August 24, 1961

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MUTUAL FUNDS

BY JOSEPH C. POTTER

Ladies' Day

Earlier this month the New York Stock Exchange, keenly aware of the growing eminence of the ladies as purchasers of securities, announced it would do a more thorough job of appealing to them in its upcoming advertising campaign. And small wonder: the dear girls are destined to dominate the marketplace in our affluent society.

Any veteran of stockholder meetings can attest that, where once the gals were few at stuffy annual conclaves, they now are nearly as numerous as menfolk. Indeed, many a corporation, especially those with consumer products, finds that this growing trend impels more sprightly meetings, luncheons, more pleasant surroundings and souvenirs. And brokers' boardrooms, which used to reek of foul tobacco smoke and provide scant comfort, now feature smart decor, living-room atmosphere and numerous other amenities.

Plainly, Wall Street, operating in its headquarters or represented on Main St., will never be the same again. Even the diehards in the investment business, who insist the old days were good, are reconciled, especially on their way to the bank.

The people whose fortunes are linked to the mutual fund field, which has few ancients and no ancient traditions, have cultivated the lasses from the beginning. As like as not, yesterday's fat sale was made by some salesman who first spoke to a housewife and registered a favorable impression. Her husband, no less conscious of the wisdom of an investment program, just wouldn't have had the time or inclination to hear out the salesman.

Comes now a mutual fund executive who reports that the fast-growing instalment-plan practice of purchasing fund shares is stimulating the interest of career women in this business. He cites his own nation-wide sales organization as an example.

Ross A. Bair, Vice-President of Renyx, Field & Co., says his firm has engaged more gals for managerial and sales posts in the last eight months than in its entire 16-year history. Since the start of 1961 Renyx, Field has added 18 women in these jobs and they were screened from scores of applicants. Previously, the company had only eight women in sales or executive positions and was just about an all-male organization, aside from clerks and secretaries.

Bair attributes the rising tide of feminine vocational interest in his business to what he calls a comparatively new development in homemaking. It is his contention that the plan method of buying funds makes investing an integral part of the household budget. It is his belief that as more housewives become familiar with the funds—and this will be abetted by their control of the family exchequer—they will seek a career in the field.

What he sees ahead is nothing less than a boon to his business. He says enthusiastically: "Women know how to sell other women. They can talk to housewives in the home without the embarrassment that a male salesman might create."

And Bair has small solace for the salesmen with whom the ladies compete, insisting that his own organization has found them to be more enthusiastic and better organizers of their time than most men. Also, as a general rule, Renyx, Field finds they are easier

to train and more willing to accept training.

Well, as most of us beleaguered males know, they certainly know how to train men. And, as competitors, they are enough to give the average fellow the shudders. Beauty and brains are a combination no man can hope to match.

For men reared in a society, where get-togethers were marked by a separation of the sexes with the ladies discussing their curtains and kiddies, it's not going to be easy to adjust to gals gabbing about capital gains, cash flow, asset values and economic trends. For one thing, it will mean an end of such separation and a great day for the ladies.

The Funds Report

Affiliated Fund reports that at July 31, close of the first nine months of its fiscal year, net assets amounted to \$756,382,744, equal to \$8.45 per share. This compares with \$585,947,573 and \$7.07 a share at Oct. 31, 1960, close of the last fiscal year.

Added to portfolio in the period were Amerada, Bobbie Brooks, Borman Food Stores, Continental Oil, Creole Petroleum, Cutler-Hammer, Food Giant Markets, Hazeltine, Eli Lilly (Class B), Perkin-Elmer, Permanente Cement, Shulton (Class A), Suburban Gas, Welch Scientific, Western Union Telegraph and Zenith. Eliminations: American Cement, Atlantic Refining Champion Paper & Fibre, First National Stores, Lily-Tulip Cup, Merck, Radio Corp. of America, Sinclair Oil and Parke, Davis.

American Mutual Fund, Inc. reports that at July 31, marking nine months of the fiscal year, total net assets were \$160,970,060, equal to \$9.77 per share, against \$122,509,840 and \$8 a share at Oct. 31, 1960, end of the last fiscal year.

During the quarter the company added to its common stock portfolio American Airlines, Armstrong Rubber, Carborundum, Chase Manhattan Bank, Continental Can, E. I. duPont, Eagle-Picher, General Motors, Goodyear, Great Northern Railway, International Nickel, Ranco, Republic Steel, Stauffer Chemical and Stewart Warner. The stock of Florida Power & Light was eliminated.

Axe-Templeton Growth Fund of Canada Ltd. reports that at July 31, based on the Canadian dollar, total net assets were \$6,417,172, up from \$6,207,964 three months earlier. Net asset value per share rose to \$10.68 from \$10.45.

During the quarter the holdings of Tesco Stores, Royal Dutch Petroleum, Scurry Rainbow and Sherwin Williams 7% preferred were increased. New commitments were made in Superior Propane. Holdings of Abitibi, Loblaw and Siemens & Halski were reduced.

Boston Fund puts total net assets as of July 31 at \$284,788,374, or \$19.35 per share. This compares with year-earlier assets of \$230,228,785 and pre-share value of \$16.93.

Chase Fund of Boston reports that at the end of the July 31 quarter total net assets were \$40,084,687, or \$8.84 per share. At Oct. 31, 1960, close of the last fiscal year, comparable figures were \$20,728,396 and \$6.55.

During the three months ended July 31 purchases were made of American News, Ampex, Avnet Electronics, Broken Hill Proprietary, Custom Credit Corp. of Australia, Fidelity Bankers Life Insurance Corp., D. C. Heath & Co., Librairie Hachette (bearer), Microdot, Societe Credit Mobilier (bearer), Sperry Rand, Technical Measurement and Union Carbide (Australia) Ltd. The company sold out its Polaroid and Technology Instrument Corp.

Delaware Fund announces it has completed "a substantial common stock position" in General Portland Cement. At latest report these holdings totaled 26,000 shares, representing 7/10ths of 1% of the fund's total net assets and 17% of its total commitment in building stocks.

Financial Industrial Fund says it passed the quarter-billion-dollar mark in assets, hitting an historic peak of \$250,433,000 on Aug. 17. At the close of this month the Denver-based open-end investment company completes 26 years of operation.

In the semi-annual report to stockholders of **Investors Diversified Services, Inc.**, W. Grady Clark, President, announces that total assets under the company's management reached a record \$3,798,521,000 at June 30. This was an increase for the six months of \$380,396,000 and for the past year of \$581,066,000. Earnings from operations increased in the first half of 1961 by over 9% from the first half of last year and were higher than for any like period in the company's history.

Combined net operating income of the company and its wholly-owned subsidiaries amounted to \$3,471,000, or \$5.82 per share; for the half year, compared with \$7,801,000, or \$5.37 a share, in the first half of last year. Net realized gains on investment transactions of 23 cents per share brought total income for the period to \$6.05. Capital gains and losses having balanced off during the first six months of 1960, total income was \$5.37.

Imperial Financial Services, Inc. has received approval to begin operations in Arizona and Texas, Albert M. Sheldon, President, said. The **Imperial Capital Fund**, which is underwritten and managed by Imperial Financial Services, also has been approved for sale in these states.

Institutional Income Fund has declared a dividend of 8 cents per share from investment income and

a distribution of 5 cents a share from realized securities profits, payable Oct. 2 to stock of record Sept. 1.

For the first time, the \$100,000,000 mark in total net assets has been reached by an investment counsel "no load" mutual fund. The record was achieved this month by the **Loomis-Sayles Mutual Fund** which, since its founding in 1929 in Boston by the investment counsel firm of Loomis, Sayles & Company, Inc., has shown steadily increasing growth in number of shareholders in 29 of the 31 years of operation. The fund has over 13,200 shareholders residing in all 50 states and in many foreign countries.

The fund is set up as a diversified portfolio of common stocks, preferred stocks and bonds in varying proportions depending upon the management's appraisal of business and economic conditions. Emphasis is placed on long-term capital appreciation but due regard is given to the preservation of the capital invested.

Supervised Shares, Inc. reports that during the six months ended June 30 it purchased the following common stocks: Pullman Incorporated, American Cyanamid, Boeing, Carolina Power & Light, Cities Service, General Electric, General Mills, General Telephone & Electronics, S. S. Kresge, Liggett & Myers Tobacco, Lone Star Gas, Philip Morris, Penn Dixie Cement, J. C. Penney, Southern California Edison and Textron. The company over the same span sold common shares of American Machine & Foundry, Gulf Oil, Foremost Dairies, Sperry Rand and Texaco.

With Bache & Co.

MILWAUKEE, Wis.—Eugene A. Wulff is now associated with Bache & Co. as a registered representative in the investment firm's office at 229 East Wisconsin Avenue.

B. C. Morton Branch

ATLANTA, Ga.—B. C. Morton & Company has opened an office in the Candler Building.

Regional Manager is Thomas W. Crowe, Jr. He was formerly with FIF Associates Inc.

Also joining the Morton Organization were Emmett H. Steele, Sr., Eugene B. Jeans and Hollis L. Lough.

Form Income Properties

BROOKLYN, N. Y.—Income Properties, Inc. has been formed with offices at 1801 Dorchester Road, to engage in a securities business.

W. S. Wells With E. F. Hutton Co.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—William S. Wells has become associated with E. F. Hutton & Co., 623 South



William S. Wells

Spring Street. Mr. Wells, who has been in the investment business on the Coast for many years, was formerly Executive Vice-President of Walston & Co., Inc.

Joseph Mayr to Admit Partners

Joseph Mayr & Company, 50 Broad Street, New York City, members of the New York Stock Exchange, on Sept. 7 will admit Neil B. Gold and Ronald E. Levick to partnership. Mr. Gold will acquire a membership in the New York Stock Exchange.

J. W. Spargo Joins Stanley R. Ketcham & Co.

John Wheeler Spargo has joined the firm of Stanley R. Ketcham & Co., Inc., 76 Beaver Street, New York City, as a Registered Representative.

Mr. Spargo was formerly with Babson Reports, in the Advisory Dept., and previously, had been with Marron, Sloss & Co., Inc. He will continue in his post as Vice-President of Squires Whitney & Co., a corporation in the general financing field, while working with the Ketcham organization.

Joins Holton, Henderson

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Donald M. Wilson has become connected with Holton, Henderson & Co., 210 West Seventh Street, members of the Pacific Coast Stock Exchange. Mr. Wilson was formerly with Suro & Co. and Marache, Dofflemeyer & Co.

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

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August 30, 1961

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The capital market appears to be getting a modicum more of attention because it seems as though the Treasury will be undertaking an "advance refunding" operation very shortly if some opinions are right. This kind of thinking has been favorable marketwise to the issues supposedly to be involved in this undertaking, namely, the longer-term issues, the 2½s of 1970 and 1972. As against this the most distant Government bonds moved down in price since there will most likely be an increase in the supply of long Government bonds with a forward refunding venture.

It seems as though the main theme in the money and capital markets at this time is to shorten maturities whenever the opportunity presents itself, especially among the large money center banks. On the other hand there are reports that the smaller out-of-town banks have not only been buyers of near-term issues but they have also been takers of selected corporate and tax-free bonds.

Likely Advanced Refunding Issues

The Government bond market after a period of inactivity and dullness, which is not unusual at this time of the year, is getting attention now from money market specialists since the beliefs are now strong that an "advance forward" refunding operation will be undertaken by the Treasury in the very near future. Even though there were some money market experts who believed that there would be a move by the Government to extend the maturity of the debt this Fall, through the use of this kind of a refunding venture, it was not generally assumed that it would be coming along so soon, especially in the late Summer. However, it now appears to many money market followers as though there will be an "advance refunding" operation in the very near future involving the World War II 2½s that were not given the opportunity to exchange for longer term issues in the last offer which was made in September 1960. It is not expected that the 2½s due June 1967-62, the December 1968-63, nor the June and December 1969-64's will be given the opportunity of switching into longer maturity issues,

since they did not take advantage of the offer when it was made to them last September. Accordingly it appears as though the owners of the 2½s due in 1970 and 1972 the longer-term "taps" aggregating \$15,660,000,000 will be given the opportunity of exchanging a part if not all of their securities for obligations with a distant maturity. The 2½% bonds due in 1970 and 1972 are held mainly by institutions and private investors with about 11 billions owned by this group.

The Federal Reserve System and Government trust accounts own about \$2½ billion with the balance of about \$2 billion held by the banking system. The fact that the bulk of these securities are held by investors who are not especially interested in taking tax losses in these 2½s and in addition income is not something which is exactly distasteful to them, there could be appeal in longer term Government bonds. This is the condition which is usually looked upon as being favorable for an "advance refunding" operation by the Treasury. Also the use of short-term Government bonds mainly for new money raising and refunding purposes has not made it possible for the Treasury to extend the over-all maturity of the Federal debt. If the coupon rate on the "forward refunding" issue or issues is in line with current capital market conditions there should be considerable appeal for the owners of the longer-term 2½% tap issues. This would appear to mean a favorable "advance refunding" venture for the Treasury when it is undertaken.

New Money Needs

The Government in addition to the now expected "forward refunding operation" will be raising new money in the not distant future. It is believed that in late September or early October the Treasury will be picking up needed new money with between \$5 and \$6 billion probably to be raised by the end of 1961. Some of this money will be obtained from regular Treasury bills with most of it quite likely to be raised from the sale of tax anticipation bills with a June maturity. There are also opinions around that the

Government will get at least a part of its 1961 new money from the sale of a note. This type of financing would, however, still follow pretty much the pattern which the Treasury has been using in taking care of its needs since the start of the year.

Even though the commercial banks have been reluctant to make other than short-term commitments, there are indications that certain of these institutions are making purchases of selected intermediate-term obligations. In some instances these have been very sizable operations.

Customers' Brokers Annual Dinner

The Association of Customers' Brokers will hold their annual meeting and dinner at the Waldorf-Astoria, on Wednesday, Sept. 27. Donald L. Rogers, financial and business editor of the New York Herald Tribune, will be guest speaker.

The Association's Quarterly business meeting with the election of new officers will precede the dinner.

Members of the dinner committee are Frank Dunne, Jr., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Chairman; Albert F. Frank, Ladenberg, Thalmann & Co.; Sam Minsky, Hardy & Co.; T. Alvah Cowan, Peter P. McDermott & Co.; John Howatt, Harris, Upham & Co.; and Leon Herbert, Hayden, Stone & Co.

Tickets for the dinner are \$12.50 each and reservations should be made with Mr. Frank at Ladenberg, Thalmann & Co.

Joins Eastman Dillon

(Special to THE FINANCIAL CHRONICLE)

LONG BEACH, Calif.—Francis C. Strong has become affiliated with Eastman Dillon, Union Securities & Co., 138 Locust Avenue. He was formerly with Dean Witter & Co.

With A. C. Karr

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Earl C. Boward has become affiliated with A. C. Karr & Co., 3670 Wilshire Boulevard. He was formerly with Dempsey-Tegeler & Co., Inc.

Tucker, Anthony Adds

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Roland W. Jones, Jr. has been added to the staff of Tucker, Anthony & R. L. Day, 74 State Street. He was formerly with Brown & Co.

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

There is a constant tussle between Congress and the Executive Branch over the shipment of strategic or near strategic goods to enemy countries. About a month ago Congress inserted in the omnibus farm bill a declaration of policy against the sending to Russia and the satellite countries of any surplus foodstuffs. The declaration of policy does not have the effect of law but the Administration has taken the hint and the sale of surplus farm products, as near as can be determined, has ceased.

But the fight is still on against the shipment to these countries of other strategic materials. In the three weeks following President Kennedy's recent address to the nation on the seriousness of the Berlin crisis, U. S. goods licensed for shipment to Communist nations jumped a startling 800%. In all, \$6,278,566 worth of ball bearings, machine parts and other items were shipped behind the Iron Curtain.

Because of the protests from Congressmen and the public generally, Commerce Secretary Hodges recently told a news conference:

"I think the whole tempo and temper of our people in the last six or eight weeks has changed toward the question of any kind of trade with Russia."

But commenting upon and carrying out such program confronted the New Frontiersmen with an even greater problem. Conferences between Hodges and Secretary of State Rusk produced nothing more tangible than the view that the Administration, at its own discretion, could control such exports. Both Rusk and Hodges said they were opposed to legislation which would eliminate or curtail exports to these countries. Why?

Because, Rusk said, it might make negotiations with Russia "more difficult."

Meanwhile, synthetic rubber, rail equipment, coal tar products, carbon black, pipe, industrial chemicals and a host of other materials contributing to a military buildup continue to flow to Communist nations.

Congressmen have frequently urged Secretary Hodges to make public the names of shippers who apply for licenses to send goods to Russia but each time he has refused on the ground that the licensee would give information to competitors.

The Administration's attitude is that Russia can get the materials from other countries so there is no need to keep American busi-

nessmen from getting in on the business.

The biggest issue, in this writer's opinion, to develop at this session of Congress is the difference between the two parties in fiscal policies. A common expression among people is that they can't tell the difference between the two parties, that one is as bad as the other.

There is a distinct difference in their attitude toward fiscal matters.

The Administration takes the view expounded by the President's Council of Economic Advisers that under current conditions, big spending is sound. Dr. Paul A. Samuelson, an M.I.T. economist who prepared the Kennedy staff report last January, referred to a "prudent deficit" in his justification of a rapid expansion of Federal spending to fight the recession and take up the unemployment slack. Dr. Arthur F. Burns, Columbia University's Economist and one time head of former President Eisenhower's Council of Economic Advisers, takes the opposite view, warning against the inflation that lies ahead.

Thus, as the record of this Congress clearly shows, the Democratic party supports new programs and expansion of existing ones, even though it means a substantial increase in the national debt. They follow the Samuelson theory of what he calls a "prudent deficit," and no new taxes were recommended to help finance the increased defense cost.

The Republican party, on the other hand, follows the theory of Dr. Burns: "The time has come to stop fighting the recession. I do not think it prudent to continue enlarging Federal spending programs."

Borrowing from the Treasury to finance purely legislative matters or "back-door" spending, totals \$28 billion at this session, or one-third of the total budget.

First of Mich. Office

PORT HURON, Mich.—First of Michigan Corporation has opened a branch office in the Michigan National Bank Building under the direction of Harold L. Butt.

J. L. Free Opens

(Special to THE FINANCIAL CHRONICLE)

SANTA BARBARA, Calif.—James L. Free is conducting a securities business from offices at 115 West Figueroa Street.

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.

NEW ISSUE

August 31, 1961

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Monetary Commission —In Today's World

Continued from page 1

Waltz is gone in favor of the cha-cha; stately Edwardian coaches have been replaced by compact hot-rods; peaceful international relations are but a memory or a dream. But the fraternity of Central Bankers bravely carries on under heavy odds. The Kings of Europe used to address each other in their letters as "Dear Brother." One almost suspects that the Central Bank Governors address each other as "Dear Cousin." Whether or not the CMC report has brought joy to Mudville, one cannot expect it to have elicited champagne toasts in the Central Banks around the world. For, as Sir Theodore Gregory, an economist of the old school, said seriously in London a few years ago: "The motto for Central Banks should be 'Who touches one, touches all'."

Future Treasury-Central Merger

No serious economist doubts that 25 years from now the Federal Reserve will have to work in complete harmony with the Treasury; that it will not matter a bit whether the execution of debt management takes place in the marble palace of the one or the stone building of the other, so long as it takes place in a coordinated way and in the interest of economic stability and progress. The CMC points a small finger in this direction and the nature of the American system of checks and balances is such that the change in our structure will be slow and gradual. Indeed the day may first come when the Federal Reserve, the creature of a populist Congress, will flee from the demagogues and seek asylum and a measure of freedom within the folds of the Executive. In my opinion it is not so important whether the Board of Governors consists of 5 or 7 persons, or whether the Regional Banks have representation on the Open Market Committee. What is important is that each new elected Administration have the power to name the Chairman, and that monetary decisions are made on the basis of the same considerations that should guide fiscal policy decisions—namely, in terms of policies that strike the right balance between too-much and too-little total dollar demand, between too-much and too-little capital formation, too-much and too-little balance of exports in terms of imports.

That Monetary-Fiscal Dichotomy

No expert on the mechanics of inflation believes for a moment that monetary policy has some special competence to stabilize the price index, while fiscal policy has some special competence to maintain full employment. Either instrument can of itself add to or lower the total level of dollar spending, and the final parcelling out of such changes in total spending between output and price changes is quite independent of the initiating force. If this technical fact of economics is agreed to, then the present situation in which the Central Bank tends to favor the goal of price stability more strongly relative to high-employment and growth than does the Executive or Congress is seen to be an anomalous one. Indeed it is hard to know what are the best compromises to make when such goals seem to be in conflict; but there is no reason why such an argument should be decided differently in the monetary than in the fiscal sphere.

I wonder how the partisan advocates of "independence of the Central Bank" would feel in the, not unthinkable, case where the Board of Governors were "packed" with ardent growth mongers,

the legacy of a transient populist Congress—men keen to push for the last full measure of full employment with small consideration for the goal of price stability? There is no room in this country for a House of Lords. And even the Supreme Court, as Mr. Dooley said, does follow the election returns.

I need not here evaluate each and every recommendation of the Commission, telling why I like the proposal to abolish the 25% gold cover and think poorly of the innocuous discussion concerning debt management. Let me merely summarize a few reactions on fundamental matters:

(1) The Commission was right to come out against the "bills only" doctrine. Recent departure from that policy, while not momentous in their import, seem to me to confirm the wisdom of having the Board free to deal in government securities of all durations. The Fed's previous stand in this matter was a cranky, idiosyncratic one, not called for by Central Banking tradition, experience abroad, or by orthodox and modern monetary analysis.

(2) The need for closer coordination of the Federal Reserve and the Executive Branch. I have already touched upon, including the desirability of having the Chairman serve at the will of the President. As always, Congress has a right and a duty to take a view as to the correctness of general Federal Reserve policy. The issue of Regional versus Washington authority within the Federal Reserve System I think, in point of historical fact the officers of the regional banks have more and more become the willing co-operators with the Washington office.

(3) I applaud the recommendation of the Commission that Congress allocate under proper safeguard to the President the right to lower or raise tax rates quickly, and within a limited range, for the purpose of increasing the stabilizing potency of fiscal policy. Such a reform would contribute greatly to the admirable "built-in automatic stabilizers" that already serve our system so well. While realizing that Congress is, properly, reluctant to give up its authority without good reason and careful limitations, I insist that proposals like these are not at all quixotic. They are bound to come, and the sooner the better. Considerable experimentation will be needed, and I honestly do not think that the CMC has gone as far as America ought to go in this matter; but I suspect they have gone farther than many Congressmen will care to follow, and one can only hope for a period of discussion, debate, and education in this important area.

Ten years from now the Commission on Money and Credit may be forgotten by the public. But scholars will remember it fondly if its recommendation helps give rise to evolutionary developments in this important area. In public affairs, not to be quixotic is to be pollyannaish. And although the Commission has jostled with few windmills, when the roll call is made they will be found to have been on the side of the angels.

*Testimony on the Report of the Commission on Money and Credit by Prof. Samuelson, before the Joint Economic Committee, U. S. Congress, Aug. 18, 1961.

A. J. Miller Opens

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Allen J. Miller is engaging in a securities business from offices at 2631 West Olympic Boulevard under the firm name of Pacific Business Sales.

Eastern Air Devices, Inc. Rights Offering

Eastern Air Devices, Inc. is offering rights to subscribe to 150,000 shares of its common stock at \$5 per share to holders of the outstanding common stock of Crescent Petroleum Corp. parent, at the rate of one share of Eastern Air Devices, Inc. stock for each 10 shares of Crescent Petroleum stock held of record Aug. 25, 1961. Rights will expire Sept. 15, 1961. Sutro Bros. & Co. and Gregory & Sons are managers of the group underwriting the new issue.

Prior to this offering, all of the capital stock of Eastern Air Devices was owned by Norbute Corp., a wholly owned subsidiary of Crescent Petroleum. The underwriters have agreed to purchase at \$5 per share all the Eastern Air Devices, Inc. common stock not subscribed for upon ex-

ercise of rights. Both the warrants evidencing the subscription rights and the common stock of Eastern Air Devices, Inc. will be traded on the American Stock Exchange.

The company of Dover, N. H., produces a line of power components and servo components, including servo motors and tachometers. The principal items in the power line are miniature fan and blower units used in electronic equipment for cooling purposes. The servo line units perform precise control functions in automatic control systems. The company also recently developed and is producing a line of motors employing transistorized invertors to transform direct current into alternating current, eliminating the brush used in conventional direct current motors.

S. J. Liftin Opens

ROCKAWAY PARK, N. Y.—Sidney J. Liftin is engaging in a securities business from offices at 134-11 Newport Avenue.

Benedick to Aid N. Y. USO Drive

Walter Benedick, President of Investors Planning Corporation of America will serve as Chairman of the Mutual Funds Division during the Greater New York USO's 1961 fund-raising drive.

The announcement was made by Major General Melvin L. Krulwich, USMCR (ret.), Chairman of the New York State Athletic Commission and Chairman of the New York USO's annual campaign. To do an effective job in the present defense situation, the USO needs \$11,525,000, of which New York City's quota is \$1,250,000.

Mr. Benedick pointed out that America's military build-up creates a greater need for USO's services than at any time during the Cold War.

NOW-MORE AT THE DIME FOR TREASURERS OF CHURCH AND CHARITY FUNDS

Something new has been added to the service The Dime Savings Bank offers to Treasurers, Administrators and Trustees of Church, Charity and Educational Funds. In addition to the privilege of maintaining the entire account at The Dime — with no limits to the amount on deposit — you can now enjoy total dividend earnings at the highest bank rate paid in New York State payable, in effect, from day of deposit to day of withdrawal.

The Special Dividend Plan now permits withdrawals of \$5,000 and more to be made at any time, without loss of dividends earned to the date of withdrawal. You need not wait until the end of a quarterly period if you find it necessary to make a large withdrawal. By a special arrangement, you now get the full advantage and effect of dividends paid from day of deposit to day of withdrawal.

If you have an account with us now, please write or phone for new Signature Cards entitling your Fund to the benefits of the new Special Dividend Plan. If you do not have an account with us, we would like nothing better than to serve you. For information and personal service in opening a new account, call Mr. Clinton Keeler at TRiangle 5-3200. He will be happy to help you.

3 3/4%
a year

Latest total quarterly dividend for money on deposit 2 years or more — 3 3/4% a year regular from day of deposit, plus 1/4% a year special for money on deposit 2 years or more.

The Billion Dollar

DIME

SAVINGS BANK OF BROOKLYN

Downtown — Fulton Street and DeKalb Avenue
Bensonhurst — 86th Street and 19th Avenue
Flatbush — Avenue J and Coney Island Avenue

Coney Island Mermaid Avenue and West 17th Street
Green Acres Shopping Center, Sunrise Highway, Valley Stream P.O., N. Y.

Member Federal Deposit Insurance Corporation

NEWS ABOUT BANKS AND BANKERS

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

Directors of Chemical Bank New York Trust Company, New York, have elected Hulbert S. Aldrich, Chairman of the Trust Committee in charge of the bank's important Fiduciary Division, it was announced today by Harold H. Helm, Chairman.

Mr. Aldrich, who continues as Vice-Chairman of the bank, succeeds Adrian M. Massie who retires as of Sept. 1. Mr. Massie has been elected Vice-Chairman of the bank's Trust Committee and will serve as a consultant on banking and trust matters and also on executive training. He continues as a Director.

Mr. Aldrich began his career in October, 1930, with The New York Trust Company, of which he was President in 1959 when that institution was merged into Chemical Bank New York Trust Company.

Directors of Chemical Bank New York Trust Company, New York, have elected three Senior Vice-Presidents, Chairman Harold H. Helm announced Aug. 25. They are Alfred H. Hauser, Arthur P. Ringler and Keith M. Urmy. Mr. Hauser is in charge of the bank's investments; Mr. Ringler, operations, and Mr. Urmy, metropolitan branch office administration.

Mr. Hauser began his career with the bank in 1928 and advanced to investment trust officer in 1937 and Vice-President in 1949. He is a Trustee of Empire City Savings Bank of New York.

Mr. Ringler began his career with Chemical Bank New York Trust Company in 1927, became Assistant Branch Manager in 1935, advancing to Assistant Treasurer in 1937, Treasurer in 1945, Vice-President and Controller in 1953 and Vice-President-Operations in 1960.

Mr. Urmy began his banking career with Chemical New York in 1929, becoming Assistant Vice-President in 1947, Vice-President in 1952 and Vice-President-Branch Administration in 1960.

William R. Riggs and Thomas F. Milbank have been nominated to fill the vacancies in the Board of Trustees of the Bank of New York.

The appointment of Philip J. Chetta as a Vice-President of Manufacturers Trust Company, New York, was announced Aug. 24 by Horace C. Flanagan, Chairman of the Board. He will be Officer in Charge at the company's new 43rd Street and Third Avenue office upon its opening next month. His current assignment is

at the Empire State Office, Fifth Avenue at 34th Street.

Also announced were the appointments of Hugh J. Brennan and Charles J. Lasch as Assistant Secretaries. Mr. Brennan is assigned to the bank's advertising department and Mr. Lasch to the banking office at 55 Broad Street.

John T. Madden, Chairman of the Board of Emigrant Industrial Savings Bank, New York, has announced the appointment of Joseph G. Reilly as an Assistant Vice-President.

Mr. Reilly has been with the bank since 1936, and Assistant Comptroller since 1954.

Alfred R. Marcks, Senior Vice-President and Trustee of The Dime Savings Bank of Brooklyn, N. Y., completed 40 years of service with the institution on Aug. 27.

Starting as an office boy in 1921, he rose steadily through the ranks to the position of Senior Vice-President. He was elected to the Bank's Board of Trustees in 1953.

The office of Comptroller of the Currency issued a charter on Aug. 14 to "The National Bank of Orange and Ulster Counties," Goshen, Orange County, N. Y. The President is F. W. Murray, Jr. and the Cashier is Wallace Blauvelt. The bank has a capital of \$220,000 and a surplus of \$603,380.51.

This is a conversion of: The Bank of Orange County, Goshen, New York.

Herbert L. Morris, Vice-President of the Worcester County National Bank, Worcester, Mass., will retire on Aug. 31. Mr. Morris joined the bank in February, 1957 as Treasurer, and later that year was elected a Vice-President.

He entered banking as an Assistant Bookkeeper in 1915 at the Hudson County National Bank in Jersey City, N. J. Among the other banking positions he has held are those of Executive Vice-President and Director of the West Hudson National Bank in Harrison, N. J., and President and Chairman of the Board of the Valley National Bank & Trust Company of Valley Stream, N. Y.

The Home National Bank of Brockton, Brockton, Mass., has increased its common capital stock from \$550,000 to \$660,000 by a sale of new stock, effective Aug. 16. (Number of shares outstanding 13,200 shares, par value \$50).

Merger of the West Side Bank of Bridgeport, Conn., into the City

Trust Company, Bridgeport, Conn., has been approved by directors of both banks. Under terms of the proposed merger, each \$25 par value share of the West Side Bank would be exchanged for eight shares of \$10 par value stock of the City Trust Company.

On Aug. 17 the Comptroller approved the application of The First National Bank of Ebsenburg, Ebsenburg, Pa., to purchase the assets and assume liabilities of The First National Bank of Cresson, Cresson, Pa. The effective date was as of the close of business, Aug. 18.

On Aug. 17, the Comptroller approved the application of The First National Bank of Mercer, Mercer, Pa., to purchase the assets and assume the liabilities of The Fredonia National Bank, Fredonia, Pa. The effective date is to be determined.

On Aug. 17 the Comptroller approved the application of The Central National Bank at Cambridge, Cambridge, Ohio, to purchase the assets and assume the liabilities of The Citizens Savings Bank Company, Cambridge, Ohio. The effective date is to be determined.

Joseph F. Verhelle announced the Board of Directors on Aug. 24 elected Mr. Chester J. Meldrum, Executive Vice-President, and Mr. Jerome J. Zielinski, Senior Vice-President, as Directors of the Public Bank, Detroit, Mich.

Mr. Chester J. Meldrum, with a background of 42 years of active banking service, is one of the most widely known lending officers in the banking circles in this area. With Public Bank since the time of its organization and as Executive Vice-President, he has done much to promote its growth and encourage its wide acceptance.

By a stock dividend The United States National Bank of Omaha, Omaha, Neb., has increased its common capital stock from \$2,000,000 to \$3,000,000, effective Aug. 14. (Number of shares outstanding 30,000 shares, par value \$100).

The common capital stock of the First Continental National Bank & Trust Company, Lincoln, Neb., has been increased from \$3,750,000 to \$4,000,000 by a stock dividend and from \$4,000,000 to \$4,250,000 by sale of new stock, effective Aug. 18. (Number of shares outstanding 212,500 shares, par value \$20).

By a stock dividend The First National Bank of McAlester, McAlester, Okla., has increased its common capital stock from \$400,000 to \$500,000, effective Aug. 16. (Number of shares outstanding 50,000 shares, par value \$10).

On Aug. 17 the Comptroller approved an application to merge the First National Bank of Myrtle Beach, Myrtle Beach, S. C. into The South Carolina National Bank of Charleston, Charleston, S. C., under the charter and title of "The South Carolina National Bank of Charleston." The effective date was as of the close of business Aug. 26.

John C. Bolinger, Jr. has been elected President and a Director of Tennessee Bank and Trust Company of Houston, Texas.

Bank of America, San Francisco, Calif., elected William H. Bolin a Vice-President in charge of the Middle East and Africa division. C. M. Van Vliet, a Vice-President, head of the European division, and Eric Hallbeck, a Vice-President, resident representative for Sweden, Norway, Denmark, Holland and Belgium.

Is \$35 Per Fine Ounce The Proper Price of Gold?

By Haller Belt, San Francisco, Calif.

Writer advocates changing the mint price of gold and the discontinuance of the use of the dollar as a reserve by foreign countries. He favors universal usage of the decimal standard and of the nomenclature of our currency units. Mr. Belt confines gold and our "official" Government claims abroad to one end of the scale and balances it against our short-term liabilities, internal debt, paper dollars, imbalance of payments, official Washington moves to drop the 25% gold reserve requirement and taxes. He finds this results in an imbalance necessitating a gold price change.

The prompt answer to the question "Is \$35 per fine ounce the proper price of gold?" decidedly is a positive and an unequivocal "no."

Our monetary situation is horribly chaotic and is becoming more so each year with the increasing monetization of our huge and growing internal debt structure and, too, with the increasing volume of our short-term liabilities abroad. Our \$17.5 billion stock of monetary gold has been depleted from \$22.3 billion in 1957 to \$17.4 billion at the end of 1960, an average of \$1.7 billion yearly, and the redeemability ratio of our managed paper currency to our stock of monetary gold, gradually, is approaching "zero."

Our short-term liabilities to foreign countries and to international institutions total \$21.1 billion; of this volume, \$10.3 billion are "official" and are convertible promptly on demand to our monetary gold; \$6.9 are "private" holdings that could be made "official" by transfer to the central governments or to the central banks. The holdings of the international institutions, also, could be converted to our gold if circumstances warrant.

Within the past four years, these short-term liabilities have increased \$2.4 billion and, with our gold loss of \$5.0 billion, have combined to bring about an operating deficit in our Balance of Payments of \$7.4 billion against a negligible increase in our official holdings of short-term claims against foreign countries.

Internal Debt

Our internal debt structure (Public, Corporate and Private) now exceeds \$1.0 trillion and is increasing at a rate of \$50.0 billion yearly. The continuing monetization of these debts is creating greater and greater volumes of our managed paper dollars of approaching questionable convertibility.

Our "liquid managed paper dollar assets" now total \$311.5 billion with a redeemable ratio of 5.6% to our \$17.5 billion stock of gold. These "liquid paper assets" are increasing at an annual volume approximately \$12.5 billion and are comprised as follows; the "active money supply" of adjusted demand deposits plus currency in circulation outside the banks at \$140.4 billion, plus time deposits at \$108.5 billion.

To balance off these huge claims against our monetary gold stock, our "official" government claims abroad approximated \$22.0 billion at the end of 1960 and are increasing at an annual rate approaching \$2.0 billion. Unfortunately, these claims against foreign countries are not being liquidated and they include indebtedness to the Export-Import Bank; loans for mutual security, lead-lease, surplus property and settlements for

grants, and other credits currently to a total of \$12.9 billion, increasing yearly.

Defaulted Debt

However, these "official" government claims against foreign countries do not include the World War I debts that are now in default to a total of \$19.1 billion and increasing yearly through the accrual of the unpaid interest charges.

A feature, seemingly inactive, of these long-term claims against foreign countries is that, in 1955, Russia owed us from World War I the total of \$545.0 million (mostly accrued interest charges) and, on June 30, 1960, with more accrued interest charges, the amount totaled \$593.0 million. Again, today, the USSR is indebted to us for an additional \$219.0 million from World War II. These two debts from World Wars I and II, combined, amount to more than \$750.0 million and there is no evidence of an intent of payment on the part of the USSR.

Our Balance of Payments in foreign trade, as stated above, has been running deficits of recent years and includes in the U. S. private investment factor the export of moneys for increasing investments in manufacturing facilities in the industrial nations in order to combat the rising costs of production in our domestic establishments and to be more competitive with foreign export prices.

The trade barriers and trade restrictions, both at home and abroad, gradually are being reduced, the slowly rising costs of production in the industrial nations and, finally, the increasing export prices of the primary producing countries, all, are combining to develop in the coming years an era toward world free trade and, possibly, a uniformity of all price structures.

These factors really are generating in Washington a noticeable concern in the continued stability of the U. S. dollar. Only recently, the Administration advocated the elimination of the 25% gold reserve requirement; the Joint Economic Committee of the Congress concurred and, surprisingly, recommended that long-run increases in the money supply follow the rate of growth of the Gross National Product with no reference to the reamability ratio to gold.

In the face of these disturbing factors, our various governments (Federal, State and local) continue to increase both the many tax structures and the wages and salaries of all public employees and, too, to resort to volumes of deficit expenditures in their annual operations; management strives for greater profits; labor with its many strikes and threats of more strikes demands greater wages and greater benefits; and we, the consumers, have become increasingly dependent upon installment buying and long-term deferred payment contracts.

So, taken all in all, not only are we over-burdening our economy with a tremendous structure of debt and credit but also we are resting the welfare of that economy upon the weakest possible foundation of a managed paper



Haller Belt

Notice of Names of Persons Appearing as Owners of Certain Unclaimed Property Held by BANKERS FEDERAL SAVINGS AND LOAN ASSOCIATION

24 John Street, New York 38, N. Y.
The persons whose names and last known addresses are set forth below appear from the records of the above-named banking organization to be entitled to unclaimed property in amounts of twenty-five dollars or more.

AMOUNTS DUE ON DEPOSITS

Gustav J. Fricke	2103 Tichont Ave., Bronx, New York
S. Freedman	170 Machray Ave., Winnipeg, Canada
Robert Denton, Jr.	131-10 Liberty Ave., Richmond Hill, N. Y.
Anne Deanne Novick and Ruth Stern	1015 Boyanton Ave., New York, N. Y.
Anthony J. Madden	c/o John J. Ford, 94 Silver Lake Road, Staten Island 10, N. Y.
Pierre La Place	3950 Bainbridge St., Bronx, New York
James P. Magee	160 Bleecker St., New York 12, N. Y.
Bernard Linsky	195 MacDougal St., New York 12, N. Y.
Mrs. Marion Derrico	177 Thompson St., New York 12, N. Y.
Miss Norma Karr	34 Bedford St., New York 14, N. Y.
Dorothy E. Jriscoll	65 So. Harrison St., East Orange, N. J.
Vance R. Hood	72 Barrow St., New York 14, N. Y.

A report of unclaimed property has been made to the State Comptroller pursuant to Section 391 of the Abandoned Property Law. A list of the names contained in such notice is on file and open to public inspection at the principal office of the bank, located at 24 John Street in the City of New York, N. Y., where such abandoned property is payable.

Such abandoned property will be paid on or before October 31st next to persons establishing to its satisfaction their right to receive same. In the succeeding November, and on or before the tenth day thereof, such unclaimed property will be paid to the State Comptroller and it shall thereupon cease to be liable therefor.

currency and an unsound, unstable U. S. dollar, domestically inconvertible to its fixed gold content.

The \$35 price of a fine ounce of gold in terms of the U. S. dollar with the convertibility ratio approaching "zero" is far beyond the capacity of any paper currency of any nation today to meet their foreign obligations and, of consequence, a new world price of gold must be established.

Would Change the Gold Price

By the terms of The Bretton Woods Agreement of 1945 establishing the International Monetary Fund, the IMF is fully organized to review the monetary status of its member nations and to establish a new and correct world price through a revision of the par value in the fine gold content of each currency unit of the member nations.

Accordingly, it is urgently recommended that the U. S. Congress enact a Joint Resolution instructing the Administration to present to the IMF a recommendation asking for a prompt conference in Washington of the Board of Managers of the IMF with their finance experts to review the monetary status of the various members, to revise the gold content of the various currency units to new par values, to discontinue the use of the U. S. dollar as a reserve for the stability of the currencies of the various members and, finally, thus to establish a new and proper price of the fine ounce of gold in all currencies.

There is much too much confusion and lack of understanding in the fundamentals of inflation, convertibility, depreciation, the creation of managed paper money and, finally, of the monetization of debt and credit.

It would be a most constructive accomplishment if the Board of Managers of the IMF could get universal adoption of all currencies to the decimal standard and to the nomenclature of the various units of the U. S. currency.

Tassette, Inc. Class A Offered

Public offering of 200,000 class A shares of Tassette, Inc. at \$8 per share, is being made by Amos Treat & Co., Inc. and Bruno-Lenchner, Inc. The securities are offered as a speculation.

Net proceeds from the sale will be used by the company primarily for advertising market development programs, medical research and administrative overhead, parallel expenditure being made in each category.

The company with offices in Stamford, Conn., markets a women's personal product which has been test-marketed in a number of Eastern and Midwestern cities. On Feb. 16, 1961, the company launched its current marketing program, which includes a large-scale advertising schedule. The revised product is currently being sold in the New York metropolitan area by 1500 druggists, by Macy's, L. Bamberger and Stern Brothers, and is included in the McKesson & Robins list sheet which receives world-wide distribution. The company proposes to undertake this program on a national basis.

With Equitable Securities

(Special to THE FINANCIAL CHRONICLE)
BOSTON, Mass.—Stanley Roberts has joined the staff of Equitable Securities Corporation, 75 Federal Street.

Joins Hornblower & Weeks

(Special to THE FINANCIAL CHRONICLE)
BOSTON, Mass.—Bernard S. Dunn has become affiliated with Hornblower & Weeks, 75 Federal St.

SECURITY SALESMAN'S CORNER BY JOHN DUTTON

What About the Prudent, Frugal Investors?

Despite the flood of speculative "new issues" that have been offered to the public during the past few years not everyone is interested in a "fast buck." There are millions of substantial citizens who have sacrificed and saved during their earlier years so they can enjoy some self respect, security and independence now. These people are not interested in Zu-Zu Electronics common that is coming out tomorrow and may be selling at a premium a few hours later. They are not looking for new issues that represent "bail-outs" of majority stockholders interests at many times what these people could have obtained a few years ago. They don't care to put their money into over-priced common stocks of marginal companies just because someone tells them that some new issue may jump a few points as soon as it is offered.

These are not normal times. But there are still many normal people who would like to make an investment for a change that promises them some fair chance of living normally during the next few years. One can only guess what will transpire with the debt we are building overall throughout this country, and the "something for nothing" attitude that guides the thinking of our governmental leaders. Inflation is no longer a threat; it is here and there is more to come. If the fiscal policies we are pursuing continue.

Seven Months of Kennedy

During the first seven months of this administration a total of \$10.7 billion has been added to the burden of the Federal Government. Only \$4.5 billion can be attributed to defense costs, the remaining \$6.2 billion is made up of sums for welfare, education housing, public works, peace corps, and additional funds for the general administration of the government. (Wall Street Journal, August 25). Such spending as this does not indicate that our Federal Government is inclined toward economy. Nor does it indicate that inflationary pressures will subside.

What About Fixed Income Investments?

People are creatures of habit. They shop in a store by habit, they patronize the same professional people mainly because of habit. They invest the same way. Millions of people have been putting their savings into government bonds, life insurance, conventional bonds, mortgages, bank accounts, savings accounts and conventional preferred stocks for years because they have known no other way. There is nothing wrong with these investments. Most of them will pay the same fixed dollars for years to come that they have paid in the past. The only thing that is wrong with such investments is that the dollars they pay continue to buy less and less in periods of inflation. The rate of monetary depreciation in this country has also been very gradual. It has not started to speed up to the point where people have become alarmed. Yet here are a few facts on the subject:

A Dollar Would Buy

In 1940	In 1960
12½ loaves of bread	5 loaves of bread
5 lbs. of coffee	1½ lbs. of coffee
7.7 qts. of milk	4 qts. of milk

In 1940 a man could buy a good suit for \$35 today it costs him \$65. A six family house for one

family could be bought for \$5,795 but today the same house will cost \$12,450. A four year college education could be secured for \$4,000 and the 1960 cost is \$8,000 to \$10,000. It is difficult to remember that 20 years ago a man could get a hair-cut for 50 cents which today costs him \$1.50. Everything from subway and bus rides, telephone calls, newspapers, gasoline (due to hidden high taxes) has doubled and tripled. Yet, savings accounts are still paying their 3% and 4% and conventional bonds and mortgages have not raised their interest payments either.

AAA Investments

These fixed income investments are triple A as to their deflation protection and their convenience. A reserve should always be maintained that includes them. But any investor that has the greatest part of his capital invested in such investments is gambling whether he knows it or not. He is gambling that the cost of living will stop going up and begin to go down. The only way he can become an investor and put some common sense safety into his program is to divide his assets between a reasonable ratio of savings accounts, government bonds, mortgages, etc. and high quality common stocks, convertible bonds, convertible preferreds, and Mutual Funds. This way he has some protection against the further erosion of his capital and also a reserve fund for emergencies with a deflationary hedge as well.

In every community there are people who are not aware of their precarious financial situation because they have never had this explained to them. This is where the investment salesman of this country can go out and do a constructive job for his fellowman today—not sitting around an office waiting for some promotional "new issue" to come along so that he can place an indication for a few hundred shares, that he can pass along to someone who is only interested in trying to get something for nothing.

Applied Research Common Offered

Cruttenden, Podesta & Co. and Spear, Leeds & Kellogg are sole underwriters of an offering of 120,000 common shares of Applied Research, Inc. being made at \$6.50 per share. Of the total, 60,000 shares are being sold by the company and 60,000 shares by certain selling stockholders who will continue to own substantial numbers of shares after the sale.

Proceeds of the shares being sold by the company will be used as follows: \$40,000 for leasehold improvements; \$75,000 for additional production machinery and test equipment; and the balance of \$223,500 for additions to working capital to be used for general corporate purposes.

The company of 76 S. Bayles Ave., Port Washington, N. Y. is engaged in the design, development, manufacture and sale of devices, systems, and sub-systems used in connection with space and earth communications, radio frequency analysis, missiles and satellites, and radar and telemetry systems.

L. M. Brodie Opens

HARTSDALE, N. Y. — Irwin M. Brodie is engaging in a securities business from offices at 15 Fieldstone Drive.

Chemical N. Y. Trust Elects V.-Ps.

Directors of Chemical Bank New York Trust Company have elected three Senior Vice-Presidents, Chairman Harold H. Helm announced. They are Alfred H. Hauser, Arthur P. Ringler and Keith M. Urmy. Mr. Hauser is in charge of the bank's investments;



Alfred H. Hauser



Arthur P. Ringler



Keith M. Urmy

Mr. Ringler, operations, and Mr. Urmy, metropolitan branch office administration.

Mr. Hauser began his career with the bank in 1928 and advanced to investment trust officer in 1937 and Vice-President in 1949. He is a trustee of Empire City Savings Bank of New York; director of Maracaibo Oil Exploration Corp., Granby Mining Co., Ltd., and other corporations. He is President, Near East College Association, Inc.; trustee of American University in Beirut, Director and Chairman, Investment Committee, Board of Home Missions of Congregational & Christian Churches; trustee, American Bible Society, and member, Governmental Securities Committee, Investment Bankers Association of America.

Mr. Ringler began his career with Chemical Bank New York Trust Company in 1927, became Assistant Branch Manager in 1935, advancing to Assistant Treasurer in 1937, Treasurer in 1945, Vice-President and Controller in 1953 and Vice-President-operations in 1960. He has been active on numerous banking industry committees, including the New York Clearing House Association's Committee on Accounting procedures, of which he is Chairman, and the Committee on Federal Fiscal procedures of the American Bankers Association. He is a member of Controllers Institute of America.

Mr. Urmy, began his banking career with Chemical New York in 1929, becoming Assistant Vice-President in 1947, Vice-President in 1952 and Vice-President-branch administration in 1960. During World War II, from November 1, 1942 to November 1, 1945, he served in the U. S. Naval Reserve; returning to inactive duty as Lt. Commander. He is trustee of New York Medical College, Flower & Fifth Avenue Hospitals.

Outlook for Petroleum

By John E. Swearingen,* President, Standard Oil Company, (Indiana), Chicago, Ill.

A reasonably optimistic outlook for the last half of 1961 is made for the petroleum industry. Its problems are recounted including the most pressing one of excessive inventories and unsound marketing practices.

Last December we anticipated that the oil industry in the first half of 1961 would see, in comparison with the same 1960 period:

- (1) Domestic crude oil production 1 to 2% higher, with a moderate increase in natural gas production. Today it appears the actual figure for crude oil production will be somewhat higher, about 2.5%.
- (2) Domestic demand for petroleum products up 1 to 2%. A more accurate estimate today would be about 1%.
- (3) Product prices up an average of 3 to 4%. Although fuel oil prices strengthened with a cold winter, both fuel oil and gasoline prices began to decline late in the first quarter. Nevertheless, average prices for the half-year should be within the range of the estimate.
- (4) Earnings up at least 5%. Earnings were up markedly in the first quarter of 1961, but they were measured against a very weak 1960 quarter. The effect of product price declines will be felt in the second quarter, but even so earnings should average some 10% higher for the first half.



John E. Swearingen

1960, domestic crude production should rise about 3%, domestic demand for products about 3%, product prices at best should be about even with last year's good second half, and earnings should increase slightly.

In our view, the outlook for the second half is reasonably optimistic, even in the face of a 5% general wage increase at the first of the year. Earnings for the second half of 1961 will be measured against a period of better earnings in 1960; so the relative improvement over a year ago will not be as large as in the first half.

There appears to be little prospect this year for easing of natural gas regulation, change in depletion allowed for tax purposes, or significant modification of import regulations. These problems will continue into 1962, along with the industry's most pressing problem of recent years—to prevent overproduction of crude oil and refined products from building excessive inventories and unsound marketing practices.

*A statement by Mr. Swearingen at the "Business Outlook for the Last Half of 1961" seminar sponsored by the First National Bank of Chicago.

Westheimer Adds

(Special to THE FINANCIAL CHRONICLE)
CINCINNATI, Ohio — David M. Lance has been added to the staff of Westheimer and Company, 322 Walnut Street, members of the New York and Cincinnati Stock Exchanges.

AS WE SEE IT Continued from page 1

\$25 billion, and those of the commercial banks to nearly \$91 billion. In addition there were large quantities of "pegged" governments in the hands of the general public which had to be accorded the status of at least semi-money.

Controls Did Not Work

During the war various controls managed to hold prices—or at least quotations as they appeared in the press—relatively steady, and there were a few naive souls who thought that we had been clever enough to avoid inflation despite all the monetary and credit expansion. In a relatively short time, however, we learned the hard way that we were deluding ourselves. Within three years of the end of the war the consumer price index was 102.8 as compared with 76.9 on the average during the last year of the war. Today the figure stands at a little over 128. The first three years after the end of the war saw an increase in wholesale prices from about 68.8 to over 104. Today the figure stands at a little less than 120.

What did we learn by all this about control of indebtedness and debt management? Not very much if the facts are to be taken as a guide. In the first year or two after the close of the war total public debt reflected the elimination of certain issues which had been in the nature of war insurance leaving the Treasury with abnormally large cash balances. By the end of 1947 total gross debt of the Treasury was down to \$257 billion; today, 16 years after the end of the war it stands at very nearly \$290 billion and shows no disposition to decline. Of this huge total, the Federal Reserve banks hold some \$27 billion, as compared with a little more than \$24 billion at the end of 1945.

Bank Holdings

The commercial banks which held nearly \$91 billion at the end of 1945 were able to reduce their holdings considerably during the first few years after the end of the war, but have never been able to keep their portfolios of governments down to the lowest postwar level. They now own over \$62 billion. And prices are showing no disposition whatever to readjust themselves downward. In point of fact the tendency seems to be in the opposite direction although not very markedly so at the moment. If, however, we are to revert to anything resembling the policies and the attitudes of the war years we could count on much more active price reaction unless extended controls deferred it or rather concealed it for a time.

So far as defense expenditures are concerned, one must largely depend upon the judgments of those in authority and in possession of facts which are denied the rest of us—that is as to the extent to which such expense must be undertaken. What is clear to us and should be clear to all the authorities in Washington is the fact that whatever the necessary volume of outlays is, they must be met in the greatest possible degree by current receipts, or by such receipts plus the proceeds of longer term loans

placed with nonbanking lenders. If there is need for substantial increases in such outlays, the burden of carrying them in this way will be substantial, but the cold fact is that that burden has to be borne at one time or another. And it will not decrease with the passage of time, but will in all probability grow larger as the disruptions of our economic life due to its existence grow more and more serious.

Put Them on the Shelf

As to many if not most of the other planned increases in Federal outlays, they sim-

ply should be put on the shelf or rather put entirely out of mind for good and all. Very few if any of them are in any way essential. If this is a time not to quibble about defense expense, it certainly is also a time not to hesitate to do what is necessary to carry any essential defense outlays without asking for all the disturbances which go along with an inflationary period. In particular, proposed outlays which have been suggested as means of promoting economic growth should be eliminated forthwith and forgotten. They at best would not promote growth over any

extended period of time but would rather retard it. This is no time to play with such foolish and costly ideas. We must strip our public activities and our public expenditures down to the minimum—and that means an end to most of the New Deal plans now under consideration.

Among the other things that need another close look is the activity designed to get us to the moon ahead of the Soviet Union—and all other kindred spectacular but admittedly useless programs in space. Putting such things on a "crash" basis can not fail to

PRESIDENT'S REPORT

ON NORTHERN STATES POWER COMPANY

Owned by 78,900 shareholders and serving over 600 communities in Minnesota, North Dakota, South Dakota and Wisconsin

MEET THE MEN WHO LEAD IN PLANNING NSP'S FUTURE

Here are some of NSP's "unlisted assets"—the members of the Company's Board of Directors. These are the men who provide the top-notch leadership that has helped NSP grow and prosper. Their stewardship has helped make this year just past a record one for the Company. And their long-range planning helps assure sound growth . . . even more and better service for our customers.

Behind this "first team" are supporting groups of managers and executives, specializing in the various phases of the Company's activities. And a continuing program of personnel development—within the Company—is preparing others to advance, to assume more responsibilities.

So whether it's planning an atomic power plant, promoting all-electric living, forming a "power pool" with other suppliers, NSP is geared to do the job—because it has the kind of men who get jobs done.



PRESIDENT, NORTHERN STATES POWER COMPANY
MINNEAPOLIS 2, MINNESOTA

result in serious wastage of funds and manpower precisely at the time that we should be as frugal as possible with both. But the main thing at the moment is to undertake only those things which can be financed out of current income—and to see that they are so financed either through taxation or nonbank longer term borrowing.

D. W. Leonard Co. Opens
PHILADELPHIA, Pa.—D. W. Leonard & Co., Inc. has been formed with offices at 1420 Walnut Street to engage in a securities business. S. Leonard Miller is a principal of the firm.

Armour and Co. Debs. Offered To Stockholders

Armour and Co. is offering to holders of its common stock the right to subscribe for \$32,648,300 principal amount of 4½% convertible subordinated debentures, due Sept. 1, 1983, at par on the basis of \$100 principal amount of debentures for each 16 shares held of record Aug. 24. Rights will expire Sept. 12, 1961. Application has been made to list the debentures on the New York Stock Exchange.

Wertheim & Co.; Glore, Forgan & Co., and Carl M. Loeb, Rhoades & Co. are acting as managers of the group which is underwriting

the offering with Wertheim & Co. handling the books.

The 1983 debentures will be non-callable prior to Jan. 1, 1963, after which they will be redeemable at optional redemption prices decreasing annually from a premium of 4¼%, and through the sinking fund at par, plus accrued interest in each case. The debentures will be convertible into common stock at any time before maturity at a conversion price of \$58 per share, subject to adjustment under certain circumstances.

The company's business is divided into two segments: Armour Foods and Armour Chemical Industries. Armour Foods is the second largest meat packer in the United States, and Armour Chemical Industries is a leader in the fields of agricultural chemicals, household soap, and fatty chemi-

icals. Armour Foods operates packing plants for the slaughter of livestock and the processing of meats and animal products and their by-products, and it also manufactures, processes, purchases and sells other food products. Armour Chemical Industries manufactures and mixes fertilizers, certain components of which it mines and produces. It also makes soaps, detergents, glycerine, fatty acids and nitrogen derivatives, coated abrasives, cushioning products, and adhesives.

Now A. C. Sheffield Co.

NEW LONDON, Conn.—The firm name of Sheffield & Company, 325 State Street, has been changed to A. C. Sheffield & Co. The firm maintains a branch office in Hartford.

\$20,000,000 San Diego Bonds Offered

A Bank of America N. T. & S. A. underwriting syndicate which included Morgan Guaranty Trust Company of New York; Blyth & Co., Inc., and Security First National Bank purchased on Aug. 29 the \$20,000,000 bond issue of the San Diego Unified School District, San Diego County, Calif.

The group paid a premium of \$15,079 for a combination of 5%, 3¼%, 3½%, 3% and 1% bonds. The dollar bid was 100.075 and the net interest cost to the District was 3.44%. The bonds were re-offered to yield from 2% to 3.65%, according to maturity Oct. 1, 1963-1981. Bonds due in 1982 were not reoffered.

The bonds sold were the second offering of 1960 school bonds. Proceeds will be used for various school purposes.

Bank of America underwriting groups finance a major part of the new schools and classrooms which are added to the California Educational Plant each year to accommodate growing enrollments. The bank and its associates in the past 12 months bought more than \$677 million of California State and Municipal bonds of all types.

Other major members of the bank group which purchased the bonds were: The First Boston Corporation; Harriman Ripley & Co. Incorporated; Smith, Barney & Co.; Lehman Brothers; The Northern Trust Company; Kuhn, Loeb & Co.; Merrill Lynch, Pierce, Fenner & Smith Incorporated; Dean Witter & Co.; Wells Fargo Bank American Trust Company; Weeden & Co. Incorporated; Seattle-First National Bank; The Philadelphia National Bank; John Nuveen & Co. (Incorporated); J. Barth & Co.; Equitable Securities Corporation; Shields & Company; R. W. Pressprich & Co.; William R. Staats & Co.; Shearson, Hammill & Co.; E. F. Hutton & Co. Incorporated; Hayden, Stone & Co.; Wertheim & Co.; Bacon, Whipple & Co.; A. G. Becker & Co. Incorporated; City National Bank & Trust Company, Kansas City, Mo.; Commerce Trust Company, Kansas City, Mo.; Francis I. du Pont & Co.; W. E. Hutton & Co.; Lee Higginson Corporation; New York Hanseatic Corporation.

Fischbach & Moore Common Offered

Allen & Co. is offering 50,000 common shares of Fischbach and Moore, Inc., at \$18.25 per share.

None of the proceeds from the sale of the common stock will accrue to the company, as the shares are already outstanding and are being sold for the account of Henry F. Fischbach, Chairman and certain other stockholders.

The company of 545 Madison Ave., New York City, is engaged in electrical contracting on office buildings and industrial plants; installation of control systems and electric power systems used at rocket and missile launching facilities and radar installations; and installation of electrical facilities in power plants, generating stations, transmission lines and substations.

Shearson, Hammill Branch

GARDEN CITY, N. Y.—Shearson, Hammill & Co. has opened a branch office at 1000 Franklin Avenue under the management of Robert R. Keating.

Also associated with the new office will be Leo G. Federman, Harold Palmer, John C. Avera, Frederick G. Euehler, Jr., Maitland L. Bishop, Jr. and Robert E. Pile.



ALLEN S. KING

NSP President. Started working part time with NSP while in college; became a regular employee as an engineer in 1922. Came up through Company ranks to become President and Director in 1954. Director of Northwestern National Bank of Minneapolis and Northwest Bancorporation.



S. P. DUFFY

President and General Manager of Our Own Hardware Company of Minneapolis, an organization owned by more than 600 retail hardware dealers. Director, Northwestern National Bank of Minneapolis and Northwest Bancorporation.



A. B. JACKSON

President and Director, St. Paul Fire and Marine Insurance Company and St. Paul Mercury Insurance Company. Director of Western Life Insurance Company, Gould National Batteries, Inc., First National Bank of St. Paul, First Bank Stock Corporation, Northwestern Bell Telephone Company.



B. C. MARKS

President, Pioneer Mutual Life Insurance Company. Chairman of the Board, First Federal Savings and Loan Association of Fargo. Director, The First National Bank and Trust Company of Fargo. President, Fargo Industrial Development Corporation.



H. C. CUMMINS

Retired First Vice President of NSP. Past President, Shaeffer Oil and Refining Company (now Deep Rock Oil Company). Past Vice President in charge of Operating and Engineering, Public Utility Engineering and Service Corporation.



H. M. GALLAGHER

Senior Partner in the law firm of Gallagher and Madden, Waseca, Minnesota. Former Chief Justice of the Minnesota Supreme Court; former member of the State Industrial Commission.



ROBT. S. MACFARLANE

President, Northern Pacific Railway. Director, Northern Pacific Railway Company, American Smelting and Refining Company, First Bank Stock Corporation of Minneapolis, First National Bank and Trust Company of St. Paul, Pacific National Bank of Seattle, St. Paul Fire and Marine Insurance Company, Minnesota Mutual Life Insurance Company, Chicago, Burlington and Quincy Railroad.



P. H. McDOWELL

President, Howalt-McDowell, Inc., Sioux Falls, South Dakota. Director, Northwest Bancorporation, Northwest Security National Bank of Sioux Falls, Raven Industries, Inc., Red Owl Stores, Inc.



KENNETH N. DAYTON

Vice President, Director and General Merchandise Manager of Dayton's Department Store. Member, Advisory Board, Lincoln Office of Northwestern National Bank. Trustee of Carleton College.



T. G. HARRISON

Chairman of the Board of Super Valu Stores, Inc., Director, Federal Reserve Bank, Ninth District; Director of Green Giant Company. Chairman, Trade Relations Committee of National American Wholesale Grocers' Association. Vice Chairman, Dept. of Agriculture's Food Distribution Research and Marketing Advisory Committee.

NSP
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OF
DIRECTORS



DONALD C. MINARD

President, The Trane Company, Manufacturing Engineers of heating, ventilating, air conditioning and heat transfer equipment, LaCrosse, Wisconsin.

BANK AND INSURANCE STOCKS

This Week — Bank Stocks

BANK STOCK PRICES

Within the past week the Federal Reserve has stepped into the government market and purchased bills and short Treasury bonds. This move by the Open Market Committee indicates an unwillingness to raise money rates in the near future. The problems of the Treasury in raising additional funds in the calendar year should alone help to raise the general level of money rates. This problem coupled with an improving economy does point to a favorable earnings trend for the banks over the next year or more even though the Federal Reserve is reluctant to do anything at the present time.

There has been much recent discussion regarding the current level of bank stock prices. Many indices such as the American Bank Index of New York City Bank stock prices indicate that bank shares are selling at the highest level since 1930. Prior to that date, however, banks were selling at almost twice current price levels.

The following historical price earnings ratios of bank stocks point to the fact that over the past decade banks shares are not selling at high multiples of their earnings. For the years 1950 and 1955 banks were selling at higher multiples than the average of those companies in the Dow-Jones Industrial 30 Stock Index. At the year end 1960 bank stocks were "cheap" relative to industrials. Since that time there has been a substantial rise in the prices of these shares but when compared with multiples at which industrials are selling bank stocks do not seem over-priced. The average return, as indicated, is low as compared with the return on industrials; however, dividend increases are expected in the case of many banks.

Bank stocks have often been included in the "defensive" and stable category with utility stocks. Looking at selected utilities and banks serving approximately the same general areas, bank shares in each case sell at lower p. e.'s than utilities. The average p. e. is also much lower. It would appear that banks still enjoy price advantage relative to most other areas of equity investment, and the comparison with utility stocks seems appropriate in view of similar price behavior of stocks in both these categories.

Price Earnings Ratios of Bank Stocks

	Dec. 31 1950	Dec. 31 1955	Dec. 31 1960	Aug. 31 1961	Yield %
Bankers Trust Co.	16.6	14.1	12.0	17.8	2.87
Chase Manhattan Bank	12.7	14.5	11.6	15.9	3.03
Chemical Bank-N. Y. Trust Co.	13.9	13.3	12.2	15.9	3.30
First City National Bank	11.9	15.9	13.1	16.8	3.08
Morgan Guaranty Trust Co.	14.0	15.9	14.7	20.8	2.94
Bank of America	12.0	14.9	13.7	18.1	3.11
Citizens and Southern Nat'l Bank	8.0†	14.1†	12.9†	18.0	2.16
Continental Illinois Nat'l Bank	11.5	13.1	12.7	16.2	2.74
First National Bank of Boston	10.9	12.8	11.3	15.9	3.40
First National Bank of Chicago	17.3	15.6	14.2	18.9	1.75
National Bank of Detroit	10.4	15.0	12.6	14.3	2.80
National City Bank of Cleveland	9.4	15.6	11.9	17.9	2.31
Philadelphia National Bank	14.3†	16.8†	11.5	14.8	3.65
Republic National Bank	11.3*	15.0*	20.3*	29.8*	2.24
Seattle First National Bank	9.4	18.0	14.2	20.3	2.20
Security First National Bank	6.3	13.0	17.5	22.6	1.77
Valley National Bank (Phoenix)	4.1†	16.8	18.9	26.3	1.68
Wachovia Bank & Trust Co.	12.7†	20.9	15.5	21.6	1.48
Average Price Earnings Ratio	11.5	15.3	13.9	19.2	--
Price Earnings Ratio of Dow-Jones Ind. Index (30 stocks)	7.7	13.7	19.0	24.4†	--
Curr. Av. Yield for Bank Stocks	--	--	--	--	2.52
Yield on Dow-Jones Ind. Index	--	--	--	--	2.99

* Based on average price for the year.
† Not based on earnings which include the Howard Corp. dividend.
‡ Estimated.

Current Price Earnings Ratios of Selected Utility Companies and Banks Serving Similar Areas

	8/18/61		8/18/61
American Electric Power	26.1	Nat'l City Bk. of Cleveland	17.9
Arizona Public Service	36.5	Valley Nat'l Bank	26.3
Boston Edison Co.	18.4	First Nat'l Bank of Boston	15.9
Comwealth Edison Co.	22.2	First Nat'l Bank of Chicago	18.9
Florida Power & Light Co.	33.1	Citizens and S'thern Nat'l	18.0
H'uston Light & Power Co.	33.2	First City Nat'l (Houston)	16.0
Pacific Gas & Electric Co.	18.6	Bank of America	18.1
Texas Utilities	30.0	Republic National Bank	29.8
Va. Electric & Power Co.	29.8	Wachovia B. & T. Co.	21.6
Aver. Price Earn. Ratio	27.4	Aver. Price Earn. Ratio	20.3

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News Briefs

Within the past month the Morgan Guaranty Trust Company and six upstate New York banks filed application with the State and Federal Reserve Board to form a bank holding company. It is expected that many months will pass before action is taken on these applications. Approval and subsequent formation of this holding company might temporarily depress the market on the holding company shares as savings banks in Massachusetts are not now able to buy shares of bank holding companies. It is not expected that any divestiture by Massachusetts savings banks will be necessary.

Stockholders of both the Long Island Bank & Trust Company and the Chemical Bank of New York Trust Company approved a merger. This is still contingent on approval by the State and Federal Reserve Board.

In Maryland stockholders of the Baltimore National Bank and the County Trust Company have approved a merger. This institution will be known as the Maryland National Bank and with resources of over \$500 million will be the largest institution in the area.

J. D. Currie With Wainwright & Ramsey

J. Basil Ramsey, President of Wainwright & Ramsey Inc., 70 Pine St., N. Y., consultants on municipal finance, have announced that John D. Currie is now associated with the firm as a Vice-President and Manager in charge of a newly-opened office in the Wyatt Bldg., Washington, D.C.



John D. Currie

Mr. Currie, who resigned recently as Assistant

Commissioner for financing, Public Housing Authority, brings to his post many years of experience in the field of municipal finance. He has been associated with the Public Housing Administration since February, 1954, and has held various positions in that agency. Prior thereto he was Director of Finance, City of Akron, Ohio, his hometown, and he has been active in the Municipal Finance Officers Association of the U. S.; American Municipal Association; National Association of Bank Auditors and Comptrollers; American Institute of Banking; Municipal Finance Officers of Ohio, the Ohio Municipal League and other similar organizations.

In his new post with Wainwright & Ramsey Inc., Mr. Currie will serve as liaison officer between his firm, finance officers of municipalities across the country, and in some instances, the Federal Government.

Wainwright & Ramsey Inc. also maintains an office in Miami, Fla., under the management of George N. Shaw, well-known in municipal circles for years and a former director of finance of that city and past President of the Municipal Finance Officers Association of the U. S. and Canada.

Ackerman Joins Andresen & Co.

Andresen & Co., 30 Broad St., New York City, members of the New York Stock Exchange, have announced that Alan R. Ackerman has joined their organization as a registered representative. He will also be associated with the firm's new business department.

Named Director

William H. McElnea, Jr., a general partner in the investment firm of Van Alstyne, Noel & Co., members of the New York Stock Exchange, has been elected to the board of directors of Nedick's Stores, Inc., it was announced by Lewis H. Phillips, President of Nedick's.

L. Newman Opens

SCARSDALE, N. Y. — Lawrence Newman is conducting a securities business from offices at 175 Bell Road under the firm name of L. Newman Co.

Laurence Feldman Opens

Laurence Feldman is conducting a securities business from offices at 295 Madison Avenue, New York City.

Almon, McKinney Branch

TYLER, Texas—Almon & McKinney, Inc. have opened a branch office in the Fair Petroleum Building under the management of Robert G. Day.

THE SECURITY I LIKE BEST...

Continued from page 2

\$1.69 million or 75 cents per share in the second quarter of 1960. This brought first half 1961 totals to \$41.9 million in sales and profits of \$3.3 million, or \$1.43 a share versus \$41.3 in sales and profits of \$3.6 million, or \$1.61 a share in the first half of 1960.

Full year results are expected to post another healthy sales gain of about 6% and earnings could surpass last years net of \$7.1 million or \$3.12 a share. As a result of conversions and exercised options, a greater number of shares are outstanding and, therefore, per share earnings may be held to around \$3.20. This would mean a very strong fourth quarter. Profit margins in the first half year were 7.9% and projected profit margins for the second half could improve on the 8.5% shown in the second quarter. This would indicate annualized earnings in the second half of better than \$3.60 per share. At the current price Gardner-Denver, therefore, is selling at 13.3 times estimated minimum annualized second half earnings of \$3.60.

Gardner-Denver has lessened the company's dependence upon the petroleum equipment market through increased penetration into other areas as well as making some important acquisitions. Last year, Apex Machine and Tool Company, manufacturers of universal joints and industrial fasteners used in pneumatic tools, was acquired, and, in 1958, Mayhew Machine Company, producers of a portable rotary drilling rig for the petroleum and construction industries, was acquired. These two acquisitions accounted for approximately 15% of 1960's sales volume and made important earnings contributions. An interesting product that Gardner-Denver has developed is what they call a "wire-wrap" device first introduced in 1959, which automatically wires electronic and electrical circuits and panels and has particular application in the computer field as well as for wiring consumer appliances such as television sets. This device is unique and has been showing remarkable sales gains. The management is very optimistic on this particular device and can foresee sales of \$12 million per year in

the future and substantial earnings contributions.

As of March 31, 1961, Gardner-Denver was in a strong financial condition and had in excess of \$5 million cash with working capital of \$56.25 million vs. current liabilities of \$7.0 million. This gave the company a current ratio of over 8:1. The very strong working capital position is typical of this industry. It has been the practice in recent years for the industry to give more and more liberal terms on its sales to, in effect, carry its customers. This has been made necessary by the higher price tags on the more complex machinery developed and increased competition for sales. To establish better control and aid in sales efforts, Gardner-Denver at the start of the year, established two wholly owned subsidiaries, Gardner-Denver Credit Corporation and World Equipment Rentals Company. These two subsidiaries will not be consolidated. Side benefits of the financing subsidiaries will be that they will contribute profits and free working capital for other purposes. For example, it is expected that \$2 million in working capital could be freed this year. Since depreciation will come close to providing the necessary funds for the anticipated capital expenditure program for 1961 and 1962, this available cash could well be used to aid in an acquisition program. The current annual dividend of \$2 per share is quite safe and affords an attractive yield of 4.2%.

Long-term debt on last Dec. 31, totaled \$7.4 million, \$4.4 million of which was represented by 4 1/2% subordinated convertible debentures due 1976 and convertible at 37 1/2 through Oct. 1, 1966, and 38% thereafter. 119,946 shares are reserved for the conversion of these debentures. There were also 15,207 shares of \$100 par \$4 cumulative preferred stock Common stock outstanding totaled 2,267,503 shares as of the end of 1960.

With Wm. R. Staats

(Special to THE FINANCIAL CHRONICLE)
SAN FRANCISCO, Calif.—Frank S. Reed has become connected with William R. Staats & Co., 111 Sutter Street. He was formerly with First California Company.

NSTA



NOTES

SECURITY TRADERS ASSOCIATION OF NEW YORK

The STANY Glee Club will start rehearsals on Tuesday, Sept. 5, at Oscar's Delmonico Restaurant, New York City, beginning at 5 p.m. All those interested in joining should contact Salvatore J. Rappa, Chairman, Mergott, Rappa & Co., Inc.

BANK and INSURANCE STOCKS

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A New Approach to Problem Of Underdeveloped Nations

Continued from page 5

mind, of body, and of want while keeping the vast peoples of its own satellites in complete colonialist subjugation.

We must not and cannot ignore this challenge even though it appears to be a stupendous task.

Failure will lead us directly into an age of frustration, into a further and ultimately useless race of armaments, and into the eventual destruction of our whole way of life, our freedom, our economic well-being.

Success could well win the cold war.

Failure of Money and Propaganda

In reaching such a goal, however, certain fundamentals must be accepted.

(1) *Money alone won't do it.* The oft-suggested "Marshall Plans" for Latin America or for Africa or for Asia won't necessarily do the work.

To give vast quantities of money to be spent directly by foreign governments has often been sheer waste, particularly in undeveloped countries; for substantial amounts are wasted, important amounts find their way into the private and anonymous "numbered accounts" of foreign banks, further to accentuate our gold problem, and a lot is spent on unnecessary projects which require more funds to maintain.

To keep unilateral American control of these expenditures, on the other hand, gives to the rapacious local politician his greatest opportunity to trot out the favorite speech dealing with the preservation of sovereignty, the danger of economic colonialism, and the usual attack on American interference in domestic affairs.

We lose our money, we lose friends, we stand condemned, without the Communist world having spent a cent, and the people we intended to help remain unhelped.

(2) *Western propaganda has been beaten at its own game.* We have in our own country what Madison Avenue likes to believe is the highest powered mechanism in the world to sell products and ideas. With it we have built a vast economic system.

On the other hand, we have failed to prove to the world that it is the West that has created true freedom; that while the Communists mouth ideas of freedom to others, they hold vast populations in abject slavery; that, consistently and without exception, Russian promises fail to materialize, while Western aid invariably comes through as promised and on schedule.

We act, the Reds talk, and in the end we fail to impress the world.

(3) *We cannot insist on our concept of capitalistic democracy,* which requires an electorate of people educated, economically independent, and beyond the stage of bare subsistence levels.

Labeling those in control of other lands as dictators and those who oppose them as democrats in our image, merely helps to create more of the troubles in which we find ourselves. No one can call most of today's leaders of the underdeveloped nations truly democratic nations. They wouldn't last if they were. We should not, therefore, try to change overnight the form nor the philosophy of government as part of our initial efforts in the underdeveloped world. This circumstance might come about more naturally when these countries cease to be underdeveloped.

(4) *Self-help is required.* No effort will permanently succeed that is not based on the principle

of self-help. The road to lasting improvement is not an easy one, and it requires some sacrifice by the underdeveloped nations themselves, as well as by those who will do the helping. This self-help will need to be created and properly channeled, but when accomplished the result will be a big psychological advantage for the nation itself and a big step on the road to successful economic emancipation.

The Way to Achieve the Goal

How, therefore, do we achieve the goal we have set ourselves?

Now is a perfect time, and one that is psychologically admirable, for a bold, imaginative program to be developed by the still new administration in the United States. It would strike a dramatic note by creating a new hope among the peoples of the underdeveloped world and by again asserting American leadership in the struggle for a better world of free nations.

First, we should accept the fact that the program has to be a multilateral one among the "have" nations of America, Europe, Asia, and Australasia.

Second, it should harness the resources, capabilities, and imagination of private industry throughout the Western world.

Third, it must be a program which looks not only to economic results but one that encompasses the other great needs of the underdeveloped world: education, agricultural progress, public health, and practical governmental administration.

Fourth, it should help provide a cadre of people versed in the art of government, able to speak local language, in order to help many of the countries to govern themselves.

Fifth, it should operate on the principle that the foreign exchange used in development projects be spent in the countries supplying the loans or grants, thus minimizing the adverse effect of exporting currencies and, eventually, gold.

Sixth, each country which is being helped should provide as much of its own labor as possible and pay for it from its own internal budgetary resources.

And, seventh, the entire effort should be harnessed with a broad public relations campaign to show the world as dramatically as possible that the West has a program, that it is accomplishing it, that its promises have substance, and that it is genuinely interested in the future of the peoples of these lands.

A mechanism must be created to accomplish these aims, and one such method I will now propose:

Proposes World Development And Guaranty Bank

(1) Create, within the United Nations, if possible, and, if not, outside of the U.N., by treaty, a *World Development Organization*, in which not only the "have" countries but all those to be helped will be represented. The objective of this organization will be to harness the West's economic, educational, and technical resources to accelerate the program for the underdeveloped lands.

(2) Create within this organization, and, ideally to be managed by the World Bank, an *International Guaranty Bank*.

Much of the world's economic development can be carried out by private industry, and much of the money required can be raised in the normal channels of world finance without tapping government budgets or income from the tax rolls. But how can such a desirable source of money and management be harnessed?

It is necessary that industry be immunized from the political risks of the cold war. Our own I. C. A. guaranty system went a long way towards doing this for American industry in the immediate post-war period, but this system lacks important protections today: it covers only new projects, before any money has been invested; it covers in effect only direct expropriation, and not the many forms of indirect expropriation which the newer forms of national thievery have recently developed; and it is not multinational.

Industry does not ask to be secure from normal business risks; these it takes in stride, and it does it daily. But it cannot cope with political risks, nor can it be put in the middle of fluctuating national policies.

A guaranty bank, backed by the guaranty powers of the government involved, could provide a guaranty system against political risks, which, coupled with the credit of the industrial companies themselves, would be enough to raise the money for a vast number of economically important developments throughout the world.

Each nation, through the guaranty bank, would guarantee the political risk of its own nationals, either alone or as parts of international development consortia. Only approved projects for the underdeveloped lands should qualify for such a guaranty, in order to guard against useless undertakings.

The companies would pay an insurance fee. In case of expropriation, broadly defined, the claims against the country would devolve upon the bank and eventually upon the guaranteeing nation.

Such guaranties would be limited to specified underdeveloped nations, members of the organization, and not to the so-called "have-nations."

(3) Expand the ability of the World Bank and its affiliates, to undertake the non-industrial type of development in backward lands and, as a matter of national policy, have the United States and other principal nations of the West funnel their broad development funds through such multinational channels.

(4) Establish within the Treasury or State Department of the United States one over-all control of all United States lending agencies dealing with underdeveloped lands, with the end in view that one policy will prevail and that red tape be eliminated to the greatest possible degree.

(5) *The World Development Organization* should, in the non-economic field, harness to the greatest possible extent all present efforts in world health, education, and agriculture, some of which are being carried out by the United Nations, others by individual nations, such as our own Point Four programs, and some not at all.

(6) Red tape has, surprisingly, become a powerful weapon of the cold war. Western red tape, and particularly ours, forces upon new and emerging governments a mass of detail, admittedly required by law, with which they are just physically unable to cope. The East, on the other hand, makes it appear as simple as the "Spider and the Fly."

Either the West must supply technicians to cope with this complication or eliminate it in the first place.

We Lack Bureaucrats

(7) One of the major problems in most of the emerging nations is just a *lack of governmental bureaucrats*. Not enough people have had the education to cope with the simple and normal functions of daily government.

This is the keyhole through which the Communists have moved into some of the African countries. They have supplied

trained personnel adept at the language of the country. They have sent expert technicians in critical fields, such as finance, central banking, mining, and economic development. They have organized the various governmental bureaus, ostensibly under African members of the cabinet, but they are now in real control of the fundamental mechanics of government. The bureaus are created, not along Communist lines, but on those of the established order left by former colonial occupants of the country.

The West has frequently been asked for this help, but the appeal has only been answered, if at all, by the infiltration of Western Communists.

Therefore, a crash program must be undertaken to train Westerners, as quickly as possible, to help these countries at the technical levels of government and to send such people only when they know the language of the country, regardless of their origin.

(8) The education of people in the backward world must be stepped up rapidly. Scholarships to Western schools and colleges are of value to a few with previous basic education but education of many by trained Western teachers within the countries should become a major undertaking of the development organization and paid for multilaterally.

Democracy, as we know it, cannot be transported today to these lands until they are much further advanced economically, technically, and educationally. Until then, we must compromise with leadership of varying kinds, keeping in mind that it is sometimes better to have a strong leadership during transition periods than one that fits our ideas of the ideal but turns out to be weak and therefore subject to the corruption of Communism.

Only an educated population will trend towards democracy and free enterprise.

(9) Lastly, every facet of the West's vast propaganda potential must be harnessed to tell the world what the plan is and to keep hammering at the results it may accomplish. Such a massive effort may even have the beneficial effect of penetrating the iron curtain of the Russian and Chinese satellites.

This is admittedly only an elementary sketch of a vast program that vitally needs implementing without delay.

It is much easier for the underdeveloped lands we are discussing to succumb to the slavery offered by the East than to rise to a position of true freedom urged by the West.

Naturally, they will gravitate away from their former colonial overlords; *naturally*, they will suspect the motives of capitalistic powers, which, they are told, had once exploited their resources; *naturally*, they will more easily fall prey to the honeyed words, the clever antics, and the diabolically ruthless and utterly worthless promises of the Communist world.

The Reds, in this battle, never need fully to deliver on their promises. If their offers are accepted, if their technicians, politicians, and educators move in, if their trained personnel infiltrate the bureaucracies of government, the countries will soon become just additional satellites, after which development not essential to Russia or China stops, and still another group of slaves begins to work for the Communist masters.

Our job is by far the more difficult one. We cannot continue to fragmentize the West's efforts and to tie them up with bureaucratic red tape.

We cannot ignore the tremendous potential for development by private industry, nor the public relations forces at our command.

We cannot do it alone. This is a battle which can be

won, but it requires a huge effort, a united front by many nations, and a massive and united command.

It cannot be left alone to our government or to the other governments of the Western world, for it requires the help of Western colleges and universities, of the press and radio, of private industry, of public health institutions, and of many international organizations.

To bring these all together, to direct the program, and to give it leadership, I propose the *World Development Organization*.

We cannot afford to lose this war, while keeping the finest and costliest exotic weapons and armaments ever created unused in our armory.

*Based on an address by Mr. Osborne before the African Affairs Society of America, Ltd., New York City.

Metromedia Securities Sold Privately

Metromedia, Inc. (formerly Metropolitan Broadcasting Corp.), New York, N. Y., has sold to institutional investors, \$3,000,000 6 1/4% senior notes, due Jan. 1, 1971, and \$4,000,000 6 1/4% junior notes, due Jan. 1, 1975, with warrants for the purchase of 95,000 shares of common stock, and 30,000 shares of \$3.125 cumulative convertible preferred stock. The financing was arranged through Kuhn, Loeb & Co. and Carl M. Loeb, Rhoades & Co.

Proceeds from the sale will be applied towards the acquisition of Stations KMBC-AM and KMBC-TV in Kansas City, Mo., and for additional working capital.

With Rutner, Jackson

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Richard E. Koller and John P. Willoughby have been added to the staff of Rutner, Jackson & Gray, Incorporated, 811 West Seventh Street. Mr. Koller was previously with Shearson, Hammill & Co. Mr. Willoughby was with Eastman Dillon, Union Securities & Co.

Mitchum Jones Office In New York City

Mitchum, Jones & Templeton, members of the New York and Pacific Coast Stock Exchanges, have opened a new wire servicing office at 37 Wall Street, New York City in charge of Anthony J. Landi, resident partner, and Robert A. Donahue, Manager.

Two With Bache & Co.

(Special to THE FINANCIAL CHRONICLE)

CHARLOTTE, N. C.—Paul B. Arrington and Walker M. Slaughter, Jr. are now connected with Bache & Co., Johnston Building.

Two With E. F. Hutton

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Alfred E. Hopkins and David W. Terris have joined the staff of E. F. Hutton & Company, 160 Montgomery Street.

Meyers Adds Four

(Special to THE FINANCIAL CHRONICLE)

OMAHA, Neb.—James W. Acuff, Reinhardt, J. Koch, Wesley C. Somers and Trafford J. Wurde-man joined the staff of M. M. Meyers Inc., Insurance Building.

With McCarley Co.

(Special to THE FINANCIAL CHRONICLE)

HICKORY, N. C.—T. Manly Whitener, Jr. is representing McCarley & Company, Inc. of Asheville from offices at 349 Seventh Street, N. W.

Consumer Credit to Expand Sharply in Present Decade

Continued from page 3

total output 58% higher, or \$790 billion, by 1970.

N. P. A.'s Growth Projection

Let us check this figure against a projection made by the National Planning Association. In the early postwar period, this private non-profit organization, made one for 1960, both of which were extremely accurate. Early last year, they published an estimate of the gross national product for 1970 which also amounts of \$790 billion dollars. For our purpose, let us round both of these figures to \$800 billion as of 1970, or an increase of 60%.

The crucial question, of course, is: Will those individual factors continue to operate in such a manner as to justify this projection?

During and since the Presidential campaign we have been hearing much about the need to accelerate our rate of growth. Currently we are coming out of a recession which has been characterized by a reduced level of employment. As we recover, employment will grow and with it the total output. Once we reach reasonably full employment, the rate of economic growth thereafter will depend (1) on the rate at which we add to productive capacity, (2) the degree of efficiency with which we use that capacity, and (3) the rate at which we add to the labor supply. If we really want to accelerate our rate of growth, we must do away with the restrictive practices that abound in construction work, in railroading, in agriculture, and in many manufacturing concerns. We will need to remove such impediments to efficiency whether they arise from careless business management, coercive power of trade unions, or from government legislation. Unless we remove those impediments, our rate of growth will remain below its maximum potential. No amount of government expenditure will correct that condition. In fact, government expenditures and government action will not accelerate our rate of growth unless they evoke a maximum of private initiative and enterprise. Stated somewhat differently, our rate of growth depends on how government manages its affairs; it depends on the attitude of government toward business; it depends on the attitude of business management toward the future; it depends on the "climate" of labor-management relationships; it depends on the amount of savings; and it depends on the willingness of investors to provide the necessary funds for expansion.

Assumes 4.7% Physical Growth Per Year

Let us assume for the moment that we are able to maintain a rate of growth of 4.7% a year in the physical output of goods and services—and let me emphasize the words "physical output" because it is assumed in making this projection that price levels will not increase or decrease.

Now let us ask, "How will we sell the increased output?" First, let us assume that there will be a need and desire on the part of the people to purchase the increased output. Then, let us assume that the manufacturers have produced those particular goods and services that the people will want, at the right prices. Then it follows that those needs or desires will be transformed into demands merely as a result of putting the money with which to buy the goods in the hands of the people. They will get that money not only in the form of wages and salaries

for producing the goods and services, but also in the form of dividends, rents, profits and interest. The question to answer then is: Will the needs of the public and their desires justify such an output?

I think most of us would be willing to admit, if our incomes were increased over the next 10-year period by 40%, that we would have no difficulty in using the additional income. But, we may wonder about the other fellow.

Let's take a brief look at the factors most important in increasing the demand for goods and services. First is the amazing population growth and the changing age structure in the United States. The birth rate turned up in the middle 1930s and has remained at an unexpected high level since the end of the war. Today we have a population of 183 million. By 1970 the Census Bureau expects it to be between 203 and 220 million.

We will be adding over one million people to the labor force each year, but the increase in unproductive consumers will be even more spectacular. The number of children between the ages of 14 and 17 will go up over 40% by 1970. Youngsters, I find as a father, are heavy consumers, both directly and indirectly. Grammar schools are bursting at the seams. Soon the high schools and colleges will, too. The number of retired or partly retired elderly people is also rapidly increasing. In other words, the entire composition and age structure of the population is changing in such a manner as to stimulate consumer demand in the future.

Families are becoming larger and need new homes or additions to their present ones. One-fifth of our families are moving each year and when they move to the suburbs, many need a second car. And the suburbs need hospitals, roads, water and drainage facilities, and so forth.

Not many years ago there were no jet planes, no television sets, no wonder drugs, no Nylon, Orlon, Dacron and no atomic energy. Within the next 10 years there will be other new products to whet our appetites, new processes and new ideas on the location of homes and places to work and shop.

The Survey Research Center of the University of Michigan made a study in June of 1955 with respect to consumer attitudes toward the newer home appliances such as dishwashers, clothes dryers, air-conditioning units, garbage disposal units and deep freezers. This study shows that a substantial minority of families in all income groups above \$3,000 a year had one such newer appliance. Ownership of two or more was pretty well limited to families in the income group above \$7,500 a year. But, and this is significant, about one-half of all families, regardless of income group, said that those newer appliances are very useful and that everybody will want to own them sooner or later. This study was based on a small sample and I do not believe it has been published. Nevertheless, it justifies a tentative conclusion that families will acquire a wider range of family equipment as their incomes permit.

Lastly, let me mention the inherent drive in the American people for improvement in their own lot and that of their families; it is the key to our emphasis on education and vocational improvement; it is the key to our desire for physical goods; it is

the key to our desire for leisure in which to enjoy the fruits of our labors; to seek spiritual enrichment, to visit the beauty spots of our country and the world. It is a drive which does not exist in those countries where people find themselves frozen to the lot to which they were born and thus, through frustration, become victims of communistic appeals. This American drive for self-improvement is an important factor in increasing our needs and our desires as fast as our incomes permit.

Estimated Consumer Instalment Debt, 1970

Let us assume, for the moment, that the relationship between the use of consumer credit and the total economy remains unchanged. The total of consumer instalment short and intermediate term debt at the end of 1960 was \$43 billion. A 60% increase would bring it to \$68 billion. Is such an amount, 10 years from now, attainable and reasonable?

At first blush, it sounds much too low, in view of the \$5.4 billion increase both in 1959 and 1955. However, we must remember that in 1958 the total of consumer instalment debt actually declined, and that in 1956 and 1957 the increases were modest.

The reason for this will be clear if we examine briefly the nature of the growth in consumer instalment debt. The years 1954 and 1958 were years of recession, with higher than average unemployment. In such a period those who are unemployed, and those who fear that they may become unemployed, are reluctant to make major purchases and to assume instalment debt. Thus, they postpone the purchase of durable goods. At the same time, if the deterrent to purchase is fear of unemployment rather than actual unemployment, they continue to build up liquid assets.

When recovery is resumed, those families which have postponed the purchase of desired or needed durable goods become more aware of these deficiencies. Then their accumulation of liquid assets and their optimism with respect to future employment prompts them to purchase the durable goods and to assume debt. At a certain stage in the prosperity phase of the cycle, a point is reached at which a substantial number of families feel that their debt has attained a point at which it is prudent not to add to their required monthly payments. As the cycle proceeds, there is a point at which credit is created at a slower pace. At the same time, the total of monthly repayment obligations has crept upward and the difference between credit extensions and repayments narrows. Thus, the net addition to consumer instalment debt proceeds in a somewhat wavelike pattern, occurring at the most rapid rate early in the recovery phase, tapering off after a period of time, and reaching a minimum or becoming non-existent during the recession phase of the business cycle.

So recognizing that we are likely to have only one year, or perhaps a 15-month period, out of each cycle of four years or so, in which the rate of increase in consumer debt will be really large, the projection of a total increase over the next 10-year period of \$25 billion does not appear unduly low. However, our estimate will be too low if the use of consumer credit in relationship to the economy continues to grow in the future, as it has in the period since World War II.

Factors Increasing the Use Of Consumer Credit

Let us look briefly at the factors which have been responsible for the growth in the use of consumer credit.

First, and by far the most im-

portant, has been a constant increase in the margin of income over the amounts necessary for mere subsistence spending. In 1941, 15% of American families had an annual money income, before taxes, of more than \$3,000. By 1951, 54% had an income of more than \$3,000 and, by 1960, 70% had incomes in excess of that amount. The greatest degree of use of consumer credit occurs among families with incomes of from \$3,000 to \$10,000 a year. This segment of the population will continue to grow as productivity permits higher annual wage incomes.

Second, there has been an increased acceptance of the use of consumer credit by an ever widening group of families. The growth of private and public pension funds, hospital and medical insurance, unemployment compensation and other forms of institutional saving have made families more willing and better able to use credit to acquire family assets.

Third, the tendency toward earlier marriage has prevented young couples from building up substantial cash nest eggs before their marriage. To acquire the family assets which they consider essential, they have utilized consumer credit. They have been able to service such debt readily, thanks to high salaries for beginners, and the customary practice of the wife working until the first child's arrival is apparent. Use of instalment credit has been highest in the first five years of marriage and has continued at a reasonably high level throughout the 15-year period.

A fourth factor has been the growing regularity of consumer income. The proportion of workers in agriculture and in manufacturing has been declining and is expected to continue to do so. The proportion of workers in government, and in service establishments of all kinds has been increasing. These occupational groups have been characterized by a greater degree of regularity of employment and of income, a condition conducive to a greater willingness to assume instalment debt.

Fifth, there has been a continued growth in the supply of instalment credit. This has been reflected in the replacement of single-payment bank loans by instalment credit, and the recent development of check credit. It has been reflected in the widespread adoption of revolving credit plans by department stores, replacing the traditional charge account and cash purchases. These appear to be long-term trends which will continue and will certainly not be reversed. There has also been a progressive relaxation in the terms required on time payment contracts.

All five of these factors contributed to a growth in volume of instalment debt, which over the last 15 years has increased from \$2.5 billion to \$43.3 billion. Whenever consumer debt rises rapidly, there are some who question whether the rise is too rapid, and whether consumers are being unduly burdened with debt. Let us look at this question.

During that same 15 year period, dollar aggregates have been reaching new highs year after year in all areas of the American economy, hence the dollar increase in consumer debt, per se, is no guide. One of the most common devices used to relate growth in consumer debt to the economy has been to calculate the ratio of repayments of instalment debt to consumer income after taxes (technically called "disposable personal income"). That ratio reached a peak somewhat above 13% late in 1957 and has been hovering between 13 and 13½% ever since. Thus, in relation to the economy, the volume of instalment debt appears to have reached a plateau. We can obtain

an understanding of its significance by examining the existence of debt among individuals and the degree to which it is or can be burdensome.

The Burden of Consumer Instalment Debt

As compared with the situation of 10 years ago, more families today have debt and many have larger amounts of debt. More also have home mortgage debt. The *Survey of Consumer Finances*, prepared by the Survey Research Center of the University of Michigan for the Federal Reserve Board, shows that in recent years six out of every 10 spending units have had short-term instalment debt.

The highest concentration of instalment debt exists among families whose heads are between 25 and 34 years of age. Home mortgage debt, the record shows, finds its highest concentration in a slightly older age group, namely, those from 35 to 44 years of age. However, all families whose heads are between 18 and 44 years of age show a greater concentration of consumer instalment debt than the average, whereas the older spending units and the unmarried use instalment credit much less frequently.

There is also a higher concentration of instalment debt in the income groups between \$3,000 and \$10,000 a year, with materially lower use above and below those levels. The least use occurs among those with incomes of less than \$2,000 a year, where we find most students and other part-time workers, and those who are retired or are otherwise unemployed.

When we combine the 25-34 age groups with the middle income groups, we find that about 9 out of 10 such families have instalment debt. This brings forcibly to our attention the fact that consumer instalment debt has become a way of life for the groups which the sociologists call the "young marrieds" and the "growing families." At this point in the life cycle, they use it almost constantly for the purpose of acquiring the family fixed assets that are so important a part of the American scale of living.

The *Survey of Consumer Finances* also throws some light on the burden of debt upon individual families, although their estimates probably understate consumer liabilities. Early in 1959, instalment payments alone absorbed 20% or more of consumer income after taxes in the case of 13% of all spending units. A few units had committed 40% or more of their income to instalment payments. In what might be called the "lower-middle income group" with annual incomes of \$3,000 to \$5,000 per family, almost 20% of all spending units were devoting 20% or more of their disposal income to instalment payments. This is a group in which there are many younger families whose breadwinner lacked seniority and hence was particularly vulnerable to unemployment in the recent recession.

Let us use a broader measure of "required payments" including (in addition to instalment payments) mortgage and rent, life insurance premiums and payments for social security and retirement funds. Early in 1957, the latest date for which such information is available, such payments absorbed 20% or more of income in the case of one-half or more spending units; and absorbed 40% or more in the case of somewhat less than one-fifth of the spending units. These estimates suggest that a significant proportion of the population has committed itself to a heavy burden of regular fixed payments.

Yet, despite what appear to be burdensome commitments—and the level has not changed much in the last five years—the record

shows that delinquency and repossession rates and the rate of charge-off remained moderate even during each of the recent recessions.

The most adequate figures are available with respect to delinquency rates of commercial banks. From 1950 through 1956, the percentage of delinquent loans declined almost continuously year by year, with the exception of a modest upward movement in 1954. Thereafter, they continued to decline, but showed significant seasonal movement. During the 1957 recession they moved upward but had regained what was practically their low point by the summer of 1959; the steel strike caused them to rise sharply and they declined slowly thereafter into the spring of 1960, never, however, regaining the previous low point. About 2% of instalment accounts are currently delinquent, well above the low points reached in 1955 and temporarily regained in the summer of 1959. However—and this is most significant—the current level remains materially below the delinquency level of the early years of the last decade, namely from 1950 through 1953.

Household's figures show a somewhat similar movement. Since we operate in 45 states and throughout Canada and currently have loans outstanding to more than two out of every 100 families in the United States, it is inevitable that widespread unemployment would be reflected in our delinquency figures. During the 1958-60 recovery period, unemployment went below 5% in only one month and averaged 5%—well above the level of the previous recovery periods. Thus, our delinquency remained above the low levels which had existed prior to 1957. The steel strike brought about a higher level of delinquency which was being reduced during the early months of 1960. As unemployment rose in the latter half of 1960, delinquency on consumer loans also rose.

I understand that the experience among other consumer finance companies and among sales finance companies has been similar. Some sales finance companies have had a higher level of automobile repossessions than at any time in the postwar period. Their average dollar loss on repossessed cars has also been higher than usual because of the demoralization in the conventional used car market brought about by the popularity of compact cars.

Thus, the experience in recent months, as in previous recessions, provides an indication of the potential danger which does exist, regardless of the amount of debt, whenever severe economic contraction with widespread unemployment occurs.

Conclusion

In concluding, we should recognize the effect which the postwar bulge in birth rates will have. Population changes from now until 1965 are dominated by a 29% increase in the number of people in the age group from 15 through 19—the "Teenagers." The next five-year period, 1965 to 1970, will show a 28% increase in the age group from 20 through 24—the "newlyweds." The third five-year period, 1970 to 1975, will show a 28% increase in the age group from 25 through 29—the "expanding family."

In the next few years, there will be a fairly low rate of family and household formation. The "Teenagers" will dominate the direction of family spending. They eat much more than younger children. They also have a higher demand for clothing, for records, sporting goods, entertainment, and for telephone service. In general, living expenses of high school and college students will put a strain on the family budget, and less will be spent on furniture and appliances of all kinds. A second car may be necessary

But regardless, the cost of running the car and the cost of insurance will go up. Thus, in this first period, *convenience credit*, namely, charge accounts especially for soft goods and services, may show the greatest relative increase. Personal instalment cash loans—to refinance accumulated debt—will also benefit.

The second period will be dominated by the "newlyweds" and the needs which accompany a high rate of family formation—demand for furniture, certain major appliances, radios, phonographs, television and housing. Thus, from 1965 to 1970 (or a few years earlier), consumer credit representing use of the *time payment plan* will be particularly stimulated. That stimulation will continue into the third five-year period, as the "expanding family" requires additional furniture, certain other types of major appliances and additional housing space.

Everything considered, the estimate of a 60% increase in instalment debt by 1970 seems reasonable. All available evidence seems to indicate that such a relationship of instalment debt to consumer income has not resulted, and will not result, in a burdensome debt for any significant percentage of the population. If we take into account the factors leading to a continued expansion in use of consumer credit, and the facts with respect to family formation during the next decade, I think the estimate can be described as conservative.

*An address by Mr. Dauer before the first annual meeting of the Wisconsin Instalment Bankers Association, Madison, Wisconsin.

Businessman's BOOKSHELF

America in Britain's Place: The Leadership of the West and Anglo-American Unity—Lionel Gelber—Frederick A. Praeger, Publisher, 64 University Place, New York 3, N. Y., \$5.

Berlin Crisis—Report to the Nation by President Kennedy, July 25, 1961—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 15 cents.

Buildings—July Issue Featuring Air Condition, Lighting and Electrical Guide—Stamats Publishing Company, 427 Sixth Avenue, S. E., Cedar Rapids, Iowa, \$10 per year.

Burma—Descriptive Pamphlet—Department of State Publication 7114—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 10¢.

Cambodia—Leaflet of highlights on the people and the country—Department of State Publication 7040—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 5¢.

Check-Ups: Safeguarding Your Health—Michael H. K. Irwin, M.D.—Public Affairs Committee, Inc., 22 East 38th Street, New York 16, N. Y. (paper), 25 cents.

Current Trends in Scientific Research—Pierre Auger—Columbia University Press, New York 27, N. Y., \$6.75.

Doctors, Patients & Health Insurance—Herman M. Somers and Anne R. Somers—The Brookings Institution, 1775 Massachusetts Avenue, N. W., Washington 6, D. C. (Cloth), \$7.50.

Economic Development of Tanganyika—Report of Economic Survey Mission—The Johns Hopkins Press, Baltimore 18, Md., \$8.50.

Embassy Extraordinary: The U. S. Mission to the United Nations—John MacVane—Public Affairs Pamphlets, 22 East 38th Street, New York 16, N. Y. (paper), 25¢.

Fifty Extra Vacations a Year—Suggestions for 50 week-ends—Lee Hill—Employee Relations, Inc., 19 West 34th Street, New York 1, N. Y. (paper), 25 cents.

Finland—Economic Developments—Monthly bulletin of Bank of Finland, Helsinki, Finland (paper).

Freeman, July 1961—Containing Articles on Modern Robber Barons; Foreign Aid Off Target; Revolutions, Liberal and Conservative—etc. Foundation for Economic Education, Inc., Irvington-on-Hudson, N. Y., 50¢.

Further Studies in Space-Age Psychology—A symposium of cartoons spoofing the age of automation—Audio Devices, Incorporated, 444 Madison Avenue, New York 22, N. Y. (paper), on request.

Growth for Free Peoples—Stanford Research Institute Quarterly, containing articles on Perspectives of Growth; Entrepreneurs: Key to Growth; Investing in Education; Managing Innovation for Growth; Cooperation for Development; Toward an International Economy; Meeting of Free Minds; Forum for the Future—Stanford Research Institute, Menlo Park, Calif., \$1 per copy.

Guide to Investment in Greece—Industrial Development Corporation, S. A., 8 Dragatsaniou Street, Athens, Greece—loose-leaf binding, \$15.

Guinea—Brief description of the country, etc.—Department of State Publication 7069—African Series 4—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 5¢.

Health for Young America—Series of Textbooks Designed for Grades 1-8—Charles C. Wilson and Elizabeth Avery Wilson—Bobbs Merrill Company, Inc., 1720 East 38th Street, Indianapolis 6, Ind. (prices to schools on request).

Health Insurance—Report to Governor Nelson A. Rockefeller of the Special Task Force to Study Catastrophic Expense Health Insurance—in four volumes—New York State Labor Department, Albany, New York.

Income Distribution and Economic Welfare in New York State—Special Bulletin—New York State Department of Labor, 80 Centre Street, New York 13, N. Y., \$2.

Index of Office Demand—Market study of office products industry—National Stationery and Office Equipment Association, 740 Investment Building, Washington 5, D. C. (paper).

India—Economic Newsletter—Embassy of India, 2107 Massachusetts Avenue, Washington 8, D. C. (paper).

India Economic Newsletter—Current Developments—Embassy of India, 2107 Massachusetts Avenue, Washington 8, D. C.

India's Economic Development—Illustrated Brochure—Information Service of India, 2342 Massachusetts Avenue, N. W., Washington 8, D. C. (paper).

Introduction to Business—American Enterprise in Action—Theodore J. Sielaff and John W. Aberle—Wadsworth Publishing Company, Belmont, Calif. (Cloth).

Iron Ore—1960—American Iron Ore Association, 600 Bulkeley Building, Cleveland 15, Ohio (paper).

Jobs and Growth—An "American Economic Performance Budget" to Gear our Potentials to our Needs—Conference on Economic Progress, 1001 Connecticut Avenue, N. W., Washington 6, D. C. (paper), 50 cents.

Joint International Business Ventures—Edited by Wolfgang G. Friedmann and George Kalmanoff—Columbia University Press, 2960

Broadway, New York 27, N. Y. (cloth), \$15.

Labor-Management Reports—Register of All Labor Organizations which filed reports required under the Labor-Management Reporting and Disclosure Act of 1959—U. S. Department of Labor, 341 Ninth Avenue, New York 1, N. Y., 60 cents.

Livonia, Mich.—A reference study on local initiative in a so-called "depressed" area—Industrial Development Commission, 33001 Five Mile Road, Livonia, Mich.—paper—on request.

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forms of Professor Salazar; Tax and Public Debt System—Dr. Ralph von Gersdorff—Verlag Ernst and Werner Gieseking, Bielefeld, West Germany—in German (paper), price: DM 18.80.

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Suggested Program for Financing Area Development in Michigan—Harold T. Smith—W. E. Upjohn Institute for Employment Research, 709 South Westledge Avenue, Kalamazoo, Mich. (paper).

Teaching Salaries Then and Now—Sidney G. Tickton—A 50-year comparison with other occupations and industries—The Fund for Advancement of Education, 477 Madison Avenue, New York 22, N. Y. (paper).

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Tobacco Industry Research Committee: 1960 Report of the Scientific Director—Tobacco Industry Research Committee, 150 East 42nd Street, New York 17, N. Y. (paper).

STATE OF TRADE AND INDUSTRY

Continued from page 7

tempt to "roll back" the increases through "persuasion."

In the over-all market picture, the forces of a major upturn are still gaining strength, *The Iron Age* says. This is reflected in a late August surge of orders, a lengthening of lead times in some areas, and a stronger over-all demand.

As a result of the recent upturn in orders, August is likely to be the best month of the year for shipments, for some mills at least. This indicates the speed at which the market can change under present conditions. Early this month there was an undertone of pessimism.

Orders started to pick up a little over two weeks ago, with some mills getting the lift even more recently. The gain has been a broad one, with emphasis on products tied in with construction. Galvanized and tinplate remain strong.

Although September and August look like good months, a lot hinges on the auto picture. Although auto steel orders are coming in, volume is not great enough to strain capacity. The labor situation should be clarified this week. Until contracts between the Big Three, and the United Auto Workers are signed, automakers are placing their steel orders cautiously.

More Steel Will Be Made in September Than Any Month Since April 1959

Steelmakers will produce and ship more metal in September than they have turned out in any month since April, 1959, barring an automotive strike, *Steel* magazine predicted.

Leading producers from one end of the country to the other are booking new orders at highest sustained rate in more than a year.

September production should exceed nine million ingot tons and may be 10% higher than the 8.6 million tons that *Steel* estimates will be made in August.

Ingot production this week will exceed two million tons for the first time since early June, *Steel* forecasts. It estimates last week's output at 1,980,000 tons. The magazine's price composite on No. 1 heavy melting grade of scrap was unchanged at \$38.33 a gross ton.

Steelmen are especially encouraged because the pickup is coming at a time when their biggest customers, the automakers, are hardily buying. But they are optimistic about fourth quarter automotive demand. Dealer inventories have been trimmed to 790,000 cars vs. the year ago level of 1,060,000. And, a Federal survey shows that the number of families planning in July to buy new cars was the highest in at least three summers.

As the steel demand outlook brightened, Senate liberals last week opened a drive to press the steel industry into foregoing any price increase this fall. The indus-

try's wages are scheduled to rise in October under the present USW contract. Sen. Albert Gore (D., Tenn.) led the arguments offered on the Senate floor.

Meanwhile, some steel product price action is taking place.

A German producer reduced its wire rod prices 10 cents per 100 pounds for November and December production. But a Japanese steelmaker kept its open hearth wire rod prices for fourth quarter unchanged.

An Ohio steelmaker reinstated its 5% discount on prices of rigid steel conduit. The discount was suspended about two months ago.

Eliminating of cutting charges on cold finished bars over 5 feet long by a Pittsburgh firm may save some buyers as much as \$6 to \$8 a ton.

While Detroit's marketers are setting the stage for the curtain raiser on 1962 models, *Steel* says engineers and designers are well on their way with preparations for the 1963s.

It looks like 1963 will shape up as one of the most extensive change years on record. Early estimates put the industry's tooling bill above the \$4.5 billion mark, almost double what it cost to bring the 1962 cars to market.

So far, only tooling with long leadtime has been let. Most of the assembly line tooling for 1963 models will start breaking in the next 60 days.

Probably the most significant factor: The 1963 cars will have a vast number of interchangeable components. It is the only way the industry can afford to bring out the variety of models it is building.

Autodom is offering 400 different models and styles of automobiles for 1962 compared with 354 in the 1961 model year. The 400 figure will be increased in 1963.

Entire Auto Industry This Week Was Completely Given Over to Turning Out New 1962 Model Cars

Auto production in the U. S., this week given over almost completely to 1962 model cars, climbed to its highest level of the month as all manufacturers returned to general assembly, *Wards' Automotive Reports* said.

The statistical agency estimated output this week would reach 59,692 units, up from 16,948 last week and 53% above 38,952 completions in the same year-ago period.

Of this week's output, about 1,800 cars were of 1961 vintage, representing final Ford Motor Co. operations for that model at its Atlanta (Ga.) assembly site. One other Ford plant at St. Louis, on strike since July 26, is still stocked with 1961 components, but 10 other Ford assembly lines moved into new model making. The company will start 1962 operations at three other sites next week, but its Dearborn (Mich.) plant will be in conversion for several weeks.

Ward's said that Chrysler Corp.,

beginning last Tuesday, reached the general assembly stage at five of six plants in the Detroit area, St. Louis and Newark (Del.). Its factory at Los Angeles began initial framing operations and will be producing by the middle of next week.

American Motors Corp., at Kenosha (Wis.), completed its first 1962 units this week, while General Motors and Studebaker-Packard Corp. increased assemblies from the previous period.

Truck production for the week also rose, up to 21,453 from 12,964 a week ago and compared with 14,688 in the same period a year ago. Many independent truck makers on vacation during the changeover by the big car-truck manufacturers returned to work this week, including International Harvester, the nation's third largest truck maker.

For the 1961 model year, Chevrolet again was the leading producer of passenger cars, building 1,502,798 cars in the span. For the second successive year, Chevrolet was also the only car maker to build more than 1,000,000 cars of standard size.

Of this week's output, General Motors accounted for 60.7%; Ford Motor Co. 29.0%; Chrysler Corp. 3.7%; American Motors 3.3%, and Studebaker-Packard Corp. 3.3%.

Steel Production Data for the Week Ended Aug. 26

According to data compiled by the American Iron and Steel Institute, production for week ended Aug. 26, 1961 was 2,020,000 tons (*108.4%), 3.9% above the output of 1,944,000 tons (*104.4%) in the week ended Aug. 19.

Production this year through Aug. 26 amounted to 60,110,000 tons (*94.4%) or 16.9% below the period through Aug. 26, 1960.

The year to date production for 1960 through to Aug. 27, 1960, 34 weeks, was 72,302,000 tons or 114.1%.

The Institute concludes with Index of Ingot Production by Districts, for week ended Aug. 26, 1961, as follows:

District	Index of Ingot Production for Week Ending Aug. 26, 1961
North East Coast	116
Buffalo	93
Pittsburgh	97
Youngstown	96
Cleveland	119
Detroit	134
Chicago	109
Cincinnati	114
St. Louis	125
Southern	111
Western	117
Total	108.4

*Index of production based on average weekly production for 1957-1959.

Business Failures Off Slightly in Week Ended Aug. 24

Commercial and industrial failures dipped slightly to 352 in the week ended Aug. 24 from 366 in the preceding week, reports Dun & Bradstreet, Inc. However, casualties remained moderately higher than a year ago when 315 occurred and they were up sharply from 257 in the similar week of 1959. Over one-third more businesses failed than in pre-war 1939 when the toll was 264.

Liabilities in excess of \$100,000 were involved in 36 of the week's casualties as against 39 a week earlier and 37 a year ago. Failures with losses under \$100,000 declined mildly to 316 from 327, but continued considerably above the 273 of this size last year.

The week's downturn centered in retailing where the toll dipped to 154 from 167 and in wholesaling off to 38 from 43. Among manufacturers, there was a contrasting climb to 71 from 64, while virtually no change appeared in construction, 56 as against 58, or in commercial service with 33 as against 34. Tolls exceeded 1960 levels in all industry and trade groups except service.

Four geographic regions reported fewer failures in the week just

ended. Casualties in the Pacific States dropped to 79 from 103 and in the East South Central States to 6 from 22, while milder declines prevailed in the Mountain and New England Regions. In contrast, four areas had heavier tolls, including the Middle Atlantic States, up to 98 from 87, and the East North Central, up to 74 from 54. Year-to-year trends were mixed with four regions suffering more casualties, four having fewer, and one region holding even. The most noticeable rise from 1960 levels occurred in the East North Central States and the strongest decline in the South Atlantic.

Twenty-four Canadian failures were reported as compared with 35 in the previous week and 37 in the similar week of last year.

Electric Output 3.1% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Aug. 26, was estimated at 15,491,000,000 kwh., according to the Edison Electric Institute. Output was 174,000,000 kwh. below that of the previous week's total of 15,665,000,000 kwh. and 473,000,000 kwh., or 3.1% above that of the comparable 1960 week.

Lumber Shipments Were 0.6% Above 1960 Volume

Lumber production in the United States in the week ended Aug. 19, totaled 229,029,000 board feet compared with 223,339,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 228,688,000 board feet.

Compared with 1960 levels output climbed 0.1%, shipments gained 0.6% and orders fell 2.1%.

Following are the figures in thousands of board feet for the weeks indicated:

	Aug. 19 1961	Aug. 12 1961	Aug. 20 1960
Production	229,029	223,339	228,688
Shipments	227,145	226,390	225,767
Orders	216,925	224,030	221,645

Freight Car Loadings for the Aug. 19 Week Totaled 595,154 Cars, An Increase of 7/10ths of 1% Above Preceding Week

Loading of revenue freight in the week ended Aug. 19 totaled 595,154 cars, the Association of American Railroads announced. This was an increase of 4,092 cars or 7/10ths of 1% above the preceding week.

The loadings represented a decrease of 1,310 cars or 2/10ths of 1% below the corresponding week in 1960, but an increase of 52,668 cars or 9.7% above the corresponding week in 1959 (during the steel strike).

There were 10,907 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Aug. 12, 1961, (which were included in that week's over-all total). This was an increase of 139 cars or 1.3% above the corresponding week of 1960 and an increase of 3,152 cars or 40.6% above the 1959 week.

Cumulative piggyback loadings for the first 32 weeks of 1961 totaled 349,437 for an increase of 11,826 cars or 3.5% above the corresponding period of 1960 and 100,284 cars or 40.2% 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 55 one year ago and 50 in the corresponding week in 1959.

Intercity Truck Tonnage in Week Ended Aug. 19 was 3.7% Ahead of 1960 Week

Intercity truck tonnage in the week ended Aug. 19, was 3.7% ahead of the volume in the corresponding week of 1960, the American Trucking Associations, Inc., announced. Truck tonnage was 1.3% above that of the previous week of this year.

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 Dips From Peak

After setting record highs for three straight weeks, the general wholesale commodity price level dipped gradually during the past week, reports Dun & Bradstreet, Inc. However, it remained appreciably higher than a year ago. Wheat and tin prices declined markedly in the week just ended, and slight dips prevailed in prices quoted for corn, lard, sugar, and hides. Only three increases from a week earlier were noted — in steers, cotton, rubber.

The Daily Wholesale Commodity Price Index stood at 273.79 (1930-32=100) on Monday, Aug. 28, down from the year's peak of 274.76 in the preceding week, but considerably above the 266.45 on the comparable day last year.

Wholesale Food Price Index Holds Close to Prior Week

For the third consecutive week, the Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., remained virtually unchanged, moving only fractionally higher than in the preceding week although again rising slightly from a year ago. On Aug. 29, it edged up 0.2% to \$5.99 from \$5.98 in the prior week and exceeded by 1.5% the level of \$5.90 on the comparable day last year.

Increases in price were noted for rye, beef, bellies, sugar, milk, cocoa and eggs. On the other hand, lower prices were quoted for wheat, corn, oats, hams, lard, coffee, potatoes, steers and hogs.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Nationwide Department Store Sales Were 2% Higher Than The 1960 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended Aug. 19, 1961, were 2% more than the like period last year. For the week ended Aug. 12, sales were unchanged over last year. The four-week period ended Aug. 19, 1961, sales advanced 2% over last year.

According to the Federal Reserve System, department store sales in New York City for the week ended Aug. 12, were 3% higher than the same period last year. In the preceding week ended Aug. 12, sales were unchanged over the same period last year. For the four weeks ending Aug. 19, a 2% increase was reported above the 1960 period, while from Jan. 1 to Aug. 19, a 2% increase over sales in the comparable period of 1960, was recorded.

With Dempsey-Tegeler

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Thomas Zee has joined the staff of Dempsey-Tegeler & Co., 210 W. Seventh Street. He was formerly with Morris Cohon & Co. and Hornblower & Weeks.

Mitchum, Jones Adds

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Lawrence L. Bird has been added to the staff of Mitchum, Jones & Templeton, 650 South Spring Street, members of the New York and Pacific Coast Stock Exchanges. He was formerly with Merrill Lynch, Pierce, Fenner & Smith Inc.

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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	Latest Month	Previous Month	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:							
Indicated steel operations (per cent capacity).....	Sept. 3	69.1	66.5	62.2	53.8		
Equivalent to—							
Steel ingots and castings (net tons).....	Sept. 3	2,020,000	1,944,000	1,818,000	1,533,000		
AMERICAN PETROLEUM INSTITUTE:							
Crude oil and condensate output—daily average (bbls. of 42 gallons each).....	Aug. 18	7,073,060	7,045,360	6,947,960	6,833,660		
Crude runs to stills—daily average (bbls.).....	Aug. 18	8,339,000	8,437,000	8,284,000	8,135,000		
Gasoline output (bbls.).....	Aug. 18	30,026,000	30,061,000	30,812,000	29,467,000		
Kerosene output (bbls.).....	Aug. 18	2,583,000	2,595,000	2,795,000	2,445,000		
Distillate fuel oil output (bbls.).....	Aug. 18	14,212,000	13,726,000	13,423,000	13,097,000		
Residual fuel oil output (bbls.).....	Aug. 18	5,642,000	5,469,000	5,673,000	5,626,000		
Stocks at refineries, bulk terminals, in transit, in pipe lines—							
Finished and unfinished gasoline (bbls.) at.....	Aug. 18	193,621,000	192,098,000	196,455,000	192,094,000		
Kerosene (bbls.) at.....	Aug. 18	32,801,000	32,123,000	30,720,000	31,368,000		
Distillate fuel oil (bbls.) at.....	Aug. 18	141,635,000	137,927,000	124,717,000	143,831,000		
Residual fuel oil (bbls.) at.....	Aug. 18	48,943,000	50,005,000	49,859,000	44,314,000		
ASSOCIATION OF AMERICAN RAILROADS:							
Revenue freight loaded (number of cars).....	Aug. 19	595,154	591,062	584,137	596,464		
Revenue freight received from connections (no. of cars).....	Aug. 19	495,378	483,758	467,062	490,227		
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:							
Total U. S. construction.....	Aug. 24	\$323,500,000	\$479,000,000	\$399,700,000	\$406,400,000		
Private construction.....	Aug. 24	150,300,000	253,200,000	170,800,000	245,200,000		
Public construction.....	Aug. 24	173,200,000	225,800,000	228,900,000	161,200,000		
State and municipal.....	Aug. 24	152,200,000	194,800,000	195,300,000	123,300,000		
Federal.....	Aug. 24	21,000,000	31,000,000	33,600,000	37,900,000		
COAL OUTPUT (U. S. BUREAU OF MINES):							
Bituminous coal and lignite (tons).....	Aug. 19	8,200,000	8,220,000	8,065,000	8,104,000		
Pennsylvania anthracite (tons).....	Aug. 19	343,000	318,000	371,000	356,000		
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100:							
.....	Aug. 19	142	131	122	139		
EDISON ELECTRIC INSTITUTE:							
Electric output (in 000 kwh.).....	Aug. 26	15,491,000	15,665,000	16,061,000	15,018,000		
FAILURES (COMMERCIAL AND INDUSTRIAL)—DUN & BRADSTREET, INC.:							
.....	Aug. 24	352	366	319	315		
IRON AGE COMPOSITE PRICES:							
Finished steel (per lb.).....	Aug. 21	6.196c	6.196c	6.196c	6.196c		
Pig iron (per gross ton).....	Aug. 21	\$66.44	\$66.44	\$66.44	\$66.41		
Scrap steel (per gross ton).....	Aug. 21	\$37.83	\$37.83	\$36.67	\$32.50		
METAL PRICES (E. & M. J. QUOTATIONS):							
Electrolytic copper—							
Domestic refinery at.....	Aug. 23	30.600c	30.600c	30.600c	32.600c		
Export refinery at.....	Aug. 23	28.150c	28.075c	27.875c	29.650c		
Lead (New York) at.....	Aug. 23	11.000c	11.000c	11.000c	12.000c		
Lead (St. Louis) at.....	Aug. 23	10.800c	10.800c	10.800c	11.800c		
Zinc (delivered) at.....	Aug. 23	12.000c	12.000c	12.000c	13.500c		
Zinc (East St. Louis) at.....	Aug. 23	11.500c	11.500c	11.500c	13.000c		
Aluminum (primary pig, 99.5%) at.....	Aug. 23	26.000c	26.000c	26.000c	26.000c		
Straits tin (New York) at.....	Aug. 23	121.625c	119.500c	115.750c	102.125c		
MOODY'S BOND PRICES DAILY AVERAGES:							
U. S. Government Bonds.....	Aug. 29	87.15	86.56	87.27	88.81		
Average corporate.....	Aug. 29	85.59	85.59	85.85	87.99		
Aaa.....	Aug. 29	89.64	89.64	89.64	92.64		
Aa.....	Aug. 29	87.59	87.72	88.13	90.34		
A.....	Aug. 29	84.68	84.68	85.20	87.32		
Baa.....	Aug. 29	80.81	80.93	80.93	82.15		
Railroad Group.....	Aug. 29	83.15	83.15	83.40	85.07		
Public Utilities Group.....	Aug. 29	86.38	86.38	86.91	89.37		
Industrials Group.....	Aug. 29	87.32	87.45	87.45	89.51		
MOODY'S BOND YIELD DAILY AVERAGES:							
U. S. Government Bonds.....	Aug. 29	3.94	4.02	3.92	3.66		
Average corporate.....	Aug. 29	4.74	4.74	4.72	4.56		
Aaa.....	Aug. 29	4.44	4.44	4.44	4.23		
Aa.....	Aug. 29	4.59	4.58	4.55	4.39		
A.....	Aug. 29	4.81	4.81	4.77	4.67		
Baa.....	Aug. 29	5.12	5.11	5.11	5.01		
Railroad Group.....	Aug. 29	4.93	4.93	4.91	4.78		
Public Utilities Group.....	Aug. 29	4.68	4.68	4.64	4.46		
Industrials Group.....	Aug. 29	4.61	4.60	4.60	4.45		
MOODY'S COMMODITY INDEX:							
.....	Aug. 29	376.2	376.4	374.0	361.6		
NATIONAL PAPERBOARD ASSOCIATION:							
Orders received (tons).....	Aug. 19	326,330	333,959	310,025	283,315		
Production (tons).....	Aug. 19	327,549	332,332	308,751	314,607		
Percentage of activity.....	Aug. 19	94	94	91	92		
Unfilled orders (tons) at end of period.....	Aug. 19	515,626	518,944	480,165	426,145		
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100:							
.....	Aug. 25	114.59	114.46	114.32	109.60		
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS							
Transactions of specialists in stocks in which registered—							
Total purchases.....	Aug. 4	3,064,870	2,636,440	1,818,110	2,068,940		
Short sales.....	Aug. 4	569,140	508,100	325,500	356,790		
Other sales.....	Aug. 4	2,403,210	2,280,610	1,670,430	1,754,960		
Total sales.....	Aug. 4	2,972,350	2,788,710	1,995,930	2,111,750		
Other transactions initiated off the floor—							
Total purchases.....	Aug. 4	389,990	246,500	233,050	323,830		
Short sales.....	Aug. 4	17,200	25,200	4,100	45,220		
Other sales.....	Aug. 4	303,300	253,100	206,620	252,210		
Total sales.....	Aug. 4	320,500	278,300	210,720	297,530		
Other transactions initiated on the floor—							
Total purchases.....	Aug. 4	1,022,630	892,738	549,940	636,650		
Short sales.....	Aug. 4	159,500	153,140	123,170	160,600		
Other sales.....	Aug. 4	924,093	957,094	580,392	495,880		
Total sales.....	Aug. 4	1,083,143	1,110,234	703,562	656,480		
Total round-lot transactions for account of members—							
Total purchases.....	Aug. 4	4,477,490	3,775,678	2,601,100	3,029,420		
Short sales.....	Aug. 4	745,390	686,440	452,770	562,610		
Other sales.....	Aug. 4	3,630,603	3,490,804	2,457,442	2,503,150		
Total sales.....	Aug. 4	4,375,993	4,177,244	2,910,212	3,065,760		
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.....	Aug. 4	1,946,045	1,942,780	1,448,269	1,474,665		
Dollar value.....	Aug. 4	\$100,784,597	\$99,854,436	\$76,585,660	\$70,704,191		
Odd-lot purchases by dealers (customers' sales)†							
Number of orders—customers total sales.....	Aug. 4	1,866,564	1,650,227	1,178,491	1,371,430		
Customers' short sales.....	Aug. 4	10,542	12,302	5,390	18,427		
Customers' other sales.....	Aug. 4	1,856,022	1,637,925	1,173,101	1,293,003		
Dollar value.....	Aug. 4	\$94,033,954	\$83,931,142	\$59,301,331	\$61,063,438		
Round-lot sales by dealers—							
Number of shares—Total sales.....	Aug. 4	548,070	436,910	279,930	345,500		
Short sales.....	Aug. 4	548,070	436,910	279,930	345,500		
Other sales.....	Aug. 4	548,070	436,910	279,930	345,500		
Round-lot purchases by dealers—Number of shares.....	Aug. 4	653,560	730,760	547,900	523,150		
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.....	Aug. 4	871,930	878,090	543,900	796,010		
Other sales.....	Aug. 4	18,608,470	17,225,830	11,843,730	12,791,610		
Total sales.....	Aug. 4	19,480,400	18,103,920	12,387,630	13,587,620		
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):							
Commodity Group—							
All commodities.....	Aug. 22	118.9	*119.0	118.6	119.4		
Farm products.....	Aug. 22	88.2	88.2	86.7	86.9		
Processed foods.....	Aug. 22	108.1	*108.3	107.1	108.0		
Meats.....	Aug. 22	94.8	95.1	92.2	96.4		
All commodities other than farm and foods.....	Aug. 22	127.4	127.4	127.5	128.3		
AMERICAN TRUCKING ASSOCIATION, INC.—							
Month of June:							
Inter-city general freight transport by 400 carriers (in tons).....		7,190,702	6,997,724	6,911,203			
FABRICATED STRUCTURAL STEEL (AMERICAN INSTITUTE OF STEEL CONSTRUCTION)—							
Month of July:							
Contracts closed (tonnage)—estimated.....		456,332	297,555	302,154			
Shipments (tonnage)—estimated.....		286,917	361,159	338,860			
CASH DIVIDENDS—PUBLICLY REPORTED BY U. S. CORPORATIONS—U. S. DEPT. OF COMMERCE—							
Month of July:							
(000's omitted).....		\$935,700	\$1,986,300	\$896,700			
EMPLOYMENT AND PAYROLLS—U. S. DEPT. OF LABOR REVISED SERIES—							
Month of July:							
All manufacturing (production workers).....		11,828,000	*11,866,000	12,145,000			
Durable goods.....		6,661,000	*6,710,000	6,888,000			
Nondurable goods.....		5,167,000	*5,156,000	5,257,000			
Employment indexes (1947-49 avgs.=100)—							
All manufacturing.....		95.6	*95.9	98.2			
Payroll indexes (1947-49 avgs.=100)—							
All manufacturing.....		169.8	*170.8	169.0			
Estimated number of employees in manufacturing industries—							
All manufacturing.....		15,948,000	*15,975,000	16,250,000			
Durable goods.....		9,124,000	*9,169,000	9,342,000			
Non-durable goods.....		6,824,000	*6,806,000	6,908,000			
LIFE INSURANCE BENEFIT PAYMENTS TO POLICYHOLDERS—INSTITUTE OF LIFE INSURANCE—							
Month of June:							
Death benefits.....		\$307,500,000	\$316,800,000	\$280,000,000			
Matured endowments.....		59,200,000	60,600,000	57,300,000			
Disability payments.....		11,700,000	11,100,000	9,900,000			
Annuity payments.....		63,800,000	62,900,000	60,800,000			
Surrender values.....		149,700,000	161,400,000	134,700,000			
Policy dividends.....		147,300,000	128,800,000	130,200,000			
Total.....		\$739,200,000	\$741,600,000	\$672,900,000			
LIFE INSURANCE PURCHASES—INSTITUTE OF LIFE INSURANCE—							
Month of June:							
(0							

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. & E. Plastik Pak Co., Inc.

Aug. 1, 1961 ("Reg. A") 40,000 common shares (no par). Price—\$7.50. Proceeds—For equipment and working capital. Office—652 Mateo Street, Los Angeles. Underwriters—Blalack & Co., Inc., San Marino, Calif.; Harbison & Henderson, Los Angeles; May & Co., Portland, Ore., and Wheeler & Cruttenden, Inc., Los Angeles.

● Abbey Automation Systems, Inc. (9/5-8)

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 Avenue, Long Island City, N. Y. Underwriter—John Joshua & Co., Inc., New York.

Abby Vending Manufacturing Corp.

July 26, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The manufacture of coin operated vending machines. Proceeds—For moving expenses, an acquisition and working capital. Office—79 Clifton Place, Brooklyn, N. Y. Underwriter—L. H. Wright & Co., Inc., 135 Broadway, 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).

Acro Electronic Products Co.

July 17, 1961 filed 100,000 class A common shares. Price—\$4. Business—The manufacture of transformers for electronic and electrical equipment. Proceeds—For relocating to and equipping a new plant, purchase of inventory, research and development, advertising, promotion and merchandising, repayment of debt and other corporate purposes. Office—369 Shurs Lane, Philadelphia. Underwriter—Roth & Co., Inc., Philadelphia.

A-Drive Auto Leasing System, Inc. (9/11)

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).

● Admiral Plastics Corp. (9/18)

July 27, 1961 filed 340,000 common shares, of which 20,000 shares are to be offered by the company and 320,000 shares by the stockholders. Price—By amend-

ment. Business—The manufacture of plastic houseware products. Proceeds—For a new warehouse, repayment of debt and other corporate purposes. Office—557 Wortman Ave., Brooklyn, N. Y. Underwriter—Shearson, Hammill & Co., New York (managing).

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 Investment Management Corp.

July 11, 1961 ("Reg. A") 100,000 common shares (par 25 cents). Price—\$3. Proceeds—For purchase of furniture, reserves and working capital. Office—No. 15 Village Shopping Center, Little Rock, Ark. Underwriter—Affiliated Underwriters, Inc., 1321 Lincoln Avenue, Little Rock, Ark.

Aero-Dynamics Corp.

Aug. 7, 1961 filed 100,000 common shares. Price—\$5. Business—The importation and distribution of Italian marble and mosaic tiles. Proceeds—For the purchase and installation of new moulds, machinery and equipment, research and general corporate purposes. Office—250 Goffle Road, Hawthorne, N. J. Underwriters—Cambridge Securities, Inc. and Edward Lewis Co., Inc., New York.

Aero Fidelity Acceptance Corp.

July 11, 1961 ("Reg. A") 100,000 common shares (par five cents). Price—\$3. Proceeds—For repayment of loans, purchase of notes and equipment. Office—185 Walton Avenue, N. W., Atlanta, Ga. Underwriter—Best & Garey Co., Inc., Washington, D. C.

Aero Space Electronics, Inc.

July 17, 1961 ("Reg. A") 80,000 capital shares (par 10 cents). Price—\$3. Proceeds—For repayment of debt and working capital. Office—2036 Broadway, Santa Monica, Calif. Underwriter—Hamilton Waters & Co., Inc., Hempstead, N. Y.

Airbalance, Inc.

July 17, 1961 ("Reg. A") 60,000 common shares (par five cents). Price—\$5. Office—2046 E. Lehigh Ave., Philadelphia. Underwriter—A. Sussel Co., 1033 Chestnut St., Philadelphia.

● Air Master Corp. (9/25-29)

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 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 October.

Aksman (L. J.) & Co., Inc.

July 28, 1961 ("Reg. A") 80,000 common shares (par 10 cents). Price—\$3. Business—A mechanical contractor in design and installation of heating, ventilating and air conditioning systems. Proceeds—For moving, purchase of machinery and equipment, inventory, repayment of loans and working capital. Office—1425 Utica Avenue, Brooklyn 3, N. Y. Underwriters—Rothenberg, Heller & Co., Inc. and Carroll Co., New York.

Alaska Honolulu Co.

July 24, 1961 filed 1,600,000 common shares and oil leases on 400,000 acres to be offered in 625 units each consisting of 640 acres and 2,560 shares. Price—\$2,560 per unit. Business—The exploration and development of oil and gas properties in Alaska. Proceeds—For general corporate purposes. Office—120 S. Third St., Las Vegas, Nev. Underwriter—None.

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).

Allied Stores Corp. (10/9)

Aug. 4, 1961 filed \$27,006,200 of convertible subordinated debentures due Oct. 1, 1981 to be offered for subscription by stockholders on the basis of \$100 of debentures for each ten shares held. Price—By amendment. Business—The operation of department stores. Proceeds—For general corporate purposes. Office—401 Fifth Ave., New York. Underwriter—Lehman Brothers, New York (managing).

● Almar Rainwear Corp. (9/1)

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).

Alpine Geophysical Associates, Inc.

July 28, 1961 filed 150,000 common shares. Price—By amendment. Business—The conducting of marine and land geophysical surveys for petroleum and mining exploration and engineering projects, and the manufacture of oceanographic and geophysical apparatus. Proceeds—For repayment of debt and general corporate purposes. Office—55 Oak St., Norwood, N. J. Underwriter—S. D. Fuller & Co., New York (managing). Offering—Expected in early October.

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.

Amerel Mining Co. Ltd.

July 31, 1961 filed 400,000 common shares. Price—50 cents. Business—The company is engaged in exploration, development and mining. Proceeds—For diamond drilling, construction, exploration and general corporate expenses. Office—80 Richmond St., W., Toronto. Underwriter—E. A. Manning, Ltd., Toronto.

Amerford International Corp.

June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$3.50. Business—International air and

Vinco Corp. Debs. Offered

S. D. Fuller & Co. is Manager of an underwriting group offering an issue of \$2,000,000 Vinco Corp. 6% convertible subordinated debentures, due Aug. 15, 1976, at 100% and accrued interest.

Net proceeds from the sale will be used by the company for additions and improvements to its plants and facilities; for repayment of the balance of a 6% note; for the redemption of its 5% cumulative preferred stock and the payment of interest thereon; and for repayment of working capital advances. The balance of the proceeds will be used for research and development, and for possible future acquisitions.

The debentures are convertible into common stock until maturity at \$10 per share. The debentures are redeemable at optional redemption prices ranging from 105% in 1962 to par; and through the sinking fund at par, plus accrued interest in both cases.

The company with headquarters in Detroit, Mich., conducts its business through two divisions. The Vinco Division, located in Detroit manufactures precision tools and gauges, checking and production instruments, and precision production parts. The Reony Division, located in Belle Isle, Richmond, Va., designs and manufactures ground support servicing and testing equipment for military aircraft and missiles. In Jan. 1961, the company entered into an agreement for the acquisition of all the outstanding stock of Scanoptic, Inc., which will also be operated as a division of the company. Scanoptic, Inc. makes optical instrumentation for the military services and the motion picture industry.

H. Hentz Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Dennis G. Gramza has been added to the staff of H. Hentz & Co., 9680 Santa Monica Boulevard. He was previously with Eastman Dillon, Union Securities & Co.

American Univend Common Offered

Initial public sale of the common stock of American Univend Corp. is being made through the offering of 100,000 shares at \$9 per share, by Robert A. Martin Associates, Inc.

Net proceeds from the sale will be used by the company for the repayment of outstanding loans, for the purchase of vending machines and for working capital.

The company of 120 E. 56th St., New York, N. Y., was formed in Sept. 1960 for the purpose of selling products by means of coin operated vending machines leased to operators for the exclusive sale of products sold to them by the company. The company's present products are sold under trade names of "Alkaid," "Cloramint" and "F&F" cough lozenges. On May 15, 1961, the company had executed leases for approximately 37,000 machines of which about 2,500 had been delivered to vending operators.

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& Co., Inc.

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Digby 4-2370 Teletype No. N.Y. 1-5237

ocean freight forwarding. **Proceeds**—For expansion, advertising and working capital. **Office**—80 Wall St., New York. **Underwriters**—V. S. Wickett & Co., Inc., and Thomas, Williams & Lee, Inc., New York.

★ **Albert Voigt Industries, Inc.**
Aug. 29, 1961 filed 80,000 common. **Price**—\$4. **Business**—The manufacture of metal store fixtures, show cases and related items. **Proceeds**—For repayment of loans, working capital, a leasehold improvement and moving expenses. **Office**—14-20 Dunham Pl., Brooklyn, N. Y. **Underwriter**—David Barnes & Co., Inc., N. Y. C.

American Automatic Vending Corp.
Aug. 15, 1961 filed 270,000 common shares. **Price**—By amendment. **Business**—The sale of merchandise through vending machines. **Proceeds**—For the repayment of debt and other corporate purposes. **Office**—7501 Carnegie Ave., Cleveland, O. **Underwriter**—McDonald & Co., Cleveland.

American Data Machines, Inc.
Aug. 17, 1961 filed 150,000 common shares. **Price**—\$4.50. **Business**—The manufacture of data processing equipment. **Proceeds**—For repayment of loans, new products, advertising, engineering, new machine tools, working capital and general corporate purposes. **Office**—7 Commercial St., Hicksville, N. Y. **Underwriters**—Amos Treat & Co., Inc. and Golkin Bomback & Co., N. Y. C. (mgr.).

American Electronic Laboratories, Inc. (9/11)
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**—Suplee, Yeatman, Mosley Co., Inc., Philadelphia, Pa.

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 Heritage Publishing Co., Inc.
Aug. 18, 1961 filed 140,000 common shares, of which 75,000 shares are to be offered by the company and 65,000 shares by stockholders. **Price**—By amendment. **Business**—Magazine and book publishing. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—551 Fifth Ave., New York. **Underwriter**—White, Weld & Co., New York (managing). **Offering**—Expected in late October.

American Micro Devices, Inc.
Aug. 2, 1961 filed 1,500,000 class A common shares. **Price**—\$1.15. **Business**—The manufacture of electronic components. **Proceeds**—The purchase of equipment and materials, operational expenses, working capital and rewriter—Naftalin & Co., Inc., Minneapolis.

American Mortgage Investment Corp.
April 29, 1960 filed \$1,800,000 4% 20-yr. collateral trust bonds and 1,566,000 shares of class A non-voting common stock. It is proposed that these securities will be offered for public sale in units (2,000) known as Investment Certificates, each representing \$900 of bonds and 783 shares of stock. **Price**—\$1,800 per unit. **Proceeds**—To be used principally to originate mortgage loans and carry them until market conditions are favorable for disposition. **Office**—210 Center St., Little Rock, Ark. **Underwriter**—Amico, Inc.

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 Precision Industries, Inc.
Aug. 18, 1961 filed 158,000 common shares, of which 115,000 shares are to be offered by the company and 38,000 shares by stockholders. **Price**—By amendment. **Business**—The machining and fabrication of components and assemblies from steel, aluminum and certain alloys and other metals. **Proceeds**—For a new plant and equipment, research and development, repayment of debt and working capital. **Office**—3901 Union Rd., Buffalo. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

American Realty Trust
July 25, 1961 filed 500,000 shares of beneficial interests. **Price**—\$10. **Business**—A real estate investment company. **Office**—608 Thirteenth St., N. W., Washington, D. C. **Underwriter**—Stifel, Nicolaus & Co., Inc., St. Louis.

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).

NEW ISSUE CALENDAR

September 1 (Friday)	
Almar Rainwear Corp. (D. H. Blair & Co.) 120,000 shares	Common
Ansul Chemical Co. (Paine, Webber, Jackson & Curtis) 12,000 shares	Common
Casa Electronics Corp. (Adams & Co.) \$200,000	Common
Long Island Bowling Enterprises, Inc. (Trinity Securities Corp.) \$300,000	Common
T-Bowl International, Inc. (Peter Morgan & Co.) 400,000 shares	Common
September 5 (Tuesday)	
Abbey Automation Systems, Inc. (John Joshua & Co., Inc.) \$300,000	Common
Amerline Corp. (Dean Witter & Co.) 150,000 shares	Common
Astronetic Research, Inc. (Schirmer, Atherton & Co.) \$270,000	Common
Central Investment Corp. of Denver (Boettcher & Co.; Bosworth, Sullivan & Co., Inc. and Peters, Writer & Christensen, Inc.) \$2,250,000	Common
Computer Instruments Corp. (Hayden, Stone & Co.) 160,000 shares	Common
Dadan, Inc. (McDonald, Anderson, Peterson & Co., Inc.) \$184,000	Common
Electro-Miniatures Corp. (Burnham & Co.) \$300,000	Common
Federal Tool & Manufacturing Co. (Jamieson & Co.) \$600,000	Common
G-W Ameritronics, Inc. (Fraser & Co.) \$320,000	Units
Mark Truck Rental Corp. (Vickers Securities Corp.) \$50,000	Common
Minichrome, Inc. (Continental Securities Inc.) \$172,500	Common
Nitrogen Oil Well Service Co. (Underwood, Neuhaus & Co. Inc.) \$1,000,000	Common
Royal School Laboratories, Inc. (B. N. Rubin & Co., Inc.) \$850,000	Common
TelePromPTer Corp. (Bear, Stearns & Co.) \$5,000,000	Debentures
Terry Industries, Inc. (Greenfield & Co., Inc.) 1,728,337 shares	Common
Texas Capital Corp. (Dempsey-Tegele & Co.) 1,000,000 shares	Common
Tinsley Laboratories, Inc. (Troster, Singer & Co.) \$300,000	Capital
Tresco, Inc. (Amos Treat & Co. Inc.) \$500,000	Common
Tri Metal Works, Inc. (Offering to stockholders—underwritten by R. L. Scheinman & Co. and Blaha & Co., Inc.) 68,000 shares	Common
Vic Tanny Enterprises, Inc. (S. D. Fuller & Co.) 320,000 shares	Common
York Research Corp. (Allen & Co.) 75,000 shares	Class A
September 6 (Wednesday)	
Intercontinental Dynamics Corp. (M. H. Woodhill Inc.) \$300,000	Common
Irvan Ferromagnetics Corp. (Thomas Jay, Winston & Co., Inc.) \$200,000	Common
Reeves Broadcasting & Development Corp. (Laird & Co. Corp.) \$2,500,000	Debentures
Roberts Lumber Co. (Arthurs, Lestrangle & Co.) 55,000 shares	Common
Trinity Funding Corp. (Trinity Securities Corp.) \$1,500,000	Common
Vacu-Dry Co. (Wilson, Johnson & Higgins) 400,000 shares	Common
September 7 (Thursday)	
Cosmodyne Corp. (Dean Witter & Co.) 100,000 shares	Common
National Cleaning Contractors, Inc. (Bear, Stearns & Co.) 200,000 shares	Common
Rabin-Winters Corp. (H. Hentz & Co.) 180,000 shares	Common
September 8 (Friday)	
Western Union Telegraph Co. (Offering to stockholders—underwritten by Kuhn, Loeb & Co. and Lehman Brothers) 1,075,791 shares	Common
September 11 (Monday)	
A-Drive Auto Leasing System, Inc. (Hill, Darlington & Grimm) \$1,000,000	Class A
American Electronic Laboratories, Inc. (Offering to stockholders—underwritten by Suplee, Yeatman, Mosley Co. Inc.) 10,632 shares	Common
Apache Realty Corp. (Blunt Ellis & Simmons) \$5,000,000	Units
Arizona Color Film Processing Laboratories, Inc. (Offering to stockholders—no underwriting) \$462,110	Common
Blackman Merchandising Corp. (Midland Securities Co., Inc.) 72,500 shares	Common
Cle-Ware Industries, Inc. (Westheimer & Co.) 195,000 shares	Common
Continental Leasing Corp. (H. B. Crandall Co. and Cambridge Securities, Inc.) \$300,000	Common
First Small Business Investment Co. of Tampa (No underwriting) \$6,250,000	Common
Flato Realty Fund (Flato, Bean & Co.) \$20,000,000	Shares
Foamland U. S. A., Inc. (Fiakov & Co.) \$750,000	Common
Gilbert Youth Research, Inc. (McDonnell & Co.) 65,000 shares	Common
Gloray Knitting Mills, Inc. (Shields & Co.) 125,000 shares	Common
Gordon (I.) Realty Corp. (George D. B. Bonbright & Co.) \$1,600,000	Common
Income Planning Corp. (Espy & Wanderer Inc.) \$200,000	Units
Instrument Systems Corp. (Milton D. Blauner & Co.; M. L. Lee & Co., Inc. and Lieberbaum & Co.) \$750,000	Common
Israel-America Hotels, Ltd. (Brager & Co.) \$1,250,000	Common
Lewis (Tillie) Foods, Inc. (Van Alstyne, Noel & Co.) 400,000 shares	Common
Micro-Lectric, Inc. (Underhill Securities Corp.) \$220,000	Common

Missouri Fidelity Life Insurance Co. (A. C. Allyn & Co.) 200,000 shares	Common
National Semiconductor Corp. (Lee Higginson Corp.) 75,000 shares	Capital Stock
Old Empire, Inc. (Laird, Bissell & Meeds) \$800,000	Debentures
Publishers Vending Services, Inc. (D. H. Blair & Co.) 6,000 units	Units
Riverview ASC, Inc. (Albion Securities Co., Inc.) \$300,000	Common
Rodney Metals, Inc. (Amos Treat & Co. Inc.) \$1,400,000	Common
Ross Products, Inc. (Blair & Co. and F. L. Rossman & Co.) 200,000 shares	Common
Southern Growth Industries, Inc. (Capital Securities Corp.) \$600,000	Common
Spectron, Inc. (Hampstead Investing Corp.) \$381,875	Common
T. F. H. Publications, Inc. (Arnold Malkan & Co., Inc.) \$300,000	Common
T. V. Development Corp. (Kesselman & Co. and Brand, Grumet & Seigel Inc.) \$500,000	Common
Tastee Freez Industries, Inc. (Bear, Stearns & Co.) 350,000 shares	Common
Techno-Vending Corp. (International Services Corp.) \$300,000	Common
Telephones, Inc. (Hayden, Stone & Co. and McCormick & Co.) 250,000 shares	Common
Thermo-Chem Corp. (Best & Garey Co., Inc.) \$585,000	Common
Thoroughbred Enterprises, Inc. (Sandkuhl & Co. Inc.) \$340,000	Common
Thriftway Foods, Inc. (Kidder, Peabody & Co.) 140,000 shares	Common
Transvision Electronics, Inc. (Adams & Peck) 140,000 Shares	Common
Triangle Instrument Co. (Armstrong & Co. Inc.) \$300,000	Common
U. S. Plastic & Chemical Corp. (Adams & Peck) 125,000 shares	Common
Universal Health, Inc. (Cortlandt Investing Corp.) \$300,000	Common
Universal Publishing & Distributing Corp. (Allen & Co.) \$750,000	Units
September 12 (Tuesday)	
Mountain Fuel Supply Co. (First Boston Corp.) \$18,000,000	Debentures
Rocky Mountain Natural Gas Co., Inc. (Merrill Lynch, Pierce, Fenner & Smith Inc.) 75,000 units	Units
Strouse, Inc. (H. A. Riecke & Co.) \$600,000	Debentures
Universal Moulded Fiber Glass Corp. (A. G. Edwards & Sons) \$2,750,000	Common
September 13 (Wednesday)	
Creative Playthings, Inc. (A. G. Becker & Co., Inc. and Semple, Jacobs & Co., Inc.) 100,000 shares	Common
Industrial Gauge & Instrument Co., Inc. (R. F. Dowd & Co. Inc.) \$225,000	Common
Liverpool Industries, Inc. (Arden Perin & Co., Inc.) \$304,950	Common
Photo-Animation, Inc. (First Philadelphia Corp.) \$187,500	Common
Taylor-Country Estate Associates (Nat. Berger Associates, Inc.) \$2,420,000	Interests
Washington Engineering Services Co., Inc. (No underwriting) 375,000 shares	Common
XTRA, Inc. (Putnam & Co.) 182,570 shares	Common
September 15 (Friday)	
Rudd-Melikian, Inc. (Stearns & Co.) \$1,300,000	Common
Universal Surgical Supply Inc. (Dempsey-Tegele & Co., Inc.) 200,000 shares	Common
Walter Sign Corp. (Amber, Burstein & Co.) \$300,000	Common
September 18 (Monday)	
Admiral Plastics Corp. (Shearson, Hammill & Co.) 340,000 shares	Common
Caressa, Inc. (Shearson, Hammill & Co.) 150,000 shares	Common
Commonwealth Theatres of Puerto Rico, Inc. (J. R. Williston & Beane) \$1,000,000	Com.
Consolidated Production Corp. (Shearson, Hammill & Co.) 200,000 shares	Common
Cromwell Business Machines, Inc. (Pacific Coast Securities Co.) \$300,000	Common
Custom Shell Homes, Inc. (T. J. McDonald & Co.) \$300,000	Common
Douglas Microwave Co., Inc. (J. R. Williston & Beane and Hill, Darlington & Grimm) 100,000 shares	Common
Drug & Food Capital Corp. (A. C. Allyn & Co. and Westheimer & Co.) \$5,000,000	Common
Empire Life Insurance Co. of America (Consolidated Securities, Inc.) \$300,000	Capital
First Mortgage Fund (Shearson, Hammill & Co.) \$15,000,000	Ben. Int.
General Plastics Corp. (Pacific Coast Securities Co. and Selgren, Miller & Co.) \$300,000	Common
Growth Properties (Pacific Coast Securities Co.) 100,000 shares	Common
Harn Corp. (J. R. Williston and Beane) 150,000 shares	Common
Hilco Homes Corp. (Rambo, Close & Kerner, Inc.) 6,500 units	Units
Holly Stores, Inc. (Allen & Co.) 175,000 shares	Common
Houston Corp. (Offering to stockholders—no underwriting) 583,334 shares	Common
Industrial Electronic Hardware Corp. (S. D. Fuller & Co.) \$1,000,000	Debentures
Industrial Electronic Hardware Corp. (S. D. Fuller & Co.) 25,000 shares	Common
Lincoln Fund, Inc. (Horizon Management Corp.) 951,799 shares	Common
Lowe's Companies, Inc. (G. H. Walker & Co., Inc.) 388,250 shares	Common
M P I Glass Fibers, Inc. (Atlantic Equities Co.) \$300,000	Common
Mairs & Power Income Fund, Inc. (No underwriting) 40,000 shares	Common

Continued on page 34

Continued on page 34

Continued from page 33

NAC Charge Plan & Northern Acceptance Corp. (Sade & Co.) 33,334 shares	Class A
National Periodical Publications, Inc. (Suearson, Hammill & Co. and Prescott, Shepard & Co., Inc.) 500,000 shares	Common
NuTone, Inc. (Kidder, Peabody & Co.) 375,000 shares	Common
Olson Co. of Sarasota, Inc. (Jay Morton & Co., Inc.) \$295,000	Common
Parish (Amos) & Co., Inc. (The James Co.) 208,000 shares	Common
Patent Resources, Inc. (Darius Inc.; N. A. Hart & Co. and E. J. Roberts & Co., Inc.) 150,000 shares	Common
Polytronic Research, Inc. (Jones, Kreeger & Co. and Balogh & Co.) 193,750 shares	Common
Second Financial, Inc. (Globus Inc.) \$300,000	Common
Southern Realty & Utilities Corp. (Hirsch & Co. and Lee Higginson Corp.) 6,280 units	Units
Supronics Corp. (Amos Treat & Co. Inc.; Standard Securities Corp. and Bruno-Lenchner Inc.) 90,000 shares	Common
United Investors Corp. (No underwriting) \$761,090	Class A
Wainrite Stores, Inc. (Omega Securities Corp.) \$300,000	Common
September 20 (Wednesday)	
Control Data Corp. (Dean Witter & Co.) 300,000 shares	Common
General Forms, Inc. (Equity Securities Co.) \$300,000	Common
Greene (M. J.) Co. (Hess, Grant & Remington Inc.) \$300,000	Common
Mohawk Insurance Co. (R. F. Dowd & Co., Inc.) \$900,000	Common
Northern Indiana Public Service Co. (Offering to stockholders—no underwriting) \$20,253,300	Debentures
Pacific Northwest Bell Telephone Co. (Offering to stockholders—no underwriting) \$279,351,840	Common
September 25 (Monday)	
Air Master Corp. (Francis I. du Pont & Co.) 200,000 shares	Common
Bargain Town, U. S. A., Inc. (Schweickart & Co.) \$1,800,000	Common
Cellomatic Battery Corp. (Armstrong & Co. Inc.) \$250,000	Common
Delta Capital Corp. (Blair & Co. and Howard, Weil, Labouisse, Friedrichs & Co.) 500,000 shares	Common
First National Realty & Construction Corp. (H. Hentz & Co.) \$3,000,000	Debs.
General Spray Service, Inc. (Ross, Lyon & Co., Inc.) \$315,000	Units
Ihnen (Edward H.) & Son, Inc. (Amos Treat & Co. Inc.) \$375,000	Common
Lewis & Clark Marina, Inc. (Apache Corp.) \$300,000	Common
MacLevy Associates, Inc. (Continental Bond & Share Corp.) \$300,000	Common

Marks Polarized Corp. (Ross, Lyon & Co., Inc. and Globus, Inc.) 95,000 shares	Common
Micro-Precision Corp. (Manufacturers Securities Corp.) \$300,000	Common
Middle Atlantic Credit Corp. (R. L. Scheilman & Co. and A. W. Benkert & Co., Inc.) \$300,000	Units
Middle Atlantic Investment Co. (Bets. & Garey Co., Inc.) \$700,000	Common
Midwest Technical Development Corp. (Lee Higginson Corp. and Paper, Jaffray & Hopwood) 800,000 shares	Common
Nuclear Corp. of America (Bear, Stearns & Co.) 536,280 shares	Capital
Nuclear Corp. of America (Bear, Stearns & Co.) \$2,087,800	Debentures
Pavelle Corp. (Bear, Stearns & Co.) 200,000 shares	Common
Plasticon Corp. (No underwriting) \$1,996,998	Common
Reher Simmons Research Inc. (McLaughlin, Kaumann & Co.) \$900,000	Capital
Semicon, Inc. (S. D. Fuller & Co.) 125,000 shares	Common
Sterling Electronics, Inc. (S. D. Fuller & Co.) 125,200 shares	Common
Stratton Corp. (Cooley & Co.) \$650,000	Debentures
United Scientific Laboratories, Inc. (Continental Bond & Share Corp.) \$720,000	Common
Valley Title & Trust Co. (Louis R. Dreyling & Co.) \$600,000	Common
Voron Electronics Corp. (John Joshua & Co., Inc. and Reuben Rose & Co.) \$300,000	Class A
September 26 (Tuesday)	
Pacific Gas & Electric Co. (Bids to be received) \$60,000,000	Bonds
September 28 (Thursday)	
Anodyne, Inc. (Ross, Lyon & Co., Inc. and Globus, Inc.) \$6,250,000	Units
September 29 (Friday)	
Mite Corp. (Kidder, Peabody & Co. and Charles W. Scranton & Co.) 325,000 shares	Capital
Mon-Art, Inc. (Davis, Rowady & Nichols Inc.) \$300,000	Preferred
October 2 (Monday)	
Cosnat Record Distributing Corp. (Amos Treat & Co.) 150,000 shares	Common
Dressen-Barnes Electronics Corp. (Lester, Ryons & Co.) 100,000 shares	Capital
Hannett Industries, Inc. (Albion Securities Co., Inc.) \$300,000	Common
Movie Star, Inc. (Milton D. Blauner & Co., Inc.) 200,000 shares	Class A
Pioneer Astro Industries, Inc. (Francis I. du Pont & Co.) 150,000 shares	Common
Public Service Co. of Colorado (Bids 11:30 a. m. EDT) \$30,000,000	Bonds
Sav-Mor Oil Corp. (Armstrong & Co. Inc.) \$230,000	Common
Shasta Minerals & Chemical Co. (No underwriting) \$1,250,000	Common

October 3 (Tuesday)	
Gulf States Utilities Co. (Bids 11 a. m.) \$15,000,000	Debentures
October 9 (Monday)	
Allied Stores Corp. (Offering to stockholders—underwritten by Lehman Bros.) \$27,006,200	Debentures
Panoramic Electronics, Inc. (Hayden, Stone & Co.) 120,000 shares	Common
October 10 (Tuesday)	
Kansas Power & Light Co. (Bids to be received) \$13,000,000	Debentures
October 13 (Friday)	
Columbia Research Group (No underwriting) \$5,000,000	Preferred
October 16 (Monday)	
Electra-Tronics, Inc. (Jay Morton & Co., Inc.) \$180,000	Common
Hogan Faximile Corp. (William R. Staats & Co.) 300,000 shares	Common
Keller Corp. (Casper Rogers & Co., Inc.) \$1,200,000	Debentures
Murray Magnetics Corp. (Amos Treat & Co., Inc.) \$900,000	Common
Precision Microwave Corp. (Peter Morgan & Co.) \$1,650,000	Common
October 17 (Tuesday)	
Public Service Electric & Gas Co. (Bids 11 a. m. EDT) \$50,000,000	Debentures
October 18 (Wednesday)	
Georgia Power Co. (Bids 11 a. m. EDT) \$7,000,000	Preferred
Georgia Power Co. (Bids noon EDT) \$10,000,000	Bonds
October 23 (Monday)	
Guy's Foods, Inc. (Allen & Co.) \$970,000	Common
Wonderbowl, Inc. (Standard Securities Corp.) \$300,000	Common
October 25 (Wednesday)	
Natpac Inc. (William, David & Mottl, Inc.) \$475,000	Common
New England Power Co. (Bids to be received) \$20,000,000	Bonds
Pickwick International, Inc. (William, David & Mottl, Inc.) \$300,000	Common
Sun Valley Associates (Nat. Berger Associates, Inc.) \$205,000	Units
November 14 (Tuesday)	
Rochester Gas & Electric Corp. (Bids to be received) \$15,000,000	Bonds
November 21 (Tuesday)	
Consolidated Edison Co. of New York, Inc. (Bids 11 a. m. EDT) \$50,000,000	Bonds
December 5 (Tuesday)	
Virginia Electric & Power Co. (Bids to be received) \$15,000,000	Bonds

Continued from page 33

American Self Service Stores, Inc. Aug. 11, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—By amendment. Business—The operation of self-service shoe stores. Proceeds—For repayment of loans and expansion. Office—1908 Washington Avenue, St. Louis. Underwriter—Scherck, Richter Co., St. Louis.
American Technical Machinery Corp. Aug. 29, 1961 filed 95,000 common, of which 65,000 are to be offered by the company and 30,000 by stockholders. Price—By amendment. Business—The manufacture of machinery for prefabrication of twisted wire brushes. Proceeds—For equipment, repayment of loans and working capital. Office—29-31 Elm Ave., Mt. Vernon, N. Y. Underwriter—M. L. Lee & Co., Inc., N. Y. C.
Amerline Corp. (9/5-8) 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).
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 Ave., New York. Underwriter—J. J. Krieger & Co., New York.
Anderson New England Capital Corp. July 21, 1961 filed 400,000 common shares. Price—By amendment. Business—A small business investment company. Proceeds—For investment. Office—150 Causeway Street, Boston. Underwriter—Putnam & Co., Hartford, Conn. (managing).
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. (9/28)** June 20, 1961 filed \$625,000 of 5% convertible subordinated debentures, 150,250 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.

• **Ansul Chemical Co. (9/1)** July 24, 1961 ("Reg. A") 12,000 common shares (par \$1). Price—By amendment. Proceeds—For working capital. Address—Marquette, Wis. Underwriter—Paine, Webber, Jackson & Curtis, Milwaukee.

• **Apache Realty Corp. (9/11)** March 31, 1961 filed 1,000 units in the First Apache Realty Program. Price—\$5,000 per unit. Business—The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation of shopping centers, office buildings and industrial properties. Proceeds—For investment. Office—523 Marquette Ave., Minneapolis, Minn. Underwriter—Blunt Ellis & Simmons, Chicago (managing).

• **Aqua-Letric, 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—M. H. Bishop & Co., Minneapolis. Offering—Expected in late September.

• **Architectural Marble Co.** Aug. 28, 1961 filed 100,000 common. Price—\$3.50. Business—The cutting, designing, polishing and installing of marble products. Proceeds—For plant expansion, inventory and working capital. Office—4425 N. E. Sixth Ter-

race, Oakland Park, Ft. Lauderdale, Fla. Underwriter—J. J. Bruno & Co., Inc., Pittsburgh.

• **Arizona Color Film Processing Laboratories, Inc. (9/11)**

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.

• **Arlan'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).

• **Armour & Co.** Aug. 3, 1961 filed \$32,500,000 of convertible subordinated debentures due Sept. 1, 1983 being offered for subscription by stockholders of record Aug. 24 on the basis of \$100 of debentures for each 16 common held of record Aug. 24 with rights to expire Sept. 12. Price—At par. Business—Meat packing. Proceeds—For plant expansion and general corporate purposes. Office—401 N. Wabash Ave., Chicago. Underwriter—Wertheim & Co., N. Y. (mgr.).

• **Associated Products, Inc.** Aug. 25, 1961 filed 359,000 common, of which 175,000 are to be offered by the company and 184,000 by stockholders. Price—\$17. Business—The manufacture of dog and cat food, cosmetics, drug items and toiletries. Proceeds—For repayment of loans and working capital. Office—445 Park Ave., N. Y. C. Underwriters—Allen & Co., N. Y. C. and Allyn & Co., Chicago (co-mgrs.).

• **Astrodata, Inc.** Aug. 28, 1961 filed 825,000 shares of capital stock, of which 200,000 will be offered for public sale and 625,000 will be offered for subscription by stockholders of Epsco, Inc., parent, on the basis of one new share for each Epsco share held. Price—By amendment. Business—The manufacture of electronic data handling equipment, range

timing devices and standard electronic products. **Proceeds**—For repayment of loans and working capital. **Office**—240 E. Palms Rd., Anaheim, Calif. **Underwriters**—Granby, Marache & Co., N. Y. C. and William R. Staats & Co., Los Angeles.

★ **Astronetic Research, Inc. (9/5-8)**

July 11, 1961 ("Reg. A") 54,000 class A common shares (par \$1). **Price**—\$5. **Proceeds**—For purchase and installation of equipment, and working capital. **Office**—45 Spring Street, Nashua, N. H. **Underwriter**—Schirmer, Atherion & Co., Boston, Mass.

★ **Atlantic Capital Corp.**

Aug. 29, 1961 filed 500,000 common. **Price**—\$12.50. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—744 Broad St., Newark, N. J. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y. C.

★ **Atmotron, Inc.**

July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—\$1.15. **Proceeds**—For general corporate purposes. **Office**—5209 Hanson Court, Minneapolis. **Underwriter**—J. P. Penn & Co., Inc., Minneapolis.

★ **Authenticolor, Inc.**

Aug. 29, 1961 filed 148,200 common, of which 136,800 are to be offered by the company and 11,400 by stockholders. **Price**—\$3.25. **Business**—The furnishing of photographic service for the professional market. **Proceeds**—For working capital and repayment of loans. **Office**—525 Lexington Ave., N. Y. C. **Underwriter**—None.

★ **Automated Building Components, Inc.**

July 28, 1961 filed 100,000 common shares. **Price**—By amendment. **Business**—The manufacture of metal conductor plates used in the prefabrication of wooden roof trusses and the manufacture of jigs and presses from which the plates are made. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—7525 N. W. 37th Avenue, Miami. **Underwriters**—Winslow, Cohe & Stetson and Laird, Bissell & Meeds, New York City (managing).

★ **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 Park Ave., New York. **Underwriter**—J. Laurence & Co., Inc., New York.

★ **Automated Prints, Inc.**

July 24, 1961 ("Reg. A") 85,000 common shares (par 10 cents). **Price**—\$3.50. **Business**—The silk screen printing of designs on textile fabrics. **Proceeds**—For equipment, a new plant, repayment of debt and working capital. **Office**—201 S. Hoskins Rd., Charlotte, N. C. **Underwriter**—Street & Co., Inc., New York.

★ **Automatic Data Processing, Inc.**

July 19, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—\$3. **Business**—Electronic data processing. **Proceeds**—For construction and working capital. **Office**—92 Highway 46, East Paterson, N. J. **Underwriter**—Golkin, Bomback & Co., New York (managing).

★ **Avemco Finance Corp.**

Aug. 15, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The retail financing of time sales to consumers and the financing of dealer sales of aircraft and related equipment. **Proceeds**—For the repayment of debt. **Office**—8645 Colesville, Rd., Silver Spring, Md. **Underwriter**—Sterling, Grace & Co., New York and Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C.

★ **Babcock Electronics Corp.**

Aug. 11, 1961 filed 300,000 capital shares, of which 50,000 shares are to be offered by the company and 250,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic units for remote control of aircraft. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—1640 Monrovia Avenue, Costa Mesa, Calif. **Underwriters**—Blyth & Co., Inc., New York and Schwabacher & Co., San Francisco (managing).

★ **Bankers Dispatch Corp.**

July 20, 1961 filed 100,000 outstanding common shares. **Price**—By amendment. **Business**—The transportation of commercial paper, documents and non-negotiable instruments for banks. **Proceeds**—For the selling stockholder. **Office**—4652 S. Kedzie Avenue, Chicago. **Underwriter**—E. F. Hutton & Co., Inc., New York.

★ **Bargain Town, U. S. A., Inc. (9/25)**

July 27, 1961 filed 300,000 common shares, of which 200,000 shares are to be offered by the company and 100,000 shares by the stockholders. **Price**—\$6. **Business**—The operation of discount department stores. **Proceeds**—For the repayment of debt, and working capital. **Office**—Rockaway Turnpike, North Lawrence, L. I., N. Y. **Underwriter**—Schweickart & Co., New York (managing).

★ **Beam-Matic Hospital Supply, Inc.**

July 21, 1961 filed 100,000 common shares. **Price**—\$3. **Business**—The manufacture of hospital equipment and supplies. **Proceeds**—For expansion of plant facilities, purchase of equipment, expansion of sales program, development of new products and working capital. **Office**—25-11 49th Street, Long Island City, N. Y. **Underwriter**—First Weber Securities Corp., New York.

★ **Big D Chemical Co.**

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. **Underwriter**—To be named.

★ **Bin-Dicator Co.**

Aug. 25, 1961 filed 160,932 common. **Price**—By amendment. **Business**—The manufacture of automatic control devices for handling bulk granular or pulverized materials. **Proceeds**—For the selling stockholders. **Office**—17190 Denver, Detroit. **Underwriter**—Smith, Hague & Co., Detroit.

★ **Black & Decker Manufacturing Corp.**

Aug. 11, 1961 filed 120,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of power tools. **Proceeds**—For the selling stockholder. **Office**—Towson, Md. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

★ **Blackman Merchandising Corp. (9/11)**

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.

★ **Boch Brothers Tobacco Co.**

July 3, 1961 ("Reg. A") 4,000 common shares (par \$12.50). **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—4000 Water St., Wheeling, W. Va. **Underwriter**—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.

★ **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 exploration of properties. **Address**—P. O. Box 214, Twin Bridges, Mont. **Underwriter**—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

★ **Bowl-Tronics, Inc.**

Aug. 16, 1961 ("Reg. A") 100,000 common shares. **Price**—\$2.30. **Business**—The manufacture of automatic electronic scorecards for bowling alleys and other electronic entertainment devices. **Proceeds**—For working capital and expansion. **Office**—1319 F St., N. W., Washington, D. C. **Underwriters**—Fund Securities, Inc., Staten Island, N. Y., and Burry, de Sibour & Co., Washington, D. C.

★ **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, William & Lee, Inc., New York City.

★ **Bradley Industries, Inc.**

July 25, 1961 filed 70,000 common shares (par \$1). **Price**—\$5. **Business**—The manufacture of plastic boxes and containers. **Proceeds**—For repayment of loans, purchase of additional molds, acquisition of a new plant, working capital and general corporate purposes. **Office**—1650 N. Damen Ave., Chicago. **Underwriter**—D. E. Liederman & Co., Inc., New York.

★ **Brinkton, Inc.**

July 28, 1961 ("Reg. A") 133,000 common shares (par 70 cents). **Price**—\$2.25. **Proceeds**—Repayment of loans and working capital. **Office**—710 N. Fourth Street, Minneapolis. **Underwriter**—McDonald, Anderson, Peterson & Co., Inc., Minneapolis.

★ **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).

★ **Bronzini, Ltd.**

Aug. 23, 1961 filed 125,000 common. **Price**—\$6. **Business**—The manufacture of men's wear accessories. **Proceeds**—For redemption of the 10% preferred stock, repayment of a loan, expansion and working capital. **Office**—720 Fifth Ave., N. Y. **Underwriter**—A. J. Gabriel & Co., Inc., N. Y.

★ **Buffums'**

Aug. 7, 1961 filed 40,000 common shares. **Price**—By amendment. **Business**—The operation of department stores in Southern California. **Proceeds**—For general corporate purposes. **Office**—Pine at Broadway, Long Beach, Calif. **Underwriter**—Lester, Ryons & Co., Los Angeles.

★ **Bundy Electronics Corp.**

Aug. 22, 1961 filed 100,000 common shares. **Price**—\$4. **Business**—The design, development and manufacture of electronic components for space and earth communications. **Proceeds**—For moving expenses, repayment of debt and working capital. **Office**—171 Fabyan Place, Newark. **Underwriters**—Bruno-Lenchner, Inc., Pittsburgh and Harry Odzer Co., New York (co-managing).

★ **Burns (William J.) International Detective Agency, Inc.**

Aug. 22, 1961 filed 175,000 class A common shares. **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—101 Park Ave., New York. **Underwriter**—Smith, Barney & Co., Inc., New York (managing).

★ **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 late October.

★ **Caldor, Inc.**

July 27, 1961 filed 120,000 common shares. **Price**—\$5. **Business**—The operation of retail discount stores. **Proceeds**—For expansion and working capital. **Office**—69 Jefferson St., Stamford, Conn. **Underwriter**—Ira Haupt & Co., New York (managing).

★ **California Growth Capital Inc.**

July 18, 1961 filed 660,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—111 Sutter St., San Francisco, Calif. **Underwriters**—H. M. Byllesby & Co., Inc., Chicago and Birr & Co., Inc., San Francisco.

★ **California Real Estate Investors**

Aug. 17, 1961 filed 1,000,000 shares of beneficial interest. **Price**—\$10. **Business**—Real estate investment. **Office**—12014 Wilshire Blvd., Los Angeles. **Underwriter**—Harnack, Gardner & Co., (same address) (managing).

★ **Camp Chemical Co., Inc.**

Aug. 25, 1961 filed 110,000 capital shares. **Price**—\$3. **Business**—The manufacture of sanitation chemicals. **Proceeds**—For advertising, additional sales personnel, inventories and accounts receivable. **Office**—Second Ave., and 13th St., Brooklyn, N. Y. **Underwriter**—Russell & Saxe, Inc., N. Y. C.

★ **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).

★ **Carboline Co.**

Aug. 4, 1961 filed 100,000 common shares, of which 35,000 shares are to be offered by the company and 65,000 shares by stockholders. **Price**—\$5. **Business**—The manufacture of synthetic linings and coatings for industrial use. **Proceeds**—For repayment of loans, research and working capital. **Office**—32 Hanley Industrial Court, St. Louis. **Underwriter**—Reinholdt & Gardner, St. Louis (managing).

★ **Card Key Systems, Inc.**

July 28, 1961 ("Reg. A") 60,000 common shares (no par). **Price**—\$5. **Proceeds**—For research and development, advertising equipment and working capital. **Office**—923 S. San Fernando Boulevard, Burbank, Calif. **Underwriter**—Rutner, Jackson & Gray, Inc., Los Angeles.

★ **Caressa, Inc. (9/18)**

Aug. 2, 1961 filed 150,000 common shares, of which 75,000 will be sold by the company and 75,000 by a stockholder. **Price**—By amendment. **Business**—The manufacture of women's shoes. **Proceeds**—The company will use its share of the proceeds for expansion, the repayment of debt and for other corporate purposes. **Office**—5300 N. W. 37th Ave., Miami, Fla. **Underwriter**—Shearson, Hammill & Co., New York (managing).

★ **Casa Electronics Corp. (9/1)**

July 19, 1961 ("Reg. A") 80,000 common shares (par 50 cents). **Price**—\$2.50. **Proceeds**—For test equipment, reduction of mortgage and working capital. **Office**—2233 Barry Ave., West Los Angeles, Calif. **Underwriter**—Adams & Co., Los Angeles (managing).

★ **Casavan Industries, Inc.**

Aug. 21, 1961 filed 275,000 capital shares. **Price**—By amendment. **Business**—The production and importation of marble and vitreous mosaic products used in the building construction field. **Proceeds**—For equipment, inventory, leasehold improvements, construction, repayment of loans and general corporate purposes. **Office**—250 Vreeland Ave., Paterson, N. J. **Underwriter**—None.

★ **Celcmatic Battery Corp. (9/25)**

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.

★ **Central Investment Corp. of Denver (9/5-8)**

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.

★ **Cerro Corp.**

Aug. 24, 1961 filed 350,000 common. **Price**—By amendment. **Business**—The mining, refining and smelting of nonferrous metals in Peru and the production of copper wire, brass and bronze rods, aluminum sheet and coils in the U. S. **Proceeds**—For general corporate purposes. **Office**—300 Park Ave., N. Y. C. **Underwriters**—Morgan Stanley & Co., and Smith, Barney & Co., Inc., N. Y. C.

★ **Charles Jacquin 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).

Continued on page 36

Continued from page 35

● **Chermil Capital Corp.**
July 25, 1961 filed 250,000 common shares. Price — \$2. Business—A closed-end investment company. Proceeds—For investment. Office—32 Broadway, New York. Underwriter—Edward H. Stern & Co., Inc., New York. Note—This registration was withdrawn Aug. 28.

● **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 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).

★ **Citation Industries, Inc.**
Aug. 28, 1961 filed \$470,000 of 6½% convertible debentures due 1969 and 94,000 common to be offered in units consisting of one \$100 debenture and 20 common. Price—\$200 per unit. Business—The manufacture of prefabricated and shell homes. Proceeds—For general corporate purposes. Office—129 S. Claiborne, New Orleans. Underwriter—None.

● **Clarise Sportswear Co., Inc.**
July 21, 1961 filed 125,000 common shares, of which 75,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—\$5. Business—The manufacture of women's sportswear. Proceeds—For working capital. Office—141 W. 36th Street, New York. Underwriters—Alessandrini & Co., Inc. and Hardy & Hardy, New York (co-managing).

● **Cle-Ware Industries, Inc. (9/11)**
July 25, 1961 filed 195,000 common shares of which 160,000 shares are to be offered by the company and 35,000 shares by stockholders. Price—By amendment. Business—The wholesaling of parts, chemicals and accessories related to the automotive and marine fields. Proceeds—For repayment of loans, working capital and other corporate purposes. Office—10604 St. Clair Ave., Cleveland. Underwriter—Westheimer & Co., Cincinnati.

● **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.

● **Cobbs Fruit & Preserving Co.**
July 27, 1961 filed 150,000 common shares, of which 128,500 are to be offered for public sale by the company and 21,500 by the underwriter. Price—\$5. Business—The sale of fruits, candies, preserves and novelties. Proceeds—For expansion and other corporate purposes. Office—400 N. E. 79th St., Miami, Fla. Underwriter—Jay W. Kaufmann & Co., New York.

● **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.

★ **Cole Vending Industries, Inc.**
Aug. 28, 1961 filed 115,000 common. Price—By amendment. Business—The manufacture, sale and servicing of vending machines. Proceeds—For working capital. Office—560 W. Lake St., Chicago. Underwriter—Straus, Blosser & McDowell, Chicago (mgr.).

● **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, seminaries and schools. Proceeds—For equipment; sales promotion; repayment of loans; construction of buildings and improvements of facilities. Office—202 E. 44th St., New York, N. Y. Underwriter—William, David & Motti, Inc., N. Y. Offering—Imminent.

● **Columbia Research Group (10/13)**
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).

★ **Combined Insurance Co. of America**
Aug. 25, 1961 filed 300,000 common. Price—By amendment. Business—The writing of accident and health insurance. Office—5050 Broadway, Chicago. Underwriter—Smith, Barney & Co., N. Y. C. (mgr.).

Commonwealth Theatres of Puerto Rico, Inc. (9/18)

July 28, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—\$10. Business—The operation of a chain of theatres in Puerto Rico. Proceeds—For construction of a drive-in movie theatre, building renovations and general corporate purposes. Address—Santurce, Puerto Rico. Underwriter—J. R. Williston & Beane, New York (managing).

● **Computer Instruments Corp. (9/5-8)**
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).

● **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. (9/18)**
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 Cadon Production Corp.

★ **Consolidated Vending Corp.**
Aug. 29, 1961 filed \$150,000 of 6% debentures due 1971 and 50,000 common to be offered in units each consisting of \$150 of debentures and 50 common. Price—\$400 per unit. Business—The operation of vending machines. Proceeds—For repayment of loans, new equipment and working capital. Office—129 S. State St., Dover, Del. Underwriter—William, David & Motti, Inc., N. Y. C.

● **Consumers Utilities Corp.**
July 27, 1961 filed 302,000 outstanding common shares to be offered for subscription by stockholders of Mobilife Corp., of Bradenton, Fla., parent company, on the basis of 3 Consumers shares for each 5 Mobilife shares held. Price—By amendment. Business—The acquisition, construction and operation of water-treatment and sewage-disposal plants in suburban areas of Florida. Proceeds—For the selling stockholder (Mobilife Corp.) Office—Sarasota, Fla. Underwriter—Golkin, Bomback & Co., New York City.

● **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. (9/11)**
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.

● **Continental-Pacific Industries, Inc.**
July 21, 1961 ("Reg. A") 300,000 common shares (par 10 cents). Price—\$1. Proceeds—For repayment of loans, tooling, a patent purchase, salaries, inventory and working capital. Office—1299 Bay Shore Blvd., Burlingame, Calif. Underwriter—Amos C. Sudler & Co., Denver.

● **Continental Real Estate Investment Trust**
Aug. 3, 1961 filed 300,000 shares of beneficial interest. Price—\$10. Business—Real estate. Proceeds—For investment. Office—530 St. Paul Place, Baltimore. Underwriter—F. Baruch & Co., Inc., Washington, D. C. (managing).

● **Continental Vending Machine Corp.**
Aug. 11, 1961 filed \$5,052,700 of 6% convertible subordinated debentures due 1976, to be offered for subscription by stockholders on the basis of \$100 of debentures for each 80 common shares held. Price—By amendment. Business—The manufacturing of vending machines. Proceeds—For repayment of loans and working capital. Office—956 Brush Hollow Road, Westbury, L. I., N. Y. Underwriter—Hardy & Co., New York (managing).

● **Control Data Corp. (9/20)**
Aug. 10, 1961 filed 300,000 common shares. Price—By amendment. Business—The manufacture of mechanical equipment. Proceeds—For repayment of loans, working capital and general corporate purposes. Office—501 Park Avenue, Minneapolis. Underwriter—Dean Witter & Co., San Francisco (managing).

● **Control Lease Systems, Inc.**
July 21, 1961 ("Reg. A") 260,000 common shares (par 10 cents). Price—\$1.15. Proceeds—For equipment, research and development and capital expenditures. Office—3386 Brownlow Ave., St. Louis Park, Minn. Underwriters—M. H. Bishop & Co., and J. P. Penn & Co., Inc., Minneapolis.

● **Cook (L. L.)**
Aug. 4, 1961 filed 49,736 common shares, of which 9,600 shares are to be offered by the company and 40,136 shares by stockholders. Price—By amendment. Business—The processing of photographic film, wholesaling of photographic supplies and the manufacture of post cards. Proceeds—For general corporate purposes. Office—1830

N. 16th St., Milwaukee. Underwriter—Milwaukee Co., Milwaukee (managing).

● **Corning Glass Works**
Aug. 4, 1961 filed 150,000 common shares (par \$5). Price—By amendment. Business—The manufacture of specialized glass products. Proceeds—For the selling stockholders. Address—Corning, N. Y. Underwriters—Harriman Ripley & Co. and Lazard Freres & Co., New York (co-managing).

● **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.

★ **Cosmetically Yours, Inc.**
Aug. 23, 1961 filed 42,500 common. Price—\$4. Business—The manufacture of cosmetics. Proceeds—For repayment of a loan, advertising, equipment, inventory, research and development and working capital. Office—15 Clinton St., Yonkers, N. Y. Underwriter—P. J. Gruber & Co., Inc., N. Y.

● **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. (9/7)**
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—Dominick & Dominick, Inc., New York.

● **Cosnat Record Distributing Corp. (10/2-6)**
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).

★ **Cowles Magazines & Broadcasting, Inc.**
Aug. 30, 1961 filed 350,000 capital shares. Price—By amendment. Business—The publication of "Look" magazine, the sale of subscriptions to other magazines and the operation of TV and radio stations. Proceeds—For general corporate purposes. Office—488 Madison Ave., N. Y. Underwriter—Goldman, Sachs & Co., N. Y. C. (mgr.).

● **Cramer Electronics, Inc.**
July 27, 1961 filed 150,000 common shares, of which 107,250 shares are to be offered by the company and 42,750 shares by the stockholders. Price—By amendment. Business—The distribution of electronic components and equipment. Proceeds—For repayment of loans, inventory and working capital. Office—811 Boylston St., Boston. Underwriter—Carl M. Loeb, Rhoades & Co., New York (managing).

● **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).

● **Creative Playthings, Inc. (9/13)**
July 28, 1961 filed 100,000 common shares. Price—By amendment. Business—The manufacture of equipment and material for children. Proceeds—For research and development, expansion, repayment of loans and working capital. Address—Cranbury, N. J. Underwriter—A. G. Becker & Co., Inc., Chicago and Semple, Jacobs & Co., Inc., St. Louis.

● **Cromwell Business Machines, Inc. (9/18)**
Aug. 1, 1961 ("Reg. A") 100,000 common shares (par 50 cents). Price—\$3. Proceeds—For repayment of loans, machinery, leasehold improvements, advertising and working capital. Office—7451 Coldwater Canyon Avenue, North Hollywood, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

● **Crossway Motor Hotels, Inc.**
Aug. 4, 1961 filed 70,000 common shares. Price—\$5. Business—The operation of a motor hotel chain. Proceeds—For acquisition, expansion and the repayment of debt. Office—54 Tarrytown Rd., White Plains, N. Y. Underwriter—Candee & Co., New York.

● **Custom Shell Homes, Inc. (9/18)**
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. (9/5)**
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.

● **Dale Systems, Inc.**
Aug. 9, 1961 filed 100,000 common shares. Price—\$3.50. Business—A shopping service which checks the efficiency of retail sales employees. Proceeds—For expansion.

sion and general corporate purposes. Office—1790 Broadway, New York. Underwriter—Theodore Arrin & Co., Inc., New York.

Data Management, Inc.

July 17, 1961 ("Reg. A") 260,869 class A common shares (par 10 cents). Price—\$1.15. Proceeds—For purchase of equipment, investments, and working capital. Office—1608 First National Bank Building, Minneapolis. Underwriter—M. H. Bishop & Co., Minneapolis.

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.

De Kalb-Ogle Telephone Co.

Aug. 18, 1961 ("Reg. A") 19,018 common to be offered for subscription by stockholders of record on Sept. 11, 1961 on the basis of one additional share for each 15 shares held. Price—At par (\$10). Proceeds—For construction and modernization of telephone system. Office—112 W. Elm St., Sycamore, Ill. Underwriter—None.

Delta Capital Corp. (9/25-29)

Aug. 9, 1961 filed 500,000 common shares. Price—By amendment. Business—A small business investment company. Proceeds—For investment. Office—610 National Bank of Commerce Building, New Orleans. Underwriters—Blair & Co., New York and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing).

Delta Sonics, Inc.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par \$1). Price—\$3. Business—The manufacture of ultrasonic and electronic systems and components. Proceeds—For plant and equipment; material and inventory; repayment of a loan and working capital. Office—12918 Gerise Ave., Hawthorne, Calif. Underwriter—Haas, Lidster & Co., Los Angeles.

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. (9/18)

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, Darlington & Grimm, New York (managing).

Dressen-Barnes Electronics Corp. (10/2-6)

Aug. 14, 1961 filed 100,000 capital shares, of which 75,000 shares are to be offered by the company and 25,000 shares by stockholders. Price—By amendment. Business—The manufacture of power supplies and automatic label dispensers. Proceeds—For repayment of loans, and working capital. Office—250 N. Vinedo Street, Pasadena, Calif. Underwriter—Lester, Ryons & Co., Los Angeles.

Drug & Food Capital Corp. (9/18-22)

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 Cable Systems

July 31, 1961 ("Reg. A") 50,000 common shares (par 50 cents). Price—\$6. Proceeds—For repayment of debt-equipment and working capital. Office—8421 Telfair Avenue, Sun Valley, Calif. Underwriter—Raymond Moore & Co., Los Angeles.

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.

Eastern Air Devices, Inc.

June 16, 1961 filed 150,000 common shares being offered for subscription by common stockholders of Crescent Petroleum Corp., parent, on the basis of one share for each 10 Crescent shares held of record August 25 with rights to expire Sept. 15. Price—\$5. 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 (co-mgrs.).

Eastern Properties Improvement Corp.

Aug. 22, 1961 filed \$1,500,000 of subordinated debentures due 1981 and 250,000 common shares. Price—For debentures, \$1,000; for stock, \$10. Business—General real estate. Proceeds—For the acquisition and development of real properties, repayment of debt and engineering, etc. Office—10 E. 40th St., New York. Underwriter—Woodcock, Moyer, Fricke & French, Inc., Philadelphia (managing). Offering—Expected in late October.

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).

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. Underwriter—Ezra Kureen Co., New York City.

Electra-Tronics, Inc. (10/16)

Aug. 14, 1961 ("Reg. A") 60,000 common (par 75c). Price—\$3. Business—The company is a military subcontractor in the electronics field. Proceeds—For the repayment of loans, inventory, expansion and working capital. Office—1242 N. Palm, Sarasota, Fla. Underwriter—Jay Morton & Co., Inc., Sarasota.

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. (9/5-8)

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-Tec Corp.

July 28, 1961 filed 91,000 common shares (par 10 cents). Price—By amendment. Business—The manufacture of slip rings and brush block assemblies, switching devices, relays, and precious metal products. Proceeds—For the selling stockholders. Office—10 Romanelli Ave., South Hackensack, N. J. Underwriter—Harriman Ripley & Co., Inc., New York (managing). Offering—Expected in late September.

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 Bayes, Rose & Co., Inc., 39 Broadway, New York.

Electronics Discovery Corp.

July 26, 1961 filed 150,000 common shares. Price—\$1. Business—The company plans to develop a device to make non-conductors into electrical conductors by the addition of chemicals. Proceeds—For research and development. Office—1100 Shames Dr., Westbury, L. I., N. Y. Underwriter—Globus, Inc., New York.

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. Offering—Expected in mid-September.

Empire Life Insurance Co. of America (9/18)

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.

Empire State Building Associates

Aug. 24, 1961 filed \$39,000,000 participations of general partnership interest to be offered in units. Price—\$10,000 per unit. Business—General real estate. Proceeds—To help finance the purchase of the Empire State Building. Office—60 E. 42nd St., N. Y. Underwriter—None.

Equitable Leasing Corp.

June 19, 1961 ("Reg. A") 90,000 common shares (par 25 cents) being offered for subscription by stockholders of record August 15, with rights to expire August 30. 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.

Executive Equipment Corp.

Aug. 1, 1961 filed 100,000 common shares. Price—\$4. Business—The long-term leasing of automobiles. Proceeds—For the purchase of automobiles, establishment of a trucking division and a sales office, and for working capital. Office—790 Northern Blvd., Great Neck, N. Y. Underwriters—Reich & Co., and Jacques Coe & Co., New York.

Executive House, Inc.

Aug. 29, 1961 filed \$2,000,000 of 6% subordinated sinking fund debentures due 1971 and 400,000 common to be offered in 200,000 units, each consisting of a \$10 debenture (with 2 warrants) and two common. Price—By amendment. Business—The operation of hotels. Proceeds—For investment in a subsidiary and realty acquisitions. Office—71 E. Wacker Dr., Chicago. Underwriters—Bear, Stearns & Co., N. Y. C. and Straus, Blosser & McDowell Co., Chicago (mgrs.).

FM-Stereo Guide, Inc.

Aug. 4, 1961 ("Reg. A") 50,000 common shares. Price—\$6. Business—The company plans to publish a national magazine featuring detailed FM radio program listings, reviews, interviews, etc. Proceeds—For general corporate purposes. Office—1711 Walnut Street, Philadelphia. Underwriter—Valley Forge Securities Co., Inc., New York City and Philadelphia.

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—First Philadelphia Corp., and Lieberbaum & Co., both of New York.

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. A hearing on the matter will be held Sept. 8.

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 Manufacturing & Engineering Corp.

June 30, 1961 filed 534,346 common shares of which 92,782 shares are being 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. The record date and the rights expiration date in both cases are Aug. 25 and Sept. 14, respectively. Price—\$4. 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. (9/5)

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.

First Mortgage Fund (9/18)

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.

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.

Continued on page 38

Continued from page 37

● **First National Realty & Construction Corp.**
(9/25)

Aug. 11, 1961 filed \$3,000,000 of 6½% subordinated debentures due 1976 (with warrants attached). Price—By amendment. Business—The construction and management of real estate. Proceeds—For repayment of loans and general corporate purposes. Office—630 Third Avenue, New York. Underwriter—H. Hentz & Co., New York (managing).

● **First Small Business Investment Company of Tampa, Inc.** (9/11)

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 Western Financial Corp.**

Aug. 23, 1961 filed 450,000 common, of which 100,000 shares are to be offered by the company and 350,000 shares by stockholders. Price—By amendment. Business—A holding company for a savings and loan association, an insurance agency, real estate and escrow agencies and an appraisal service. Proceeds—For repayment of a loan and general corporate purposes. Office—118 Las Vegas Blvd. S., Las Vegas, Nev. Underwriter—A. C. Allyn & Co., N. Y. (mgr.).

● **Flato Realty Fund** (9/11)

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.

● **Fleetwood Securities Corp. of America**

Aug. 8, 1961 filed 70,000 common shares, of which 56,000 shares are to be offered by the company and 14,000 shares by stockholders. Price—\$10. Business—Distributor of Electronics Investment Corp., Contractual Plans and a broker-dealer registered with NASD. Proceeds—To increase net capital and for investment. Office—44 Wall St., New York. Underwriter—General Securities Co., Inc., New York. Offering—Expected in early Oct.

● **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 being offered for subscription by stockholders on the basis of one new share for each two shares held of record Aug. 22 with rights to expire Sept. 5. Price—\$7.75. 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).

● **Foamland U. S. A., Inc.** (9/11-15)

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).

● **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.

● **G-W Ameritronics, Inc.** (9/5)

Jan. 25, 1961 filed 80,000 shares of common stock and 100,000 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.

★ **Gem Electronic Distributors, Inc.**

Aug. 25, 1961 filed 75,000 common. Price—By amendment. Business—The distribution of electronic parts and equipment, including TV and radio components. Proceeds—For repayment of loans and inventory. Office—34 Hempstead Turnpike, Farmingdale, N. Y. Underwriter—Carter, Berland, Potoma & Weill, N. Y. C. (mgr.).

● **General Foam Corp.**

Aug. 15, 1961 filed \$4,000,000 of 6% convertible subordinated debentures due 1981. Price—At par. Business—The manufacture of urethane foam and foam rubber products. Proceeds—For repayment of loans and work-

ing capital. Office—640 W. 134th St., New York. Underwriter—Brand, Grumet & Seigel, Inc., New York.

● **General Forms, Inc.** (9/20)

Aug. 15, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Proceeds—For repayment of loans, plant improvements, equipment and working capital. Office—7325 Northwest 43rd St., Miami. Underwriter—Equity Securities Co., New York.

● **General Kinetics Inc.**

Aug. 7, 1961 filed 200,000 common shares. Price—By amendment. Business—The company conducts various activities within the fields of electronics, mechanical engineering, instrumentation and mathematics. Proceeds—For expansion. Office—2611 Shirlington Road, Arlington, Va. Underwriters—Balogh & Co., Inc., Washington, D. C. and Irving J. Rice & Co., Inc., St. Paul, Minn.

★ **General Magnaplate Corp.**

Aug. 17, 1961 ("Reg. A") 7,800 common (par 50c). Price—At-the-market. Business—A laboratory for testing materials, products and components. The company also operates a plant for specialized electroplating, coating and metal treatment. Proceeds—For the selling stockholders. Office—331 Main St., Belleville, N. J. Underwriter—None.

● **General Plastics Corp.** (9/18)

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 Public Service Corp.**

July 26, 1961 filed 3,947,795 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 closed-end investment company. Proceeds—For investment. Office—90 Broad St., New York. Underwriter—Stone & Webster Securities Corp., New York (managing).

● **General Spray Service, Inc.** (9/25-29)

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. and Glass & Ross, Inc., N. Y. (mgr.).

● **Geoscience Instrument Corp.**

June 22, 1961 ("Reg. A") 125,000 common shares (par one cent). Price—\$1.25. Business—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., and Globus, Inc., New York. Offering—Imminent.

● **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.

● **Gilbert Youth Research, Inc.** (9/11)

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.

● **Girder Process, Inc.**

July 21, 1961 filed 80,000 class A common shares. Price—\$5.25. Business—The manufacture of adhesive bonding films and related products. Proceeds—For acquisition of a new plant, purchase and construction of new machinery and equipment, research and laboratory product development, sales program, advertising, working capital and other corporate purposes. Office—102 Hobart Street, Hackensack, N. J. Underwriter—Winslow, Cohu & Stetson, New York (managing).

★ **Glenmore Distilleries Co.**

Aug. 25, 1961 filed \$7,500,000 of convertible subordinated debentures due 1981. Price—By amendment. Business—The production of alcoholic beverages. Proceeds—For repayment of loans. Office—660 Fourth St., Louisville. Underwriter—Glore, Forgan & Co., N. Y. C. (mgr.).

● **Glenn Pacific Corp.**

July 27, 1961 filed 80,000 common shares. Price—\$5. Business—The manufacture of power supplies for arc welding equipment. Proceeds—For repayment of a loan and working capital. Office—703-37th Ave., Oakland. Underwriter—Birr & Co., Inc., San Francisco.

● **Glickman Corp.**

Aug. 3, 1961 filed 600,000 class A common shares. Price—By amendment. Business—Real estate. Proceeds—For investment. Office—501 Fifth Ave., New York. Underwriters—Bache & Co., and Hirsch & Co., New York (managing).

● **Globe Coliseum, Inc.**

July 21, 1961 ("Reg. A") 300,000 common shares. Price—At par (\$1). Proceeds—For construction of a coliseum building, furnishings and incidental expenses. Address—c/o Fred W. Layman, 526 S. Center, Casper, Wyo. Underwriter—Northwest Investors Service, Inc., Billings, Mont.

● **Globe Rubber Products Corp.**

Aug. 10, 1961 filed 175,000 common shares, of which 60,000 shares are to be offered by the company and 115,000 shares by stockholders. Price—By amendment. Business—The manufacture of rubber floor mats, swim gear and household products. Proceeds—For repayment of loans and general corporate purposes. Office—418 W. Ontario Street, Philadelphia. Underwriter—Kidder, Peabody & Co., N. Y. (mgr.). Offering—Expected in late October.

● **Gloray Knitting Mills, Inc.** (9/11)

June 30, 1961 filed 125,000 common shares. Price—By amendment. Business—The manufacture of boys and mens' knitted sweaters. Proceeds—For general corporate purposes. Office—Robeson, Pa. Underwriter—Shields & Co., New York (managing).

★ **Gluckin (Wm.) Co. Ltd.**

Aug. 25, 1961 filed 175,000 common. Price—\$10. Business—The manufacture of ladies' underclothing. Proceeds—For repayment of loans and general corporate purposes. Office—Bank of Bermuda Bldg., Hamilton, Bermuda. Underwriter—Globus, Inc., N. Y. C. (mgr.).

★ **Golf Courses, Inc.**

Aug. 28, 1961 filed 100,000 capital shares. Price—\$6. Business—The company plans to operate a public golf course and a private country club. Proceeds—For purchase of land, construction and general corporate purposes. Office—1352 Easton Rd., Warrington, Bucks County, Pa. Underwriter—Metropolitan Securities, Inc., Philadelphia (mgr.).

● **Gordon (I.) Realty Corp.** (9/11)

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.

★ **Great Southwest Land & Cattle Co.**

Aug. 21, 1961 ("Reg. A") 50,000 class A common to be offered to policyholders of The Great Southwest Life Insurance Co. Price—At par (\$1). Proceeds—For working capital. Office—4450 N. Central Ave., Phoenix. Underwriter—None.

★ **Green (Henry J.) Instruments, Inc.**

Aug. 24, 1961 filed 140,000 common. Price—\$2.25. Business—The manufacture of precision meteorological instruments. Proceeds—For repayment of loans, equipment, salaries and general corporate purposes. Office—2500 Shames Dr., Westbury, N. Y. Underwriter—N. A. Hart & Co., Inc., Bayside, N. Y. (mgr.).

● **Greene (M. J.) Co.** (9/20)

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.

● **Gro-Rite Shoe Co., Inc.**

July 21, 1961 filed \$500,000 of 6% convertible subordinated debentures due 1970 to be offered for subscription by stockholders on the basis of one \$100 debenture for each 60 shares held. Price—At par. Business—The manufacture of specialized children's shoes. Proceeds—For new molds, construction and working capital. Address—Route 2, Box 129, Mount Gilead, N. C. Underwriter—None.

● **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** (9/18)

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).

● **Gulf States Utilities Co.** (10/3)

Aug. 21, 1961 filed \$15,000,000 of debentures due 1981. Office—285 Liberty Avenue, Beaumont, Texas. Underwriters—Competitive. Probable bidders: Salomon Brothers & Hutzler and Eastman Dillon, Union Securities & Co. (jointly); Lehman Brothers; Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly); Stone & Webster Securities Corp. Bids—Oct. 3, 1961 at 11 a.m. Information Meeting—Sept. 28 (11 a.m. EDT) at 70 Broadway (18th floor) New York.

● **Guy's Foods, Inc.** (10/23)

Aug. 2, 1961 filed 97,000 common shares (par \$2). Price—\$10. Business—The processing of foods. Proceeds—For purchase of buildings, equipment and additional inventories. Office—2215 Harrison, Kansas City, Mo. Underwriter—Allen & Co., New York (managing).

★ **Halco Chemical Co.**

Aug. 25, 1961 filed 225,000 common. Price—\$2. Business—The manufacture of agricultural chemicals and related products. Proceeds—For general corporate purposes. Office—N. 14th St., and Lafayette Ave., Kenilworth, N. J. Underwriters—Ross, Lyon & Co., Inc., and Globus, Inc., N. Y. C. (co-mgrs.).

★ **Halliday Lithograph Corp.**

Aug. 18, 1961 ("Reg. A") 25,000 common (par \$1). Price—By amendment. Proceeds—For equipment, repayment of loans and working capital. Address—West Hanover, Mass. Underwriter—Coffin & Burr, Boston.

● **Hallmark Insurance Co., Inc.**

Aug. 3, 1961 filed 225,000 common shares. Price—\$3. Business—An insurance company. Proceeds—For capital and surplus. Office—636 S. Park St., Madison, Wis. Underwriters—Braun, Monroe & Co., Milwaukee and Harley, Haydon & Co., Inc., Madison.

Hamilton Electro Corp.

Aug. 9, 1961 filed 135,000 common shares, of which 80,000 shares are to be offered by the company and 55,000 shares by stockholders. Price—\$7.50. Business—The distribution of solid state electronic parts and equipment. Proceeds—For inventory, new product lines, repayment of loans and working capital. Office—11965 Santa Monica Blvd., Los Angeles, Calif. Underwriter—William Norton Co., New York.

Hampton Sales Co., Inc.

July 27, 1961 filed 150,000 common shares. Price—\$4. Business—The operation of real discount stores. Proceeds—For repayment of bank loans and working capital. Office—8000 Cooper Ave., Glendale, L. I. (Queens), N. Y. Underwriter—Godfrey, Hamilton, Magnus & Co., Inc., New York.

Handschy Chemical Co.

Aug. 25, 1961 filed 150,000 common, of which 50,000 are to be offered by the company and 100,000 by stockholders. Price—By amendment. Business—The manufacture of specialty printing inks, chemicals and supplies. Proceeds—For general corporate purposes. Office—2525 N. Elston Ave., Chicago. Underwriter—Blunt Ellis & Simmons, Chicago (mgr.).

Hannett Industries, Inc. (10/2-6)

Aug. 11, 1961 ("Reg. A") 100,000 common shares (par one cent). Price—\$3. Business—The fabrication of components for missiles, jet engines, aircraft landing gears and precision machines. Proceeds—For machinery, research and development and working capital. Office—40 Sea Cliff Avenue, Glen Cove, N. Y. Underwriter—Albion Securities Co., Inc., New York.

Harmon (George) Co., Inc.

July 21, 1961 ("Reg. A") 62,500 common shares. Price—\$4. Proceeds—For working capital, equipment, research and development, advertising, etc. Office—18141 Napa St., Northridge, Calif. Underwriter—Hamilton Waters & Co., Inc., Hempstead, N. Y.

Harn Corp. (9/18)

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).

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. Stockholders are to vote on the merger Sept. 7, 1961.

Hawaiian Telephone Co.

Aug. 15, 1961 filed 782,144 common shares, of which 711,040 shares are to be offered for subscription by stockholders on the basis of one new share for each six shares held and 71,104 shares to be sold to employees. Price—By amendment. Proceeds—For working capital. Office—1130 Alakea St., Honolulu. Underwriter—Kidder, Peabody & Co., New York (managing).

Hawthorne Financial Corp.

Aug. 10, 1961 filed 33,117 capital shares. Price—By amendment. Business—A holding company for a savings and loan association and an insurance agency. Proceeds—For the selling stockholders. Office—305 S. Hawthorne Boulevard, Hawthorne, Calif. Underwriter—Crowell, Weedon & Co., Los Angeles.

Hexagon Laboratories, Inc.

July 20, 1961 filed \$540,000 of 6% convertible subordinated debentures due 1976 and 90,000 common shares to be offered in units consisting of \$300 of debentures and 50 common shares. Price—\$500 per unit. Business—The manufacture of medicinal chemicals. Proceeds—For equipment, expansion, repayment of loans and working capital. Office—3536 Peartree Avenue, New York. Underwriter—Stearns & Co., New York (managing).

Hi-Shear Corp.

Aug. 1, 1961 filed 139,500 common shares, of which 105,000 will be sold by the company and 34,500 by stockholders. Price—By amendment. Business—The manufacture of high strength fastening devices and assembly systems for the aircraft and missile industries. Proceeds—For construction, repayment of loans and other corporate purposes. Office—2600 W. 247th St., Torrance, Calif. Underwriter—William R. Staats & Co., Los Angeles.

Hilco Homes Corp. (9/18)

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 7% convertible subordinated debentures due 1973 to be offered for subscrip-

tion by stockholders on the basis of \$100 of debentures for each 25 shares held. Price—At par. 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.

Hogan Faximile Corp. (10/16)

July 26, 1961 filed 300,000 common shares. Price—By amendment. Business—The manufacture of electrolytic recording paper and equipment. Proceeds—For repayment of debt and working capital. Office—635 Greenwich St., New York. Underwriter—William R. Staats & Co., Los Angeles (managing).

Holly Stores, Inc. (9/18-22)

July 28, 1961 filed 175,000 common shares, of which 100,000 shares are to be offered by the company and 75,000 shares by the stockholders. Price—By amendment. Business—The operation of a chain of women's and children's apparel stores. Proceeds—For land purchase, inventory and general corporate purposes. Office—115 Fifth Ave., New York. Underwriter—Allen & Co., New York (managing).

Hollywood Artists Productions Inc.

July 28, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The production of motion picture and TV feature films. Proceeds—For repayment of loans, producers' fee, stories and working capital. Office—350 Lincoln Rd., Miami Beach, Fla. Underwriter—A. M. Shulman & Co., Inc., New York. 37 Wall St., New York.

Houston Corp. (9/18)

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.

Hudson Cleaners, Inc.

Aug. 17, 1961 ("Reg. A") 300,000 preferred. Price—At par (\$1). Proceeds—For working capital and general corporate purposes. Office—2403 Las Vegas Blvd., S., Las Vegas, Nev. Underwriter—None.

Ihnen (Edward H.) & Son, Inc. (9/25-29)

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. (9/11)

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.

Industrial Electronic Hardware Corp. (9/18-22)

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).

Industrial Engravers, 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. Note—This company formerly was named Data Components, Inc. Offering—Imminent.

Industrial Gauge & Instrument Co., Inc. (9/13)

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.

Industrionics Controls, Inc.

July 26, 1961 filed 84,000 common shares. Price—\$5. Business—The manufacture of electronic controls for the monitoring of machinery. Proceeds—For repayment of a loan, purchase of raw material and equipment, advertising, establishment of a field engineering service organization and other corporate purposes. Office—20 Vandam St., New York. Underwriter—Jacey Securities Co., New York (managing).

Instrument Systems Corp. (9/11-15)

June 23, 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 capi-

tal. 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. (9/6)

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 Housing Corp.

Aug. 16, 1961 filed 440,000 common shares. Price—\$1.15. Business—For construction and financing of shell homes. Proceeds—For working capital and general corporate purposes. Office—2101 N. E. Broadway, Minneapolis. Underwriter—Bratter & Co., Inc., Minneapolis.

International Management Corp.

Aug. 21, 1961 ("Reg. A") 100,000 common (par \$1). Price—\$3. Proceeds—For loans to subsidiaries and working capital. Office—7510 E. Granby St., Norfolk, Va. Underwriter—J. B. McLean & Co., Inc., Norfolk, Va.

Interstate Bowling Corp.

July 25, 1961 filed 150,000 common shares. Price—\$3.50. Business—The acquisition and operation of bowling centers in Colorado, California and other states. Proceeds—For repayment of debts and general corporate purposes. Office—10391 Magnolia Ave., Riverside, Calif. Underwriter—Currier & Carlsen, Inc., Los Angeles.

Interstate Fire & Casualty Co.

Aug. 25, 1961 filed 100,000 common. Price—By amendment. Business—The writing of general insurance. Office—501 Livingston Bldg., Bloomington, Ill. Underwriter—White, Weld & Co., N. Y. C. (mgr.).

Irvan Ferromagnetics Corp. (9/6)

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.

Israel-America Hotels, Ltd. (9/11-15)

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.

Israel Investors Corp.

July 26, 1961 filed 100,000 common shares. Price—\$104. Business—An investment company formed to invest in Israeli enterprises. Proceeds—For investment. Office—350 Broadway, New York. 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 September.

James Vending Machine Co., Inc.

Aug. 11, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The sale of vending machines. Proceeds—For purchase of trucks, development and general corporate purposes. Office—5523 Illinois Ave., N. W., Washington 11, D. C. Underwriter—Mitchell, Carroll & Co., Inc., 1801 K St., N. W., Washington, D. C.

Jarrell-Ash Co.

Aug. 17, 1961 filed 60,000 class A common shares and 9,000 outstanding voting trust certificates (representing beneficial interest in 9,000 class B common shares). Price—By amendment. Business—The manufacture of optical instrumentation. Proceeds—For repayment of loans and working capital. Office—7 Farwell St., Newtonville, Mass. Underwriters—Stearns & Co., New York and Clayton Securities Corp., Boston.

Jayark Films Corp.

Aug. 24, 1961 filed 72,000 common, of which 50,000 are to be offered by the company and 22,000 by stockholders. Price—By amendment. Business—The distribution of motion picture and television films. Proceeds—For production of films and working capital. Office—15 E. 48th St., N. Y. Underwriter—Pacific Coast Securities Co., San Francisco.

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.

Jergens (Andrew) Co.

Aug. 3, 1961 filed 250,002 outstanding common shares. Price—By amendment. Business—The manufacture of toiletries. Proceeds—For the selling stockholders. Office—2535 Spring Grove Ave., Cincinnati. Underwriter—Hornblower & Weeks, New York (managing).

Jolyon Electronic Manufacturing Corp.

April 24, 1961 (letter of notification) 65,500 shares of common stock (par one cent). Price—\$3 per share.

Continued on page 40

Continued from page 39

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., N. Y. **Offering**—Imminent.

Kaufman & Broad Building Co.

Aug. 11, 1961 filed 174,500 common shares, of which 124,500 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The construction and sale of low-priced homes. **Proceeds**—For repayment of loans and working capital. **Office**—18610 W. Eight Mile Road, Southfield, Mich. **Underwriter**—Bache & Co., New York (managing).

Keller Corp. (10/16)

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).

★ Kent Dry Cleaners, Inc.

Aug. 25, 1961 filed 165,000 common, of which 45,000 are to be offered by the company and 120,000 by stockholders. **Price**—\$5. **Business**—The dry cleaning and storage of clothes. **Proceeds**—For working capital and general corporate purposes. **Office**—1745 Clintonville St., Whitestone (Queens) N. Y. **Underwriter**—Arnold Malkan & Co., Inc., N. Y. C.

Kent Washington, Inc.

July 19, 1961 filed 200,000 common shares. **Price**—\$5. **Business**—General real estate. **Proceeds**—For repayment of loans, working capital, construction and other corporate purposes. **Office**—1420 K Street, N. W., Washington, D. C. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Kentucky Central Life & Accident Insurance Co.

Aug. 16, 1961 filed 400,000 class A non-voting common shares, of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. **Price**—From \$13 to \$17 per share. **Proceeds**—To increase capital and surplus. **Address**—Anchorage, Ky. **Underwriter**—Stifel, Nicolaus & Co., St. Louis (managing).

Keystone Alloys Co.

Aug. 10, 1961 filed 42,000 common shares. **Price**—By amendment. **Business**—The manufacture of aluminum siding and doors and accessories. **Proceeds**—For acquisitions and repayment of loans. **Office**—511 Mellon Bank Building, Latrobe, Pa. **Underwriter**—Singer, Deane & Scribner, Pittsburgh (managing).

★ Keystone Steel & Wire Co.

Aug. 23, 1961 filed \$20,000,000 of convertible, subordinated debentures due 1981. **Price**—By amendment. **Business**—The production of steel. **Proceeds**—For the repayment of debt and working capital. **Office**—Peoria, Ill. **Underwriters**—Hornblower & Weeks and Eastman Dillon, Union Securities & Co. (co-mgrs.) **Offering**—Expected in early October.

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.

Kronfeld (Phil), Inc.

July 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—\$4. **Business**—The operation of men's retail stores. **Proceeds**—For a new store, working capital and general corporate purposes. **Office**—201 W. 49th Street, New York. **Underwriter**—Kerns, Bennett & Co., Inc., New York.

Kulicke & Soffa Manufacturing Co.

Aug. 15, 1961 filed 122,980 common shares, of which 100,000 shares are to be offered by the company and 22,980 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of machinery for production of transistors and similar devices. **Proceeds**—For payment of taxes, new products, down payment on a new plant and general corporate purposes. **Office**—401 N. Broad St., Philadelphia. **Underwriter**—Marron, Sloss & Co., Inc., New York (managing).

L. L. Drug Co., Inc.

July 26, 1961 filed 100,000 common shares. **Price**—\$4.50. **Business**—The manufacture of pharmaceuticals. **Proceeds**—For repayment of a loan, purchase of equipment, research and development, advertising and working capital. **Office**—1 Bala Ave., Bala-Cynwyd, Pa. **Underwriter**—Stevens Investment Co., Bala-Cynwyd, Pa.

"Lapidoth" Israel Oil Prospectors Corp. Ltd.

Oct. 27, 1960 filed 1,500,000 ordinary shares. **Price**—To be supplied by amendment, and to be payable either totally or partially in Israel bonds. **Business**—The company was organized in October 1959 as a consolidation of individual and corporate licensees who had been operating in the oil business as a joint venture. **Proceeds**—For exploration and development of oil lands. **Office**—22 Rothschild Blvd., Tel-Aviv, Israel. **Underwriter**—None.

Leader Durst Tri-State Co.

July 21, 1961 filed \$2,015,750 of limited partnership interests. **Price**—\$5,000 per interest. **Business**—A real estate investment company. **Proceeds**—For investment. **Office**—41 E. 42nd Street, New York. **Underwriter**—None.

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**—Omega Securities Corp., New York (managing).

★ Lewis & Clark Marina, Inc. (9/25-29)

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. (9/11-15)

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. & Charter Way, Stockton, Calif. **Underwriter**—Van Alstyne, Noel & Co., New York (managing).

Libby International Corp.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—The distribution of tractors and farm equipment manufactured by Kramer-Werke, a German company. **Proceeds**—For repayment of loans, inventory and working capital. **Office**—325 W. Houston Street, New York. **Underwriter**—Tau Inc., New York.

Lincoln Fund, Inc. (9/18)

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.

★ Liverpool Industries, Inc. (9/13)

Aug. 1, 1961 ("Reg. A") 85,700 common shares (par 10 cents). **Price**—\$3.50. **Business**—The manufacture of precision parts for the aircraft and electronic industries. **Proceeds**—For sales promotion and working capital. **Office**—162 57th Street, Brooklyn, N. Y. **Underwriter**—Arden Perin & Co., Inc., New York.

Londontown Manufacturing Co.

Aug. 8, 1961 filed 150,000 common shares. **Price**—By amendment. **Business**—The manufacture of rainwear and golf jackets. **Office**—3600 Clipper Mill Road, Baltimore. **Underwriter**—Alex. Brown & Sons, Baltimore.

Long Falls Realty Co.

July 21, 1961 filed \$1,708,500 of limited partnership interests. **Price**—\$5,000 per interest. **Business**—General real estate. **Proceeds**—For investment. **Office**—18 E. 41st Street, New York. **Underwriter**—Tenney Securities Corp., New York.

★ Long Island Bowling Enterprises, Inc. (9/1)

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**—Trinity Securities Corp., New York City.

Long-Lok Corp.

July 26, 1961 ("Reg. A") 100,000 capital shares (no par). **Price**—\$3. **Proceeds**—For a new subsidiary, machinery repayment of a loan and working capital. **Office**—4101 Redwood Ave., Los Angeles. **Underwriter**—Rutner, Jackson & Gray, Inc., Los Angeles.

★ Longs Drug Stores, Inc.

Aug. 24, 1961 filed 190,000 outstanding common. **Price**—By amendment. **Business**—The company operates a chain of drug stores in California and Hawaii. **Proceeds**—For the selling stockholders. **Office**—5301 Broadway, Oakland, Calif. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc. N. Y. C. (mgr.).

Lortogs, Inc.

July 26, 1961 filed 200,000 common shares, of which 150,000 shares are to be offered by the company and 50,000 shares by the stockholders. **Price**—\$6.50. **Business**—The manufacture of children's sportswear. **Proceeds**—For repayment of loans; inventories; new products; working capital, and general corporate purposes. **Office**—85 Tenth Ave., New York. **Underwriter**—Reich & Co., New York (managing).

★ Lowe's Companies, Inc. (9/18)

July 28, 1961 filed 388,250 common shares. **Price**—By amendment. **Business**—The retail and wholesale distribution of building supplies, household fixtures and appliances, etc. **Proceeds**—For the selling stockholders. **Address**—North Wilkesboro, N. C. **Underwriter**—G. H. Walker & Co., Inc., New York (managing).

★ Lytton Financial Corp.

March 30, 1961 filed 300,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The company owns the stocks of several California savings and loan associations. It also operates an insurance agency, and through a subsidiary, Title Acceptance Corp., acts as trustee under trust deeds securing loans made by the associations. **Proceeds**—To repay loans and for working capital. **Office**—8150 Sunset Boulevard, Hollywood, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York City (mgr.). **Note**—This offering is being withdrawn.

M P I Glass Fibers, Inc. (9/18)

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. **Note**—This company formerly was named Industrial Materials, Inc.

MacLevy Associates, Inc.

July 20, 1961 ("Reg. A") 150,000 common shares (par one cent). **Price**—\$2. **Business**—The distribution of health, exercise and slenderizing equipment. **Proceeds**—For repayment of loans, equipment, new products, sales promotion and advertising, plant removal and working capital. **Office**—189 Lexington Avenue, New York 16, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

★ Mag-Tronics Corp.

July 17, 1961 ("Reg. A") 250,000 common shares (par 10 cents). **Price**—\$1.15. **Proceeds**—For inventory, equipment and working capital. **Office**—2419 Hiawatha Ave., Minneapolis. **Underwriter**—Craig-Hallum Kinnard, Inc., Minneapolis.

★ Magazines For Industry, Inc.

Aug. 2, 1961 filed 135,000 common shares. **Price**—By amendment. **Business**—The publishing of business periodicals. **Proceeds**—For promotion, a new publication and working capital. **Office**—660 Madison Ave., New York. **Underwriter**—S. D. Fuller & Co., New York (managing).

★ Magna Pipe Line Co. Ltd.

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. **Note**—This registration has been temporarily postponed.

★ Magnetic Metals Co.

July 28, 1961 filed 151,200 common shares. **Price**—By amendment. **Business**—The manufacture of magnetic components used in the electrical and electronics industries. **Proceeds**—For the selling stockholders. **Office**—Hayes Avenue at 21st Street, Camden, N. J. **Underwriter**—Butcher & Sherrerd, Philadelphia (managing).

★ Mairs & Power Income Fund, Inc. (9/18)

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.

★ Major Finance Corp.

Aug. 18, 1961 filed \$200,000 of 7% senior subordinated debentures due 1971 (with attached warrants) and 100,000 common shares to be offered in units consisting of \$100 debenture (with a warrant to purchase one common share at \$4) and 50 common shares. **Price**—\$300 per unit. **Business**—Consumer finance. **Proceeds**—For working capital. **Office**—912 Thayer Ave., Silver Spring, Md. **Underwriter**—Manhattan Eastern Corp., New York (managing).

★ March Dynamics Inc.

Aug. 28, 1961 filed 125,000 common. **Price**—\$2.50. **Business**—The manufacture of mechanical and electro-mechanical components. **Proceeds**—For equipment and working capital. **Office**—920 S. Oyster Bay Rd., Hicksville, N. Y. **Underwriter**—Paul Eisenberg & Co., N. Y. C.

★ Marine Structures Corp.

Feb. 1, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—\$3 per share. **Proceeds**—To purchase raw materials, advertising and for working capital. **Office**—204 E. Washington St., Petaluma, Calif. **Underwriter**—Grant, Fontaine & Co., Oakland, Calif.

★ Mark Truck Rental Corp. (9/5-8)

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. (9/25-29)

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. (mgr.), Glass & Ross, Inc., and Globus, Inc., N. Y. C.

★ Marlene Industries Corp.

Aug. 29, 1961 filed 225,000 common, of which 150,000 are to be offered by the company and 75,000 by stockholders. **Price**—\$7. **Business**—The manufacture of ladies' wear. **Proceeds**—For working capital. **Office**—141 W. 36th St., N.Y.C. **Underwriter**—Bernard M. Kahn & Co., Inc., N.Y.C.

★ Marshall Industries

Aug. 4, 1961 filed 131,305 common shares to be offered for subscription by stockholders on the basis of one new share for each four shares held. **Price**—By amendment. **Business**—The manufacture of electronic components and instruments primarily for space and missile applications. **Proceeds**—For repayment of debt and advances to subsidiaries. **Office**—2065 Huntington Dr., San Marino, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York (managing).

★ 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.

★ McAlester Aircraft, Inc.

Aug. 15, 1961 ("Reg. A") 25,000 class A common shares (par \$1). **Price**—\$10. **Proceeds**—For research, engineering, production and working capital. **Office**—2801 S. Air

Depot Boulevard, Midwest City, Okla. **Underwriter**—Honnold & Co., Inc., Oklahoma City.

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**—Barret, Fitch, North & Co., Inc. (managing) and Midland Securities Co., Inc., Kansas City, Mo.

Met Food Corp.

Aug. 25, 1961 filed 150,000 common. **Price**—\$4. **Business**—The distribution of food to retail stores in New York City. **Proceeds**—For general corporate purposes. **Office**—345 Underhill Blvd., Syosset, N. Y. **Underwriter**—Brand, Grumet & Seigel, Inc., N. Y. C. (mgr.)

Micro-Lectric, Inc. (9/11-15)

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.

Micro-Precision Corp. (9/25)

July 28, 1961 ("Reg. A") 100,000 common shares (par 20 cents). **Price**—\$3. **Business**—The development and manufacture of language laboratories for the electronics educational field and the manufacture of electronic and micro-wave components. **Proceeds**—For expansion and working capital. **Office**—55 Ninth St., Brooklyn, N. Y. **Underwriters**—Manufacturers Securities Corp., New York (managing); Bioren & Co., Boening & Co., Philadelphia, Chace, Whiteside & Winslow, Inc., Draper, Sears & Co., and Schirmer, Atherton & Co., Boston.

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.

Middle Atlantic Credit Corp. (9/25)

July 27, 1961 filed \$120,000 of 6½% subordinated debentures due 1971 and 60,000 common shares to be offered in units consisting of \$200 of debentures and 100 shares of stock. **Price**—\$500 per unit. **Business**—A commercial and industrial finance company. **Proceeds**—For working capital. **Office**—1518 Walnut St., Philadelphia. **Underwriters**—R. L. Scheinman & Co., and A. W. Benkert & Co., Inc., New York.

Middle Atlantic Investment Co. (9/25)

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. (9/25-29)

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.

Midwestern Financial Corp.

Aug. 28, 1961 filed 260,000 common, of which 75,000 are to be offered by the company and 185,000 by stockholders. **Price**—By amendment. **Business**—A holding company for savings and loan associations, mortgage companies, a manufacturing company, a small business investment company, etc. **Proceeds**—For repayment of debt. **Office**—2011-13th St., Boulder, Colo. **Underwriters**—Boettcher & Co. and Bosworth, Sullivan & Co., Inc., Denver (co-mgrs.)

Milo Components, Inc.

Aug. 15, 1961 ("Reg. A") 170,000 class A shares (par 10 cents). **Price**—\$1. **Business**—The manufacture of precision components, assemblies for aircraft, armaments, computers, floor waxers and industrial vacuum cleaners. **Proceeds**—For equipment, research and development, repayment of loans and working capital. **Office**—9 Cleveland Street, Valley Stream, N. Y. **Underwriter**—Nelson Securities, Inc., Hempstead, N. Y.

Miner Industries, Inc.

Aug. 10, 1961 filed 120,000 common shares. **Price**—\$4.50. **Business**—The manufacture of toys. **Proceeds**—For new products, advertising and working capital. **Office**—430 Southern Boulevard, New York. **Underwriters**—Golkin, Bomback & Co. and Oppenheimer & Co., New York.

Minichrome, Inc. (9/5-6)

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.

Minut Investing Corp.

Aug. 4, 1961 ("Reg. A") 28,000 shares of 80 cents cumulative, participating preferred stock (par \$1). **Price**—\$10. **Business**—An investment company. **Proceeds**—For acquisitions, working capital and general corporate purposes. **Office**—225 Broadway, New York 7, N. Y. **Un-**

derwriter—Pine Tree Securities, Inc., 225 Broadway, New York 7, N. Y.

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, N. Y. **Offering**—Imminent.

Missouri Fidelity Life Insurance Co. (9/11-15)

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. (9/29)

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).

Mohawk Insurance Co. (9/20)

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.

Mon-Art, Inc. (9/29)

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, Ehl, Demos, Bailey & Co., Billings, Mont.

Monmouth Capital Corp.

Aug. 1, 1961 filed 200,000 shares of capital stock. **Price**—\$10. **Business**—A small business investment company. **Office**—First National Bank Bldg., Main St., Freehold, N. J. **Underwriter**—Meade & Co., New York.

Monmouth Electric Co., Inc.

Aug. 28, 1961 filed 200,000 common, of which 125,000 are to be offered by the company and 75,000 by stockholders. **Price**—\$6. **Business**—The manufacture of electronic and electro-mechanical equipment. **Proceeds**—For new machinery, repayment of loans and working capital. **Office**—1802 Corliss Ave., Neptune, N. J. **Underwriters**—Cruttenden, Podesta & Co., Chicago and Spear, Leeds & Kellogg, N. Y. C.

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.

Oct. 17, 1960 filed 155,000 shares of common stock (par \$1). **Price**—To be supplied by amendment. **Business**—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. **Proceeds**—For capital and surplus. **Office**—606 West Wisconsin Avenue, Milwaukee, Wis. **Underwriter**—Bache & Co., New York City (managing). **Note**—This stock is not qualified for sale in New York State.

Motor Coils Manufacturing Co.

July 27, 1961 filed 100,000 common shares. **Price**—\$6.50. **Business**—The manufacture of armature, stator and field coils. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—110 Thirty-Second St., Pittsburgh. **Underwriter**—Golkin, Bomback & Co., New York.

Mountain Fuel Supply Co. (9/12)

Aug. 7, 1961 filed \$18,000,000 of debentures due Sept. 1, 1986. **Price**—By amendment. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—180 E. First South St., Salt Lake City, Utah. **Underwriter**—First Boston Corp., New York (managing).

Movie Star, Inc. (10/2-6)

Aug. 9, 1961 filed 200,000 class A shares. **Price**—By amendment. **Business**—The manufacture of women's clothing. **Proceeds**—For general corporate purposes. **Office**—392 Fifth Avenue, New York. **Underwriter**—Milton D. Blauner & Co., Inc., New York (managing).

Multifax Co.

Aug. 11, 1961 ("Reg. A") 15,000 common shares (no par). **Price**—\$10. **Proceeds**—For repayment of loans and purchase of equipment. **Address**—Easton, Md. **Underwriter**—None.

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 September.

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 September.

Murray Magnetics Corp. (10/16-20)

Aug. 15, 1961 filed 150,000 common shares. **Price**—\$6. **Business**—The financing, exploitation and sale of a new line of electric kitchen and household appliances. **Proceeds**—For the purchase of inventory, sales promotion and working capital. **Office**—230 Fifth Ave., New York. **Underwriter**—Amos Treat & Co., Inc., New York.

NAC Charge Plan and Northern Acceptance Corp. (9/18)

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).

Narrow Fabric Co.

Aug. 18, 1961 filed 212,000 common shares, of which 75,000 shares are to be offered by the company and 137,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of braided, woven and knitted fabrics and production of coated and processed papers. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—7th and Reading Aves., West Reading, Pa. **Underwriter**—Drexel & Co., Philadelphia (mgr.).

National Bowling Lanes, Inc.

July 21, 1961 filed 200,000 capital shares. **Price**—\$5.50. **Business**—The operation of bowling centers. **Proceeds**—For expansion, repayment of loans, and working capital. **Office**—220 S. 16th Street, Philadelphia. **Underwriter**—Edward Lewis & Co., Inc., New York.

National Cleaning Contractors, Inc. (9/7)

July 19, 1961 filed 200,000 outstanding common shares. **Price**—By amendment. **Business**—The maintenance of commercial buildings. **Proceeds**—For the selling stockholders. **Office**—60 Madison Avenue, New York. **Underwriter**—Bear, Stearns & Co., New York (managing).

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. (9/18)

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 Semiconductor Corp. (9/11-15)

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).

Natpac Inc. (10/25)

July 28, 1961 filed 100,000 common shares. **Price**—\$4.75. **Business**—The processing of meat and frozen food products; the financing, sale and servicing of home food freezers, and the operation of a supermarket. **Proceeds**—For consumer time payments, expansion, and working capital. **Office**—93-25 Rockaway Blvd., Ozone Park, N. Y. **Underwriters**—William, David & Motti, Inc., and Flomenhaft, Seidler & Co., Inc., New York.

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 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**—Barret, 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. **Note**—This issue has been temporarily postponed.

Continued on page 42

Continued from page 41

Nitrogen Oil Well Service Co. (9/5)

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.

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 Carolina Natural Gas Corp.

Aug. 17, 1961 filed \$2,250,000 of convertible second mortgage pipeline bonds due 1981. Price—By amendment. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—Grace Pittman Bldg., Fayetteville, N. C. **Underwriters**—To be named.

Northern Indiana Public Service Co. (9/20)

Aug. 28, 1961 filed \$20,253,300 of convertible debentures due 1976 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 44 common held of record Sept. 20. Price—At par. **Proceeds**—For working capital and construction. **Office**—5265 Hohman Ave., Hammond, Ind. **Underwriter**—None.

Nuclear Corp. of America (9/25-29)

Aug. 11, 1961 filed 536,280 outstanding shares of capital stock to be offered publicly and \$2,087,800 of 5½% convertible subordinated debentures due 1976 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 300 shares held. Price—(Stock) By amendment. (Debentures) At par. **Business**—The refining of rare earths and the manufacture of radiation instruments and vacuum tubes. **Proceeds**—For repayment of loans and working capital. **Office**—3540 W. Osborn Road, Phoenix. **Underwriter**—Bear, Stearns & Co., New York (managing).

NuTone, Inc. (9/18-22)

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.

Oceanic Instruments, Inc.

Aug. 24, 1961 filed 140,000 common. Price—\$1. **Business**—The company plans to manufacture scientific marine instruments and provide consultation services. **Proceeds**—For organizational expenses and purchase of equipment. **Office**—1515 Norton Bldg., Seattle. **Underwriter**—Globus, Inc., N. Y.

Old Empire, Inc. (9/11-15)

May 1, 1961 filed \$800,000 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, New York City.

Olson Co. of Sarasota, Inc. (9/18-22)

April 26, 1961 ("Reg. A") 59,000 common shares (par \$1). Price—\$5. **Business**—The manufacture of marine supplies and electronic equipment. **Proceeds**—To repay loans, purchase raw materials and equipment and increase working capital. **Address**—P. O. Box 2430, Sarasota, Fla. **Underwriter**—Jay Morton & Co., Inc., Sarasota (managing).

Orbit Industries, Inc.

Aug. 22, 1961 filed 125,000 common shares. Price—\$4. **Business**—Research, development, engineering and manufacturing in the telephone, electronics and related fields. **Proceeds**—For repayment of loans, and equipment. **Office**—213 Mill St., N. E., Vienna, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Orbit Instrument Corp.

Aug. 29, 1961 filed 100,000 capital shares. Price—\$4. **Business**—The production of miniature precision electro-mechanical components. **Proceeds**—For new equipment, products, expansion and repayment of loans. **Office**—131 Elaine Way, Syosset, N. Y. **Underwriter**—Hardy & Co., N. Y. C. (mgr.).

Orion Electronics Corp.

Aug. 28, 1961 filed 100,000 common. Price—\$3.50. **Business**—The manufacture of precision electronic sub-systems. **Proceeds**—For advertising, equipment and working capital. **Address**—Tuckahoe, N. Y. **Underwriter**—Gilhart & Co., Inc., N. Y. C.

Ormont Drug & Chemical Co., Inc.

May 2, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). Price—\$3 per share. **Busi-**

ness—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. **Offering**—Imminent.

Osrow Products Co., Inc.

July 28, 1961 ("Reg. A") 60,000 common shares (par 10 cents). Price—\$5. **Business**—The manufacture of car and window washing equipment. **Proceeds**—For working capital, research and development, new products and general corporate purposes. **Office**—115 Hazel Street, Glen Cove, L. I., N. Y. **Underwriter**—General Securities Co., Inc., New York.

Pacific Corp.

Aug. 18, 1961 ("Reg. A") 500,000 common (par 1c) to be offered for subscription by stockholders through rights. Price—10c. **Proceeds**—For purchase of additional stock of subsidiary. **Office**—c/o MacMermell, 1900 S. W. 3rd Ave., Miami, Fla. **Underwriter**—None.

Pacific Northwest Bell Telephone Co. (9/20)

Aug. 25, 1961 filed 17,459,490 outstanding common (par \$11) to be offered for subscription by stockholders of Pacific Telephone & Telegraph Co., parent. Each shareholder of the latter firm will be given an assignable warrant evidencing the right to purchase the stock on the basis of one right for each common held and seven rights for each preferred held. The record date will be Sept. 20 and the rights expiration date Oct. 20. Price—Six rights plus \$16 per share. **Business**—The company furnishes telephone service in Washington, Oregon and northern Idaho. **Proceeds**—For the selling stockholder—Pacific Telephone & Telegraph Co. **Office**—1200 Third Ave., Seattle, Wash. **Underwriter**—None.

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 (mgr.). **Note**—This issue has been temporarily postponed.

Pakco Management & Development Co.

Aug. 25, 1961 filed 310,000 common. Price—\$11. **Business**—The large scale production of blueberries, cranberries, etc. **Proceeds**—For repayment of loans, property improvements and general corporate purposes. **Office**—104 Bellevue Ave., Hammonton, N. J. **Underwriter**—Woodcock, Moyer, Fricke & French, Philadelphia (mgr.).

Palestine Economic Corp.

Aug. 7, 1961 filed 120,000 common shares. Price—\$25 payable in cash or in certain State of Israel bonds. **Business**—The company plans to engage in banking, agriculture, industry, etc. in Israel. **Proceeds**—For investment. **Office**—18 E. 41st Street, New York. **Underwriter**—None.

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-Alaska Fisheries, Inc.

July 26, 1961 filed 120,000 common shares. Price—By amendment. **Business**—The processing of Alaska king crab. **Proceeds**—For acquisition of fishing boats, equipment and working capital. **Office**—Dexter Horton Bldg., Seattle. **Underwriter**—Robert L. Ferman & Co., Inc., New York (managing).

Panoramic Electronics, Inc. (10/9-13)

Aug. 17, 1961 filed 120,000 common shares, of which 90,000 shares are to be offered by the company and 30,000 shares by stockholders. Price—By amendment. **Business**—The manufacture of electronic test measurement and monitoring instruments. **Proceeds**—For acquisition of property and construction of a new plant, laboratory, equipment and working capital. **Office**—520 S. Fulton Ave., Mount Vernon, New York. **Underwriter**—Hayden, Stone & Co., New York (managing).

Paragon Pre-Cut Homes, Inc.

Aug. 25, 1961 filed \$1,000,000 of 15-year sinking fund debentures due 1976 (with warrants attached) and 100,000 common to be offered in 10,000 units each consisting of 10 common and \$100 of debentures. Price—By amendment. **Business**—The packaging and direct sale of pre-cut home building materials. **Proceeds**—For repayment of loans and working capital. **Office**—499 Jericho Turnpike, Mineola, N. Y. **Underwriter**—L. F. Rothschild & Co., N. Y. C. (mgr.).

Pargas, Inc.

Aug. 3, 1961 filed 150,000 common shares, of which 75,000 will be sold by the company and 75,000 by a stockholder. Price—By amendment. **Business**—The sale of liquefied petroleum gas and equipment. **Proceeds**—For general corporate purposes. **Office**—Waldorf, Md. **Underwriter**—Kidder, Peabody & Co., Inc., New York (managing).

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

Patent Resources, Inc. (9/18-22)

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 (man-

aging); N. A. Hart & Co., Bayside, N. Y., and E. J. Roberts & Co., Inc., Ridgewood, N. J.

Pavelle Corp. (9/25-29)

Aug. 22, 1961 filed 200,000 common shares. Price—By amendment. **Business**—Research and development in the field of color photography and the manufacture of commercial color photographic processing equipment. **Proceeds**—For expansion, research and repayment of loans. **Office**—Time & Life Bldg., Rockefeller Center, New York. **Underwriter**—Bear, Stearns & Co., New York.

Pellegrino Aggregate Technico, Inc.

Aug. 10, 1961 filed 130,000 class A common shares. Price—\$5. **Business**—The manufacture of building materials. **Proceeds**—For payment of income taxes and loans and for working capital. **Office**—Woodbridge-Carteret Road, Port Reading, N. J. **Underwriter**—Mortimer B. Burnside & Co., Inc., New York.

Photo-Animation, Inc. (9/13)

July 26, 1961 filed 150,000 common shares. Price—\$1.25. **Business**—The manufacture of machines, equipment and devices used in the creation of animated motion pictures. **Proceeds**—For development of new products, repayment of loans and working capital. **Office**—34 S. West St., Mount Vernon, N. Y. **Underwriter**—First Philadelphia Corp., New York.

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. N. Y.

Photon, Inc.

Aug. 24, 1961 filed \$1,785,000 of 5% convertible subordinated income debentures due 1971 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 40 common held. Price—At par. **Business**—The manufacture of a photographic type setting machine. **Proceeds**—For repayment of a loan and working capital. **Office**—58 Charles St., Cambridge, Mass. **Underwriter**—None.

Pickwick International, Inc. (10/25)

July 27, 1961 filed 100,000 common shares. Price—\$3. **Business**—The distribution of phonograph records. **Proceeds**—For advertising and promotion, merchandising, repayment of loans, additional personnel, working capital and other corporate purposes. **Office**—8-16 43rd Ave., Long Island City, N. Y. **Underwriter**—William, David & Motti, Inc., New York.

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.

Pictorial Production Inc.

Aug. 29, 1961 filed 149,178 common, of which 25,000 are to be offered by the company and 124,178 by stockholders. Price—\$10. **Business**—Research, development and production in the field of lenticular optics. **Proceeds**—For construction and equipment. **Office**—60 Kingsbridge Rd., E. Mt. Vernon, N. Y. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C. (mgr.).

Pioneer Astro Industries, Inc. (10/2-6)

July 27, 1961 filed 150,000 common shares. Price—By amendment. **Business**—The manufacture of precision machined components and assemblies for missile guidance systems. **Proceeds**—For a new plant, additional equipment and working capital. **Office**—7401 W. Lawrence Ave., Chicago. **Underwriter**—Francis I. du Pont & Co., New York (managing).

Plasticon Corp. (9/25-29)

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.

Plast-O-Tron, Inc.

Aug. 17, 1961 ("Reg. A") 66,666 common (par 1c). Price—\$3. **Business**—The manufacture of thermoforming machinery for production of plastic bubbles for packaging and the manufacture of plastic products. **Proceeds**—For inventory, development of new products, equipment, working capital and general corporate purposes. **Office**—60 Park Pl., Newark, N. J. **Underwriter**—E. A. Le Vay & Co., N. Y. C.

Playskool Manufacturing Co.

Aug. 11, 1961 filed 135,000 common shares, of which 60,000 shares are to be offered by the company and 75,000 shares by stockholders. Price—By amendment. **Business**—The manufacture of toys. **Proceeds**—For repayment of loans. **Office**—3720 North Kedzie Avenue, Chicago. **Underwriter**—Lehman Brothers, New York.

Polytronic Research, Inc. (9/18)

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 Circuits, Inc.

July 20, 1961 ("Reg. A") 260,000 common shares (par 10 cents). Price—\$1.15. Proceeds—For a new building, equipment and working capital. Office—2532-25th Ave., S., Minneapolis. Underwriter—Naftalin & Co., Inc., Minneapolis.

Precision Microwave Corp. (10/16-20)

Aug. 21, 1961 filed 165,000 common shares, of which 115,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—\$10. Business—The manufacture of specialized microwave components for radar, missiles and communication systems. Proceeds—For working capital, inventories and equipment. Office—Main Street, Millis, Mass. Underwriter—Peter Morgan & Co., New York.

★ Preco Industries, Inc.

Aug. 25, 1961 filed 100,000 common. Price—\$4. Business—The sale of custom built swimming pools. Proceeds—For repayment of loans and working capital. Office—203 Bala Ave., Bala Cynwyd, Pa. Underwriter—Dean Samitas & Co., N. Y. C. (mgr.).

Premier N.Y., Inc.

July 31, 1961 filed 120,000 common shares. Price—\$5. Business—The manufacture of long-playing stereophonic and monaural phonograph records. Proceeds—For acquisition of facilities, marketing of new stereophonic records and working capital. Office—356 W. 40th St., New York. Underwriter—Gianis & Co., New York.

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.

Prevor-Mayrson International, Inc.

July 31, 1961 ("Reg. A") 80,000 common shares (par 10 cents). Price—\$3.75. Business—Export, import, brokerage and wholesale marketing of fruits, vegetables and poultry. Proceeds—For expansion, sales promotion, advances to growers, working capital and general corporate purposes. Office—99 Hudson Street, New York. Underwriter—J. J. Krieger & Co., Inc., New York.

Producing Properties, Inc.

Aug. 17, 1961 filed 600,000 common shares. Price—By amendment. Business—The acquisition and operation of oil properties. Proceeds—For working capital. Office—35th floor Southland Center, Dallas. Underwriter—Hemphill, Noyes & Co., New York (managing).

Product Research of Rhode Island, Inc.

July 28, 1961 filed 330,000 common shares. Price—\$2.05. Business—The manufacture of vinyl plastic products used in the automotive, marine and household fields. Proceeds—For repayment of debt, new equipment and working capital. Office—184 Woonasquatucket Avenue, Nort Providence, R. I. Underwriter—Continental Bond & Share Corp., Maplewood, N. J. Offering—Expected in late October.

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).

Progression Corp.

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.

★ Public Service Co. of Colorado (10/2)

Aug. 25, 1961 filed \$30,000,000 of first mortgage bonds due 1991. Office—900 15th St., Denver, Colo. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Harriman Ripley & Co., Inc.; Eastman Dillon, Union Securities & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.; and Dean Witter & Co. (jointly); Kidder, Peabody & Co. and White, Weld & Co. (jointly); Blyth & Co., Inc.; and Smith, Barney & Co. (jointly); Lehman Brothers and First Boston Corp. (jointly). Bids—Oct. 2, 1961, 11:30 a.m. (EDST) at the office of Morgan Guaranty Trust Co., 54 Liberty St. (6th fl.), N. Y. Information Meeting—Sept. 28, 10 a.m. (EDST) at above office of Morgan Guaranty Trust Co. (Mezzanine B).

★ Publishers Co., Inc.

Aug. 29, 1961 filed \$1,200,000 of 6% subordinated convertible debentures due 1967. Price—At par. Business—The publishing of books. Proceeds—For redemption of outstanding 12% debentures due 1965 and for expansion. Office—1106 Connecticut Ave., N.W., Washington, D.C. Underwriter—Roth & Co., Inc., Philadelphia.

★ Publishers Vending Services, Inc. (9/11-15)

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.

Puerto Rico Telephone Co.

Aug. 9, 1961 filed 120,000 common shares to be offered for subscription by stockholders on the basis of one new share for each five shares held. Price—By amendment. Proceeds—For expansion and repayment of loans. Office—261 Tanca St., San Juan, Puerto Rico. Underwriter—None.

★ Rabin-Winters Corp. (9/7)

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.

★ Raymond Engineering Laboratory, Inc.

Aug. 15, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—By amendment. Business—The manufacture of timing devices, accelerometers and related equipment for missiles, satellites and space vehicles. Proceeds—For repayment of loans, equipment, and working capital. Office—Smith Street, Middletown, Conn. Underwriter—Lee Higginson Corp., New York (mgr.). Offering—Expected in early October.

Real Properties Corp. of America

July 25, 1961 filed 365,000 class A shares. Price—\$10. Business—A real estate investment company. Office—1451 Broadway, New York. Underwriter—Stanley Heller & Co., New York City (managing).

Realtone Electronics Corp.

Aug. 16, 1961 filed 100,000 common shares. Price—\$4. Business—The marketing of transistorized radios and related equipment. Proceeds—Repayment of loans and general corporate purposes. Office—71 Fifth Ave., New York. Underwriter—Lieberbaum & Co., New York (mgr.). Offering—Expected in early October.

★ Red Rope Stationery Industries, Inc.

Aug. 23, 1961 filed 160,000 common. Price—\$3.50. Business—The manufacture of stationery supplies. Proceeds—For working capital, equipment, expansion and repayment of debt. Office—70 Washington St., Brooklyn, N. Y. Underwriter—George, O'Neill & Co., Inc., N. Y. (mgr.).

Red Wing Fiberglass Products, Inc.

July 28, 1961 ("Reg. A") 260,000 common shares (par 25 cents). Price—\$1.15. Proceeds—For repayment of debt, building improvements, equipment, research and development, and working capital. Office—Industrial Park, Red Wing, Minn. Underwriter—York & Mavroulis, Minneapolis.

Redman Manufacturing & Engineering Co.

Aug. 9, 1961 filed 70,000 common shares, of which 35,000 shares are to be offered by the company and 35,000 shares by stockholders. Price—By amendment. Business—The manufacture of moulds used by the plastic and container and packaging industry. Proceeds—For repayment of loans, equipment, working capital and a new plant. Office—1630 Oakland, Kansas City, Mo. Underwriter—Stern Brothers & Co., Kansas City, Mo. (managing).

★ Reeves Broadcasting & Development Corp.

(9/6)
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).

Regal Homes, Inc.

Aug. 15, 1961 filed 51,000 capital shares. Price—\$12. Business—For construction and sale of "shell" homes and mortgage financing. Proceeds—For working capital. Address—Hopkinsville, Ky. Underwriter—J. J. B. Hilliard & Sons, Louisville.

Reher Simmons Research, Inc. (9/25)

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).

Rexaca Construction Co., Inc.

July 28, 1961 filed \$1,500,000 of 6½% sinking fund debentures (with warrants) due 1976 and 105,000 outstanding common shares. Price—By amendment. Business—The construction of highways, buildings and homes. Proceeds—For repayment of a loan, purchase of stock in Puerto Rico Aggregates Co., and working capital. Address—San Juan, Puerto Rico. Underwriters—P. W. Brooks & Co., Inc., New York and CIA Financiera de Inversiones, Inc., San Juan (managing).

★ Riverview ASC, Inc. (9/11-15)

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.

★ Ro Ko, Inc. (10/2)

Aug. 7, 1961 filed 120,000 class A common shares. Price—\$5. Business—The manufacture of stuffed toys. Pro-

ceeds—For down payments on the purchase of buildings, equipment and expansion. Office—3115 E. 12th St., Kansas City, Mo. Underwriters—Midland Securities Co., Inc., and George K. Baum & Co., Kansas City, Mo. (managing).

★ Roberts Lumber Co. (9/6-7)

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).

Robins Industries Corp.

July 27, 1961 filed 100,000 common shares. Price—\$2.50. Business—The manufacture of products in the electronic sound and recording field. Proceeds—For repayment of a loan, moving expenses, research and development, tooling, advertising and working capital. Office—36-27 Prince St., Flushing, N. Y. Underwriter—Carroll Co., New York.

Rocky Mountain Natural Gas Co., Inc. (9/12)

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).

Roddy Recreation Products, Inc.

July 31, 1961 ("Reg. A") 100,000 common shares (par \$1). Price—\$3. Proceeds—For repayment of debt. Office—1526 W. 166th St., Gardena, Calif. Underwriter—Harrison & Henderson, Los Angeles.

★ Rodney Metals, Inc. (9/11-15)

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).

Roph Associates, Inc.

Aug. 10, 1961 ("Reg. A") 75,000 common shares (par five cents). Price—\$4. Business—The sale of freezers and food plans. Proceeds—For inventory, a food dept, advertising and promotion and general corporate purposes. Office—300 Northern Boulevard, Great Neck, N. Y. Underwriter—David Barnes & Co., Inc., New York.

★ Ross Products, Inc. (9/14-15)

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 Land & Development Corp.

Aug. 2, 1961 filed 2,000,000 class A common shares. Price—\$1. Business—General real estate and construction. Proceeds—For construction and general corporate purposes. Office—400 Stanley Ave., Brooklyn, N. Y. Underwriter—Lieberbaum & Co., New York (managing).

Royal School Laboratories, Inc. (9/5)

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. (9/15)

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.

★ 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. Offering—Sometime in October.

Salro Manufacturing Corp.

Aug. 2, 1961 ("Reg. A") 72,000 common shares (par 10 cents). Price—\$3.50. Business—Manufacture of metal purses and handbag frames. Proceeds—For purchase of machinery and equipment, working capital and general corporate purposes. Office—413 Thatford Ave., Brooklyn, N. Y. Underwriter—I. R. E. Investors Corp., Levittown, New York.

Sav-Mor Oil Corp. (10/2-6)

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 sales-

Continued on page 44

Continued from page 43

men, advertising, public relations, additional employees, and working capital. **Office**—135 W. 52nd St., New York. **Underwriter**—B. G. Harris & Co., Inc., New York.

Scot's Discount Enterprises, Inc.
July 21, 1961 filed 175,000 common shares. **Price**—\$2.25. **Business**—The retail sale of merchandise at a low mark-up. **Proceeds**—For new stores, inventory, and working capital. **Address**—East Windsor, Conn. **Underwriter**—Willis E. Burnside & Co., Inc., New York.

Second Financial, Inc. (9/18)
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.
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.

Seeburg Corp.
Aug. 18, 1961 filed 303,812 common shares to be offered for subscription by stockholders on the basis of one new share for each five shares held. **Price**—By amendment. **Business**—The manufacture of coin-operated phonographs and other vending equipment. **Proceeds**—For repayment of loans and the financing of receivables and inventories. **Office**—1500 N. Dayton St., Chicago. **Underwriter**—White, Weld & Co., New York (managing).

Semicon, Inc. (9/25)
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).

Shasta Minerals & Chemical Co. (10/2)
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.

Shaw-Barton, Inc.
Aug. 15, 1961 filed 100,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of calendars and specialty advertising. **Proceeds**—For the selling stockholders. **Address**—Coshocton, Ohio. **Underwriter**—Cruttenden, Podesta & Co., Chicago (managing).

Shelley Urethane Industries, Inc.
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. **Offering**—Expected in October.

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.

Shulton, Inc.
July 21, 1961 filed 50,000 class A and 50,000 class B common shares. **Price**—By amendment. **Business**—The manufacture of toiletries and household chemical products. **Proceeds**—For general corporate purposes. **Address**—697 Route 46, Clifton, N. J. **Underwriter**—Smith, Barney & Co., New York (managing).

Siegel (Henry I.) Co., Inc.
July 27, 1961 filed 270,000 class A shares (par \$1), of which 135,000 shares are to be offered by the company and 135,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of men's and boys' sportswear. **Proceeds**—For repayment of loans, equipment, working capital and other corporate purposes. **Office**—230 Fifth Ave., New York. **Underwriter**—Shearson, Hammill & Co., New York (managing).

Site-Fab, Inc.
Aug. 21, 1961 ("Reg. A") 100,000 common (par 10c). **Price**—\$3. **Proceeds**—For purchase and improvement of land, promotion and development and working capital. **Office**—907 Market St., Wilmington, Del. **Underwriter**—H. P. Black & Co., Inc., Washington, D. C.

Small Business Investment Co. of New York, Inc.
Aug. 22, 1961 filed 875,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment in and loans to small business. **Office**—40 Beaver St., Albany, N. Y. **Underwriter**—Dillon, Read & Co., Inc., New York.

Smyth Worldwide Movers, Inc.
Aug. 10, 1961 ("Reg. A") 85,106 common shares (par \$1). **Price**—\$2.35. **Proceeds**—For working capital. **Office**—11616 Aurora Avenue, Seattle. **Underwriter**—Blanchett, Hinton, Jones & Granat, Inc., Seattle.

Southern Belle Electrical Industries, Inc.
July 25, 1961 ("Reg. A") 50,000 common shares (par 10 cents). **Price**—\$4. **Proceeds**—For repayment of loans, purchase of machinery and inventory, building construction and working capital. **Office**—4793 E. 10th Court, Hialeah, Fla. **Underwriters**—Aetna Securities Corp., New York; Roman & Johnson, Fort Lauderdale, Fla. and Guardian Securities Corp., Miami, Fla.

Southern Diversified Industries, Inc.
Aug. 8, 1961 filed 250,000 common shares. **Price**—\$5.50. **Business**—The purchase, inventorying and wholesale distribution of roofing materials, sheet metal products and heating and air conditioning accessories. **Proceeds**—For repayment of debt, purchase of merchandise and operating expenses. **Office**—3690 Northwest 62nd St., Miami, Fla. **Underwriter**—Netherlands Securities Co., Inc., New York.

Southern Growth Industries, Inc. (9/11)
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. (9/18)
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).

Southwestern Growth Fund, Inc.
July 21, 1961 filed 200,000 common shares. **Price**—At net asset value plus 8½% sales commission. **Business**—A mutual fund. **Proceeds**—For investment. **Office**—402 University Towers, El Paso, Texas. **Underwriter**—None.

Southwestern Research & Development Co.
Aug. 28, 1961 filed 600,000 common. **Price**—\$10. **Business**—A business investment company. **Proceeds**—For investments. **Office**—1101 N. First St., Phoenix. **Underwriter**—Wilson, Johnson & Higgins, San Francisco (mgr).

Spectron, Inc. (9/11-15)
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).

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.

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).

Star Industries, Inc.
Aug. 23, 1961 filed 415,576 class A, of which 103,894 are to be offered by the company and 311,682 by stockholders. **Price**—By amendment. **Business**—A wholesale liquor distributor. **Proceeds**—For repayment of loans and working capital. **Office**—31-10 48th Ave., Long Island City, N. Y. **Underwriter**—H. Hentz & Co., N. Y. (mgr.).

Sterling Electronics, Inc. (9/25-29)
July 24, 1961 filed 125,200 common shares, of which 82,000 shares are to be offered by the company and 43,200 shares by stockholders. **Business**—The distribution of electronic parts and equipment. **Proceeds**—For repayment of loans and working capital. **Office**—1616 McKinley, Houston, Texas. **Underwriter**—S. D. Fuller & Co., New York (managing).

Sterling Seal Co.
Aug. 2, 1961 filed 112,300 common shares of which 20,000 shares are to be offered by the company and 92,300 shares by the stockholders. **Price**—By amendment. **Business**—The design, lithographing and stamping of metal caps or closures for containers. **Proceeds**—For working capital. **Office**—316 W. 16th St., Erie, Pa. **Underwriters**—Fulton, Reid & Co., Inc., Cleveland and Walston & Co., Inc., New York (managing).

Stratton Corp. (9/25)
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. (9/12)
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 (10/25)
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.

Supronics Corp. (9/18-22)
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.

Susan Crane Packaging, Inc.
Aug. 28, 1961 filed 150,000 common. **Price**—By amendment. **Business**—The manufacture of gift wrap, packaging materials and greeting cards. **Proceeds**—For repayment of loans, expansion, working capital and general corporate purposes. **Office**—8107 Chancellor Row, Dallas. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C. (mgr.).

Swingline Inc.
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 (mgr.). **Offering**—Sometime in Oct.

T. F. H. Publications, Inc. (9/11)
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 Cornelison Ave., Jersey City, N. J. **Underwriter**—Arnold Malkan & Co., Inc., New York.

T-Bowl International, Inc. (9/1)
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. (9/11-15)
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).

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 Rd., Rochester, N. Y. **Underwriters**—N. A. Hart & Co., and Darius, Inc. (comgrs.).

Tastee Freez Industries, Inc. (9/11-15)
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, Series 2
Feb. 23, 1961 filed \$10,000,000 (100,000 units) ownership certificates. **Price**—To be filed by amendment. **Business**—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds**—For investment. **Office**—135 South La Salle Street, Chicago. **Sponsor**—John Nuveen & Co., Chicago.

Taylor-Country Estate Associates (9/13)
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.

Technifoam Corp.
Aug. 14, 1961 filed 110,000 common shares. **Price**—\$8. **Business**—The manufacture of machinery for producing polyurethane foam. **Proceeds**—For repayment of loans, equipment, foreign investments and working capital. **Office**—717 Fifth Avenue, New York. **Underwriter**—Sterns & Co., New York (managing).

Techno-Vending Corp. (9/11)
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.

Telecredit, Inc.

July 24, 1961 filed 155,000 common shares. Price—\$1. Business—The development of high-speed electronic data processing systems. Proceeds—For organizational expenses, establishment of service centers and reserves. Office—100 W. 10th Street, Wilmington, Del. Underwriter—Globus, Inc., New York (managing).

Telephones, Inc. (9/11-15)

July 26, 1961 filed 250,000 common shares, of which 200,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—By amendment. Business—A holding company with eight telephone subsidiaries. Office—135 So. La Salle St., Chicago. Underwriters—Hayden, Stone & Co., New York and McCormick & Co., Chicago.

TelePrompter Corp. (9/5)

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).

Televisto Corp.

Aug. 8, 1961 filed 97,400 common shares, of which 60,000 shares are to be offered by the company and 37,400 shares by stockholders. Price—By amendment. Business—The manufacture of electronic and electro-mechanical apparatus used as ground to air aids to aircraft navigation. Proceeds—For repayment of loans, purchase of a plant and working capital. Office—Wheeling & Exchange Roads, Wheeling, Ill. Underwriter—Kalman & Co., St. Paul (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 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. Note—This offering was withdrawn.

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. (9/5-8)

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. (9/5-8)

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.

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. J. Underwriters—Flomenhaft, Seidler & Co., Inc., and Street & Co., Inc., New York (managing).

Theil Publication, Inc.

July 25, 1961 filed 110,000 common shares. Price—\$3. Business—The writing and producing of technical material for industry and Department of Defense. Proceeds—For repayment of loans, working capital and general corporate purposes. Office—1200 Hempstead Turnpike, Franklin Sq., L. I., N. Y. Underwriter—None.

Thermionix Industries Corp.

July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). Price—\$2. Business—The manufacture of a flexible heating tape. Proceeds—For construction of a machine, research and development, sales engineering and working capital. Office—500 Edgewood Avenue, Trenton, N. J. Underwriter—D. L. Capas Co., New York.

Thermo-Chem Corp. (9/11)

June 14, 1961 filed 130,000 common shares. Price—\$4.50. Business—The manufacture of coatings for fabrics. Pro-

ceeds—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.

Thermotronics Corp., Inc.

July 10, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—Research and development of electronic and electrical devices, principally an electronic water heater. Proceeds—For raw materials, plant and equipment, advertising research and development and working capital. Office—27 Jericho Turnpike, Mineola, L. I., N. Y. Underwriter—J. B. Coburn Associates, Inc., New York.

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.

Thomas Jefferson Insurance Co.

July 27, 1961 ("Reg. A") 63,750 common shares (par \$1). Price—\$4.70. Proceeds—To increase capital and surplus. Office—457 Starks Bldg., Louisville. Underwriter—Stein Bros. & Boyce, Louisville.

Thoroughbred Enterprises, Inc. (9/11-15)

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. (9/11-15)

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).

Thurow Electronics, Inc.

July 20, 1961 ("Reg. A") 41,500 class A common shares (par \$2.50) and 83,000 class B common shares (par \$1) to be offered in units consisting of one class A and two class B common shares. Price—By amendment. Proceeds—For repayment of loans and inventory. Office—121 S. Water St., Tampa. Underwriter—Miller Securities Corp., Atlanta, Ga.

Tinsley Laboratories, Inc. (9/5-8)

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.

Tor Education, Inc.

July 28, 1961 filed 100,000 capital shares. Price—By amendment. Business—The production of self instructional courses and devices. Proceeds—For purchase of equipment, new products and other corporate purposes. Office—65 Prospect St., Stamford, Conn. Underwriter—F. L. Rossman & Co., New York (managing).

Tower Communications Co.

Aug. 24, 1961 filed 125,000 common. Price—By amendment. Business—The design, manufacture and erection of communications towers. Proceeds—For repayment of debt and working capital. Office—2700 Hawkeye Dr., Sioux City, Iowa. Underwriter—C. E. Unterberg, Towbin Co., N. Y. C. (mgr.).

Transcontinental Investing Corp.

Aug. 25, 1961 filed \$10,000,000 of 6½% convertible subordinated debentures due 1981. Price—By amendment. Business—The operation of hotels, motels, apartment buildings and a small business investment company. Office—375 Park Ave., N. Y. C. Underwriter—Lee Higginson Corp., N. Y. C. (mgr.).

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 28, 1961 filed 130,000 common shares of which 85,000 shares are to be offered by the company and 45,000 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 (mgr.). Offering—Imminent.

Transvision Electronics, Inc. (9/11-15)

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.

Tresco, Inc. (9/5-8)

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).

Tri-Chem, Inc.

Aug. 16, 1961 filed \$350,000 of sinking fund debentures, 6½% series due 1976 and 140,000 common shares to be offered in units consisting of \$100 of debentures and

40 common shares. Price—By amendment. Business—The manufacture of paints for hobbyists. Proceeds—For repayment of bank loans and working capital. Office—82 Main St., West Orange, N. J. Underwriter—P. W. Brooks & Co., Inc., New York (managing).

Tri Metal Works, Inc. (9/5)

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.

Tri-State Displays, Inc.

July 24, 1961 ("Reg. A") 260,000 common shares (par five cents). Price—\$1.15. Proceeds—For working capital. Office—1221 Glenwood Ave., Minneapolis. Underwriter—Naftalin & Co., Minneapolis.

Triangle Instrument Co. (9/11-15)

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 Dr. and Cedar Pl., Syosset, L. I., N. Y. Underwriter—Armstrong & Co., Inc., New York City.

Trinity Funding Corp. (9/6)

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.

True Taste Corp.

Aug. 18, 1961 filed 200,000 common shares. Price—\$5. Business—The installation and operation of plant to process frozen concentrated juices in bulk. Proceeds—For installation of equipment and working capital. Office—1206 Tower Petroleum Bldg., Dallas. Underwriter—Dallas Rupe & Son, Inc., Dallas (managing).

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. Note—This issue has been temporarily postponed.

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.

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.

Union Rock & Materials Corp.

Aug. 22, 1961 filed 160,000 common. Price—By amendment. Business—The company is engaged in the paving of roads and the sale of sand, crushed rock and transit-mix concrete. Proceeds—For the selling stockholders. Office—2800 S. Central Ave., Phoenix, Ariz. Underwriter—William R. Staats & Co., Los Angeles (mgr.).

Union Title Co.

Aug. 28, 1961 filed 150,000 capital shares. Price—\$7.50. Business—The insuring of real estate titles. Proceeds—For working capital and expansion. Office—222 N. Central Ave., Phoenix. Underwriter—None.

United Improvement & Investing Corp.

Aug. 18, 1961 filed \$2,500,000 of 6% convertible subordinated debentures due 1976 to be offered for subscription by holders of common stock and series A warrants on the basis of \$100 of debentures for each 70 shares held. Price—By amendment. Business—General real estate. Proceeds—For general corporate purposes. Office—25 W. 43rd St., New York. Underwriter—Sutro Bros. & Co., New York (managing).

United Investors Corp. (9/18)

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.

United Nuclear Corp.

Aug. 28, 1961 filed 325,000 common, of which 100,000 are to be offered by the company and 225,000 by stockholders. Price—By amendment. Business—Development and research in the nuclear field. Proceeds—For working capital and general corporate purposes. Office—365 Winchester Ave., New Haven, Conn. Underwriter—Eastman Dillon, Union Securities & Co., N. Y. C. (mgr.).

United Scientific Laboratories, Inc. (9/25)

Aug. 18, 1961 filed 360,000 common shares. Price—\$2. Business—The manufacture of high fidelity stereo tuners and amplifiers and amateur radio transceivers. Proceeds—For repayment of debt, increase in sales personnel,

Continued on page 46

Continued from page 45

tooling and production and working capital. Office—35-15 37th Ave., Long Island City, N. Y. Underwriter—Continental Bond & Share Corp., Maplewood, N. J.

★ **United States Crown Corp.**
Aug. 22, 1961 filed 150,000 common. Price—\$8. Business—The manufacture of specialized bottle caps. Proceeds—For equipment, working capital and general corporate purposes. Office—437 Boulevard, East Paterson, N. J. Underwriter—Adams & Peck, N. Y. (mgr.).

U. S. Dielectric Inc.
July 24, 1961 ("Reg. A") 99,990 common shares (par 10 cents). Price—\$3. Business—The manufacture and distribution of epoxy resins for potting uses. Proceeds—For repayment of loans, research and development, moving expenses and working capital. Office—140 Adams St., Leominster, Mass. Underwriter—Richard Bruce & Co., Inc., New York.

U. S. Markets, Inc.
July 31, 1961 filed 200,000 common shares, of which 160,000 shares are to be offered by the company and 40,000 shares by a stockholder. Price—\$5. Business—The operation of a chain of supermarkets and other retail food stores in the San Francisco area. Proceeds—For repayment of loans, working capital and general corporate purposes. Office—60 Fallon Street, Oakland, Calif. Underwriter—Stanley Heller & Co., New York.

U. S. Plastic & Chemical Corp. (9/11-15)
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 early November.

Universal Electronics, Inc.
July 27, 1961 ("Reg. A") 213,000 common shares (par 10 cents). Price—\$1.15. Office—402 Minnesota Bldg., St. Paul. Underwriter—Brandtjen & Bayliss, St. Paul.

Universal Health, Inc. (9/11)
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 Moulded Fiber Glass Corp. (9/12)
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. (9/11-15)**
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.

● **Universal Surgical Supply Inc. (9/15)**
Aug. 1, 1961 filed 200,000 common shares, of which 100,000 will be offered for public sale and 100,000 to stockholders of Houston Fearless Corp., parent company, on the basis of one share for each 30 shares held of record Sept. 1. Business—The sale of medicine, surgical and laboratory equipment manufactured by others. Proceeds—For the repayment of debt. Office—9107 Wilshire Blvd., Beverly Hills, Calif. Underwriter—Dempsey-Tegeler & Co., Inc., St. Louis.

Vacu-Dry Co. (9/6)
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. (9/25)
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.

★ **Val-U Homes Corp. of Delaware**
Aug. 28, 1961 filed 100,000 common. Price—\$5. Business—The manufacture of prefabricated buildings and shell homes. Proceeds—For working capital. Office—765 River St., Paterson, N.J. Underwriter—Stearns & Co., N.Y.C. (mgr.).

Valve Corp. of America
July 26, 1961 filed 160,000 common shares, of which 75,000 shares are to be offered by the company and 85,000 shares by stockholders. Price—\$7. Business—The manufacture of valves and accessories for aerosol containers. Proceeds—For repayment of debt and working capital. Office—1720 Fairfield Ave., Bridgeport, Conn. Underwriter—Lomasney, Loving & Co., New York (managing).

Varitron Corp.

July 25, 1961 filed 100,000 shares of common stock. Price—\$2. Business—The manufacture of electronic items, principally TV and radio parts. Proceeds—For equipment, financing of merchandise, imports and accounts receivable and working capital. Office—397 Seventh Ave., Brooklyn, N. Y. Underwriter—Kenneth Kass, New York.

Vending International, Inc.

July 27, 1961 ("Reg. A") 70,588 common shares (par 10 cents). Price—\$4.24. Proceeds—For repayment of debt, expansion and a new building. Office—c/o Brownfield, Rosen & Malone, 1026-16th St., N. W., Washington, D. C. Underwriter—H. P. Black & Co., Inc., Washington, D. C.

Vic Tanny Enterprises, Inc. (9/5)

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.

Vol-Air, Inc.

July 27, 1961 ("Reg. A") 96,000 common shares (par one cent). Price—\$2.50. Business—The manufacture of a patented heat and mass transfer system. Proceeds—For equipment, filing of patents, inventory, advertising and promotion. Address—347 Madison Avenue, New York. Underwriter—Glass & Ross, Inc., 60 E. 42nd Street, New York 17, N. Y.

Voron Electronics Corp. (9/25-29)

July 28, 1961 filed 100,000 class A shares. Price—\$3. Business—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnishing of background music. Proceeds—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. Office—1230 E. Mermaid Lane, Wyndmoor, Pa. Underwriters—John Joshua & Co., Inc., and Reuben Rose & Co., New York.

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. (9/18)

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.

Wald Research, Inc.

July 26, 1961 filed 65,000 common shares. Price—\$5. Business—The manufacture of ground support equipment for the aircraft, missile and related industries. Proceeds—For repayment of loans, purchase of equipment and inventory, working capital and general corporate purposes. Office—79 Franklin Turnpike, Mahwah, N. J. Underwriters—Martinelli & Co., New York and E. R. Davenport & Co., Providence, R. I.

Waldbaum, Inc.

July 21, 1961 filed 183,150 common shares, of which 120,000 shares are to be offered by the company and 63,150 shares by the stockholders. Price—By amendment. Business—The operation of a supermarket chain and the wholesaling of food products. Proceeds—For repayment of loans, expansion, inventory and other corporate purposes. Office—2300 Linden Boulevard, Brooklyn, N. Y. Underwriter—Shields & Co., New York (managing). Offering—Expected in late September.

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. (9/13)

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.

Water Industries Capital Corp.

July 21, 1961 filed 964,100 common shares. Price—\$11. Business—A small business investment company. Proceeds—For investment. Office—122 E. 42nd Street, New York. Underwriter—Hornblower & Weeks, New York (managing).

Watson Electronics & Engineering Co., Inc.

July 25, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$4. Proceeds—For manufacturing, laboratory and office facilities, equipment and working capital. Office—2603 S. Oxford St., Arlington, Va. Underwriter—Hodgdon & Co., Inc., Washington, D. C.

★ Weissberg (H. R.) Corp.

Aug. 28, 1961 filed 250,000 class A common. Price—By amendment. Business—The operation of hotels, and general real estate. Proceeds—For repayment of loans, acquisition and general corporate purposes. Office—680

Fifth Ave., N. Y. Underwriter—Troster, Singer & Co., N. Y. C. (mgr.).

Wesco Industries, Inc.

July 19, 1961 ("Reg. A") 80,000 common shares. Price—\$3. Business—The manufacture of pumps, mist coolant general tanks and machine component parts for the missile industries. Proceeds—For moving expenses, equipment, research and development, and working capital. Office—Burbank, Calif. Underwriter—First Madison Corp., New York.

● 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, 6 Salt Lake Stock Exchange Bldg., Salt Lake City. Offering—Expected in late October.

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, with rights to expire Sept. 25. 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).

Wilco Commercial Corp.

July 21, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The financing of business institutions. Proceeds—For working capital. Office—350 Fifth Avenue, New York. Underwriter—A. J. Gabriel Co., Inc., New York.

★ Windsor Texprint, Inc.

Aug. 25, 1961 filed 265,000 common, of which 250,000 are to be offered by the company and 15,000 by stockholders. Price—\$2. Business—The printing of towels and other textile products. Proceeds—For repayment of loans. Office—2357 S. Michigan Ave., Chicago. Underwriter—D. E. Liederman & Co., Inc., N. Y. C.

Wisconsin Power & Light Co.

July 17, 1961 filed 15,000 cumulative preferred shares (par \$100) which are being offered to employees and preferred stockholders of record Aug. 10, 1961, with rights to expire Aug. 30, 1961. Price—\$100 plus accrued dividends. 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. (10/23)

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.

Wood Manufacturing Co., Inc.

July 24, 1961 ("Reg. A") 250,000 common shares (par \$1). Price—\$1.15. Proceeds—For working capital, repayment of loans, purchase of equipment, advertising and building construction. Office—1035 Chestnut St., Conway, Ark. Underwriter—J. P. Penn & Co., Minneapolis.

World Scope Publishers, Inc.

July 31, 1961 filed 300,000 common shares. Price—By amendment. Business—The publishing of encyclopedias and other reference books. Proceeds—For repayment of debt, working capital and general corporate purposes. Office—290 Broadway, Lynbrook, N. Y. Underwriter—Standard Securities Corp., New York.

World Wide Bowling Enterprises, Inc.

July 20, 1961 filed 130,000 common shares. Price—\$4. Business—The operation of bowling centers. Proceeds—For repayment of debt, expansion and working capital. Office—2044 Chestnut Street, Philadelphia. Underwriter—Fraser & Co., Philadelphia.

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. (9/13)

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.

Dividend Advertising Notices Appear on Page 16.

York Research Corp. (9/5)

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).

Zep Aero

July 28, 1961 filed 50,000 common shares, of which 30,000 shares are to be offered by the company and 20,000 shares by a stockholder. Price—By amendment. Business—The manufacture of oxygen systems and accessories for aircraft. Proceeds—For inventory, plant improvement, equipment and working capital. Office—113 Sheldon St., El Segundo, Calif. Underwriter—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

Zion Foods Corp.

July 20, 1961 filed 110,000 common shares, of which 90,000 shares are to be offered by the company and 20,000 shares by a selling stockholder. Price—\$5. Business—The processing of meat and poultry. Proceeds—For inventory and plant expansion. Office—482 Austin Place, Bronx, N. Y. Underwriter—Finkle & Co., New York (managing).

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Prospective Offerings

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 (mgr.).

Aluma-Rail, Inc.

Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. Price—\$3. Business—The manufacture of new color anodized aluminum chain link fencing. Proceeds—For inventory and plant expansion. Office—44 Passaic Ave., Kearny, N. J. Underwriter—Omega Securities Corp., N. Y.

Baltimore Gas & Electric Co.

Aug. 30, 1961 it was reported that this company plans to issue about \$25,000,000 of first mortgage bonds in the first half of 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).

Bay State Electronics Corp.

Aug. 2, 1961 it was reported that this company plans to file a registration shortly covering about 270,000 common shares to raise some \$2,500,000. Business—Research, development and production of items in the fields of medical electronics, etc. Proceeds—For expansion and working capital. Office—43 Leon St., Boston, Mass. Underwriter—S. D. Fuller & Co., New York (managing).

Best Plastic Corp.

July 25, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 125,000 common shares. Price—\$3. Business—The manufacture of plastic party favors for children. Proceeds—For expansion. Office—945 39th St., Brooklyn, N. Y. Underwriters—S. B. Cantor Co., and John R. Maher Associates, New York.

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.

Consolidated Edison Co. of New York, Inc. (11/21)

Aug. 28, 1961 it was reported that this company plans to sell about \$50,000,000 of first mortgage bonds due Nov. 1, 1991. Office—4 Irving Pl., N. Y. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. Bids—Nov. 21, 1961 at 11 a.m. (EST).

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. Offering—Expected in Dec.

Equitable Savings & Loan Association

Aug. 22, 1961 it was reported that about 255,000 shares of this firm's stock will be offered publicly in early September. Of the total, approximately 255,000 will be sold for the account of the company and 180,000 for certain stockholders. Price—To be determined. Business—A Savings and Loan Association with 13 offices in Oregon and Washington. Office—Portland, Ore. Underwriter

—R. W. Pressprich & Co., New York City (managing). Note—The proposed offering is exempt from registration under terms of the Securities and Exchange Act of 1933.

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. Offering—Expected in October.

Georgia Power Co. (10/18)

Aug. 15, 1961 it was reported that this company plans to issue \$10,000,000 of first mortgage bonds in October. Office—Electric Bldg., Atlanta. Underwriters—(Competitive). Probable bidders: 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). Bids—Expected Oct. 18 at 12 noon at offices of Southern Services, Inc., 250 Park Ave., New York.

Georgia Power Co. (10/18)

Aug. 15, 1961 it was reported that this company plans to sell \$7,000,000 of preferred stock in October. Office—Electric Bldg., Atlanta. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Lehman Brothers; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; Equitable Securities Corp. Bids—Expected Oct. 18 at 11 a.m. (EDST) at offices of Southern Services, Inc., 250 Park Ave., New York.

Gulf States Utilities Co. (10/3)

July 25, 1961 it was reported that this company plans to issue about \$15,000,000 of debentures. Office—285 Liberty Ave., Beaumont, Texas. Underwriters—(Competitive). Probable bidders: Salomon Brothers & Hutzler and Eastman Dillon, Union Securities & Co. (jointly); Lehman Brothers; Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc., and White, Weld & Co. (jointly); Stone & Webster Securities Corp. Bids—Oct. 3, 1961 at 11 a.m. Information Meeting—Sept. 28 (11 a.m. EDST) at 70 Broadway (18th floor) New York.

Kansas Power & Light Co. (10/10)

Aug. 15, 1961 it was reported that this company plans to sell about \$13,000,000 of debentures in October. Office—800 Kansas Ave., Topeka. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Blyth & Co. Inc. Bids—Expected Oct. 10, 1961.

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.

Miss Pat, Inc.

Aug. 9, 1961 it was reported that a registration statement covering about \$1,000,000 of this company's outstanding common stock will be filed in September. Business—The manufacture of teen-age apparel. Proceeds—For the selling stockholders. Office—860 Los Angeles Street, Los Angeles, Calif. Underwriter—Mitchum, Jones & Templeton, Los Angeles.

Mutual Photocolor Laboratories, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$750,000 of common stock. Business—The development of pictures and the sale of photographic equipment and supplies. Proceeds—For expansion. Office—29-14 Northern Blvd., Long Island City, N. Y. Underwriter—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

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.

New World Laboratories, Inc.

Aug. 22, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 common shares. Price—\$3. Business—The manufacture of cosmetics. Proceeds—For purchase of equipment and inventory and general corporate purposes. Office—Washington, D. C. Underwriter—East Coast Investments Co., Washington, D. C.

Pacific Gas & Electric Co. (9/26)

July 25, 1961 it was reported that this company plans to sell about \$60,000,000 of first and refunding mortgage bonds in September. Office—245 Market St., San Francisco. Underwriters—(Competitive). Probable bidders: First Boston Corp., and Halsey, Stuart & Co., Inc. (jointly) and Blyth & Co., Inc. Bids—Expected on Sept. 26, 1961.

Pacific Northwest Bell Telephone Co.

Aug. 25, 1961 in a registration statement filed with the SEC covering 17,459,490 common to be offered for subscription by stockholders of Pacific Telephone & Telegraph Co., parent, it was announced that Pacific Northwest plans to sell an additional 12,990,510 by June 30, 1964, and several issues of debentures to refund a \$200,000,000 4½% demand note issued to Pacific Tel. & Tel. The first of such issues, in the amount of \$50,000,000, is expected to be sold by year-end. Office—1200 Third Ave., Seattle, Wash. Underwriters—For the stock, none. For the debentures, to be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; First Boston Corp.

Penn Amusement Corp.

Aug. 22, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 100,000 common shares. Price—\$3. Business—The company furnishes mobile (truck) amusement rides for children. Proceeds—To operate a new type truck and set up national distributorships. Office—Brooklyn, N. Y. Underwriter—J. Laurence & Co., New York City.

Pittsburgh Steel Co.

Aug. 15, 1961 it was reported that this company plans to raise about \$10,000,000 by sale of about 750,000 common shares to stockholders through subscription rights. Proceeds—For a capital improvement program. Office—1600 Grant Bldg., Pittsburgh 30, Pa. Underwriter—Kuhn, Loeb & Co., New York (managing).

Public Service Co. of Colorado

Aug. 22, 1961 it was reported that the previously announced plan to sell about \$20,000,000 of common stock to stockholders through subscription rights had been postponed until about June 1962. Office—900 15th St., Denver, Colo. Underwriter—To be named. The last equity financing was handled on a negotiated basis by First Boston Corp.

Public Service Electric & Gas Co. (10/17)

Aug. 15, 1961 it was reported that this company plans to sell \$50,000,000 of debentures due Oct. 1, 1981 in October. Office—80 Park Place, Newark 1, N. J. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; White, Weld & Co., Blyth & Co. Inc., Goldman, Sachs & Co., and Harriman Ripley & Co., Inc. (jointly). Bids—Expected on or about Oct. 17 at 11 a.m. (EDST).

Radar Design Corp.

Aug. 22, 1961 it was reported that this company plans to sell about 15,000 common shares in the fiscal year ending June 30, 1962. Business—The company's products are used both as test instruments and as components in production of microwave systems. Proceeds—For working capital. Office—Pickard Drive, Syracuse, N. Y. Underwriter—The last public offering of stock in Dec. 31, 1960 was not underwritten.

Rochester Gas & Electric Corp. (11/14)

Aug. 15, 1961 the company stated it plans to issue about \$15,000,000 of 30-year bonds in November. 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 Brothers & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc., The First Boston Corp. Bids—Expected Nov. 14 at 11 a.m. (DST).

Servonuclear Corp.

Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. Price—\$2. Business—The manufacture of medical electronic equipment. Proceeds—For expansion. Office—28-21 Astoria Boulevard, Long Island City, N. Y. Underwriter—Omega Securities Corp., New York.

Shenk Industries, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$750,000 of common stock. Business—The re-manufacture and distribution of automobile parts. Proceeds—For the repayment of loans and expansion. Office—Columbus, O. Underwriter—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

Subway Bowling & Recreation Enterprises, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$1,200,000 of common stock. Business—The company has an exclusive franchise from the City of New York to build bowling and recreation centers in the subways. Proceeds—To build the first three centers. Office—New York City. Underwriter—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey 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.

Teeco Automated Systems, Inc.

Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. Price—\$3. Business—The custom, design, manufacture and installation of automated material handling systems for large wholesale and retail establishments and industry. Proceeds—For expansion. Office—42-14 Greenpoint Avenue, Long Island City, N. Y. Underwriter—Omega Securities Corp., New York.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—There is a bill on the Senate calendar that would take 54,000,000 acres of land in the United States and establish a National Wilderness Preservation.

It is a very important bill, approved by the Senate Interior and Insular Affairs Committee by a vote of 7-to-4. Senator Clinton P. Anderson, Democrat of New Mexico, introduced the proposal in January.

The idea behind the bill—preserve the land for the permanent good of the people—is good, but how large a percentage of the people in the country would be able to take advantage of the wilderness?

Under the proposal, Congress would incorporate (presumably forever) into a wilderness system 44 separate tracts of national forest lands, totaling about 7,000,000 acres, which heretofore has been classified as "wild" or "wilderness." The measure would also blanket into the wilderness system 8,000,000 acres of unclassified national forest lands presently designated as "primitive." Also the bill makes possible the inclusion of an estimated 22,000,000 acres of land presently contained in national parks, plus an estimated 24,000,000 acres in wildlife refuges and game preserves.

Within 10 years these 54,000,000 acres would become a part of the great wilderness system of this country. First, however, the Secretary of Interior would review the system and make a report to the President, who in turn would make recommendations to Congress. Then, in a back door procedure if neither the House nor Senate disapproved of any such recommendation, the system would be established.

The wide open space plan sounds all right, particularly when it is apparent that in just a few years our population will be 200,000,000 and more.

The bill, although highly unlikely of being passed this session, is most important although it has not been widely publicized. A substantial part of the lands in question already belongs to the people. On these acres are water, timber, minerals, and wildlife.

Four Opposing Senators

The four United States Senators—Henry Dworshak of Idaho; J. J. Hickey of Wyoming; Barry Goldwater of Arizona, and Gordon Allott of Colorado—who opposed the bill in committee, asked a very pertinent question, because the bill would have a substantial impact in the 12 Western States.

"The proponents of S 174 say they wish to preserve these 'wilderness' areas for the people," they said in their minority report. "How many people have the physical and financial resources to pack into these practically inaccessible areas? Only a handful at best."

The quartet of Westerners went on to insist that the pending legislation is "class legislation" because it would set aside vast tracts of public lands for the exclusive use of a small minority of well-endowed citizens.

Yearning for Clean Air and Open Spaces

As our cities grow more crowded and the air becomes more polluted, there is a yearning for the wide open spaces by millions of our people. Our national forests this year are attracting more people than ever before.

Secretary of Agriculture Orville Freeman asserts that the recreational visits to the national forests

this year will exceed 100,000,000. Of course many of these visits will be by the same people who go often to the forests.

The Senate committee received testimony or statements from more than 175 organizations in this country in behalf of the bill. Most of them regard the legislation as extremely vital for the welfare of future generations. But there is a tremendous amount of opposition, particularly from the Rocky Mountain area.

During the hearings, reclamation organizations expressed concern that the establishment of the wilderness preservation system may interfere with the development of necessary future reservoirs and water supplies for irrigation and other purposes. However, the sponsors maintain that if the water development resources were needed, Congress would have the power to change the law to provide for development for power.

There is no timber harvest today from the lands being considered for inclusion in the wilderness system. More and more timber is being used for the paper industry. The number of paper products increases every year. This means a larger demand for pulp wood in the future.

Extensive Government Ownership

While there are many strong points in favor of the bill, there is strong belief of many students of government that the United States Government owns too much land today. Agency, after agency, after agency of the Government own land. Some of them are constantly in the market for additional tracts.

The highways of this country are taking millions of acres of land out of productive use. The space age, ironically, is going to require hundreds of thousands of acres of land in its experimental projects.

The National Aeronautics and Space Administration is rounding up at this time many thousands of acres of land on behalf of the Federal Government.

Most of the members of the Senate Interior and Insular Affairs traditionally are members from the Western States. Most of the lands owned by our Government are in the 11 Western States, but millions of acres are owned in the other states as well.

In addition to Chairman Anderson and the four dissenting members of the bill, members of the Interior Committee include Sens. Henry M. Jackson of Washington; Alan Bible of Nevada; John A. Carroll of Colorado; Frank Church of Idaho; Ernest Gruening of Alaska; Frank E. Moss of Utah; Oren E. Long of Hawaii; Quentin N. Burdick of North Dakota; Lee Metcalf of Montana; Thomas H. Kuchell of California; Hiram L. Fong of Hawaii, and Jack Miller of Iowa.

Is there urgent need for immediate Congressional action to preserve the wilderness status of national park lands? The majority of the committee members think so on the ground:

Lands devoted to wilderness provide benefits beyond those identified as wilderness benefits and are truly multiple-use lands. They provide watershed protection and clear, pure water for users below. They provide game which, if it could be produced at all, would cost tens of millions of dollars to maintain, propagate, and produce in artificial facilities.

In stressing the scenic values, the Committee majority quoted



"Nobody even KNOWS you're a stock broker! You could at least try to get investigated by the S. E. C. or somebody!"

from John Ruskin, the English author, critic and painter of another generation, who said: "... Beautiful things are beautiful to men because they are beautiful, and for the sake of beauty only, and not to sell, or pawn, or in any other way turn into money."

Majority's Argument

The Committee majority in their arguments for passage said the scenic wonders of our forest, park, and public lands have their greatest value to men because they are beautiful—a beauty that can be lost if the areas are opened to physical exploitation and not preserved substantially as the Creator has presented them to us. "At the same time," they said, "these same scenic wonders have direct monetary values as tangible as the forests and minerals on and with them. They are the magnets that energize travel, tourism, and economic activity which, in some states, ranks among the first few sources of income."

Unquestionably there are strong points on both sides of the "Wilderness bill." However, there is extreme doubt, as the proponents claim, that there is a sense of urgency, that this bill should be passed this year or next.

[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.]

J. B. Horton Opens

James B. Horton is conducting a securities business from offices at 317 West 83rd Street, N. Y. City.

COMING EVENTS

IN INVESTMENT FIELD

Sept. 7-8, 1961 (Chicago, Ill.) Municipal Bond Club of Chicago 25th Annual Field Day (Chicago Waterways Cruise, Sept. 7; Field Day Sept. 8th at Elmhurst Country Club).

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

Sept. 13, 1961 (Denver, Colo.) Rocky Mountain Group Investment Bankers Association meeting.

Sept. 13, 1961 (New York City) George E. Rieber Testimonial Dinner in the main ballroom of the Waldorf-Astoria.

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

Sept. 15-17, 1961 Pacific Northwest Group of Investment Bankers Association, meeting at Hayden Lake, Idaho.

Sept. 20-21, 1961 (Omaha, Neb.) Nebraska Investment Bankers Association annual field day.

Sept. 21-22 (Atlanta, Ga.) Georgia Security Dealers Association annual summer outing.

Sept. 27, 1961 (New York City) Association of Customers Brokers annual dinner at the Waldorf Astoria.

Sept. 29, 1961 (Philadelphia, Pa.) Bond Club of Philadelphia 36th annual field day at the Philmont Country Club, Philmont, Pa.

Oct. 3, 1961 (Detroit, Mich.) Bond Club of Detroit Annual Fall Outing at Lochmoor Country, Grosse Pointe Woods, Mich.

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

Oct. 7, 1961 (New York City) Security Traders Association of New York annual dinner dance at Hotel Commodore.

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

Oct. 9-12, 1961 (Rochester, N. Y.) National Association of Bank Women Annual Convention at the Sheraton Hotel.

Oct. 10, 1961 (Toronto) Canadian Group of Investment Bankers Association meeting.

Oct. 13, 1961 (Montreal, Canada) Canadian Group of Investment Bankers Association meeting.

Oct. 13-15, 1961 (White Sulphur Springs, W. Va.) Southeastern Group of Investment Bankers Association meeting.

Oct. 15-18, 1961 (San Francisco, Calif.) American Bankers Association annual convention.

Oct. 16-20, 1961 (Palm Springs, Calif.) National Security Traders Association Annual Convention at the Palm Springs Riviera Hotel.

Oct. 17, 1961 (Detroit, Mich.) Michigan Group of Investment Bankers Association meeting.

Oct. 19, 1961 (Pennsylvania) Western Pennsylvania Group of Investment Bankers Association meeting at Rolling Rock, Pa.

October 20-21, 1961 (Milwaukee, Wis.) National Association of Investment Clubs 11th annual national convention at the Hotel Schroeder.

Oct. 24, 1961 (Minneapolis-St. Paul) Minnesota Group of Investment Bankers Association annual meeting.

Oct. 26, 1961 (Louisville, Ky.) Ohio Valley Group of Investment Bankers Association annual meeting.

Nov. 26-Dec. 1, 1961 (Hollywood, Fla.) Investment Bankers Association Annual Convention at Hollywood Beach Hotel and the Diplomat Hotel.

Dec. 4-5, 1961 (New York City) National Association of Mutual Savings Banks 15th annual mid-year meeting.

April 8-10, 1962 (San Antonio, Tex.) Texas Group of Investment Bankers Association of America, annual meeting at the St. Anthony Hotel.

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