Editorial AS WE SEE IT

A year ago opinion about the then current state of business and the general outlook was deeply affected by politics. The Democratic party and its Presidential candidate had a very real interest in convincing the voters that all was not well with business and that, if left in the hands of the Republicans, the situation might well get a good deal worse before it got better. The Republican party and its spokesmen were equally interested in making it appear that there were no serious problems in business that need give concern—although the rate of activity was not in keeping with earlier rosy forecasts—and whatever decline had occurred would soon correct itself. Current discussion of the outlook is still afflicted in somewhat the same way. Of course, the detractors of last year are now busily explaining the improvements that have developed and the prospects that they will go much further—under the guiding hand of the all-wise point qualified coming in part of "too much and too late" in the form of anti-regression programs by the national government.

For our part we are quite willing to leave to others better qualified the task of looking into the future to see which hand will sprout and which will not, to misquote the poet. The matter is, of course, one of importance. It is a requirement of successful business that some sort of rational and, on the whole, sound judgment be reached about what is ahead. This is particularly true of those who have to guide the affairs of large aggregates of capital. The general consensus seems to be that we have done well in getting out of the rather shallow recession that was upon us and that for the immediate future at least we are likely to continue to move ahead at least reasonably well—although opinions begin to differ when such other matters as the danger of inflation and the like come under con-

(Continued on page 28)

What is the Prudent Policy Today

In Investing Pension Fund Assets?

By John G. Heimann*, Pension Fund Investment Dept., Smith, Barney & Co., New York City

Long- and short-run advice on what constitutes prudent pension fund investment policy defines prudence as the preservation of dollar capital as well as that capital's purchasing power with a minimum of risk in flexibly selecting attractive investment opportunities. Current market conditions are said to warrant deviation from long-run emphasis on stocks to bonds and mortgages and adoption of a more conservative ratio of fund's bonds to stocks. Stock selections, however, at any time is judged best when gauged in terms of average or better long-term performance.

During the past 15 years, a multitude of theories have been urged regarding the investment of pension fund assets. These discussions have ranged far and wide across the investment horizon and have included the extremes of the total fixed fund (insured) to the completely variable fund (100% in common stocks). No two investment theories could conceivably be any more opposite, yet both have been tested and well defended. The result has been something of a compromise. The trustees of a great majority of pension funds have adopted either of the thinking of both sides, resulting in the practice of the "balanced fund" which includes both fixed and variable types of investment in differing proportions. Let us explore this question of prudence in logical fashion (1) What is prudence? (2) What is prudent for the trustees? (3) Is there a pension fund? Did the popularly accepted investment policies of the past answer this concept? and (4) What investment policies should be used at the present time?

The answer begins with Harvard College v. Newm™ where the court stated: "He (the trustee) is to observe how men of prudence, discretion and judgment usually conduct, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the possible income as well as the safety of the capital to be invested." This was modified in Marshall v. Fleish® in which the court recognized some of the realities of human nature by concluding that even prudent men take risks for themselves which should not be assumed for another.

From these earliest decisions, the body of law regarding the actions of a prudent man has been slowly built by court interpretation. An interesting recent study on the prudent man theory and what it means to a trustee can be found in an article by Harold B. Elson in the Financial Analyst's Journal in which he concludes that ... the concern for safety of capital dollars is logically, chronologically and technically correct. The sequence ... shows the idea of safety to be associated with wealth (liability added), not funds. ... We have then a reasonable interpretation of court opinion suggesting that wealth protective measures are in order if safety of wealth rather than a sum certain were ever in question, doubt has been removed. Or, in non-legal language, the courts have strongly suggested that they consider it prudent to invest in securities which protect wealth (purchasing power) in addition to or in replacement of those securities which only protect dollar capital.

These factors, notwithstanding, it is important to realize that the courts have consistently con-

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

TELEPHONE: HANOVER 2-3700

New York Trust Company
BOND DEPARTMENT
20 Broad Street
New York 15

Worker's Compensation

JAPANESE SECURITIES

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

STATE AND MUNICIPAL BONDS

The First National City Bank of New York
Bond Dept.: Tele.: NY 1-708

LESTER, RYONS & CO.
612 So. Hope Street, Los Angeles 15, California
Members New York Stock Exchange
Associated American Bank Exchange
Members Pacific Coast Stock Exchange

Office in Cleveland, Corcos St. San Diego, San Francisco,
Seattle, Spokane, Portland, Seattle, Portland, Los Angeles,
Riverside, Santa Ana, Santa Monica, Whittier

THE CHASE MANHATTAN BANK

Municipal Bond Division

Pension & Con

Diversified California

First Southwest Company

T. L. Watson & Co.
25 BROAD STREET
NEW YORK 4, N.Y.

Loblaws, Inc.

Block Investment

Dominion Securities Corporation

48 Exchange Place, New York 5, N. Y.
Teletype NY 1-703-3

CANADIAN BONDS & STOCKS

Bridgesport & Fife's Amor

Doctors, Banks and Brokers

Loblaw, Inc.

Block Investment

Goodbody & Co.

MEMBERS NEW YORK STOCK EXCHANGE
3 NORTHERN AVENUE
NEW YORK 3, N.Y.

19 Pick 446, 461 (Mass. 1922); 20 P. 276, 425, 88 (Oregon 1929); 51 (U.S. 1929); 111 Atl. 725, (New York 1934); 3 Volume XVII, No. 8, July-August 1960, P. 27,

* A Pick 446, 461 (Mass. 1922); 20 P. 276, 425, 88 (Oregon 1929); 51 (U.S. 1929); 111 Atl. 725, (New York 1934); 3 Volume XVII, No. 8, July-August 1960, P. 27,

SECURITIES NOW IN REGISTRATION—Underwriters, dealers and investors in corporate securities are afforded a complete picture of issues now registered with the SEC and potential undertakings in our "Securities now in Registration" Section, starting on page 30.

State, Municipal and Public Housing Agency Bonds and Notes

Municipal Bond Division

TOKYO, CALIFORNIA

First Southwest Company

T. L. Watson & Co.
25 BROAD STREET
NEW YORK 4, N.Y.

Loblaws, Inc.

Block Investment

Goodbody & Co.

DOMINION SECURITIES CORPORATION

48 Exchange Place, New York 5, N. Y.
Teletype NY 1-703-3

CANADIAN BONDS & STOCKS

Bridgesport & Fife's Amor

Doctors, Banks and Brokers

Loblaw, Inc.

Block Investment

Goodbody & Co.

MEMBERS NEW YORK STOCK EXCHANGE
3 NORTHERN AVENUE
NEW YORK 3, N.Y.

19 Pick 446, 461 (Mass. 1922); 20 P. 276, 425, 88 (Oregon 1929); 51 (U.S. 1929); 111 Atl. 725, (New York 1934); 3 Volume XVII, No. 8, July-August 1960, P. 27,

* A Pick 446, 461 (Mass. 1922); 20 P. 276, 425, 88 (Oregon 1929); 51 (U.S. 1929); 111 Atl. 725, (New York 1934); 3 Volume XVII, No. 8, July-August 1960, P. 27,
The Security I Like Best...

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

In 1951, Mr. Shanahan opened the first branch at 6 East 45th St. close by the Grand Central Terminal. This has been fruitful from the opening day. This success will continue as the section of the city is improved by the opening of new buildings which will be topped by the American Bank building over the New York Central tracks near Grand Central. This structure will have the largest floor space of any office building in the U.S. Business in this area will increase, benefitting the banking branch.

In 1954, another branch was opened at 41-41 Main St., Flushing, N.Y. This branch, located opposite the new Flushing Post Office, has increased the interest of a flourishing business center and new apartment developments, has proved so successful that within a short time after its opening, additional space is needed to serve the increased business. With the opening of Flushing, increased activity throughout this section is anticipated.

The year 1956 marked a turning point in the bank's future growth. Mr. Shanahan opened what is now the main office of the Federation Bank at 10 Columbus Circle, in the Coliseum Building. The value of this location will continue to increase as the Lincoln Center for Performing Arts near completion. For this branch you may, is at the gateway to this huge and important project.

The Queens Blvd. branch, at 85-23 Queens Blvd., Elmhurst, is located on property owned by the Federation Bank. This building has not yet been chamed into a private parking space for customers is available. There is a subway and bus stop at this branch and several new office buildings are planned for this area along with a large hotel. The plan is to expand and improve this property further to keep pace with this rapidly growing community. This branch should prove to be an excellent investment.

The Fourth Ozone Park office at 130-22 Rockaway Blvd. has been a very pleasant surprise, in that the area has boomed in recent years. This branch services many small businesses along with many home owners in this growing section of Queens.

The Jamaica office at Hillside Ave. and 169th St., and the Jamaica office at 282-11 34th Ave. and Midland Pkwy. are both ideally located in this growing section. The 169th St. building and property is owned by the bank. With building on the increase in Queens and as the opening of new buildings in the near future, these branches should become even more important to the future growth of the bank.

The Citizen's office, located at 212 First St. and 152nd Ave. in Jamaica, N.Y., currently and completely remodeled on property in the immediate area, with new addition on property near, these branches should become even more important to the future growth of the bank.

The 34th Street branch should benefit by the increased activity.

Great Operating Earnings Capital Stock Dividends Dividends Paid Cash - Earnings - Per Share Amount
1956 $18,517 $1,400,000 $1,200,000
1957 21,100,000
1958 23,200,000
1959 25,000,000

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 here.

This week's Forum Participants and Their Selections
Federation Bank and Trust Co. Frank A. Ather, President, and
J. L. Rosenfeld, Jr., Co.
New York City.

All indications are that it will prove an excellent investment for the bank.

The growth of the Federation Bank and Trust Company since 1944 is a tribute to Mr. Shanahan by his foresight, good judgment and the excellent service to the banking business, along with a personality that gives him an ability to make friends, has
made the Federation Bank one of the leading commercial banks in New York City.

Mr. Shanahan's business ability is recognized by many large industrial organizations on whose boards of directors he sits, and among the foremost of his leaders of our New Administration who invited Mr. Shanahan to serve as a member of the Board of Directors of the huge and important General Aniline and Film Corporation which was taken over by the U.S. Government.

I have concentrated on the individual history of each branch to give the readers a clear picture of the future of the business. With the growth of the Federation Bank and Trust Company, we can look forward to an increased and continued profitable future.

With bank stocks attracting considerable attention, the country will give serious consideration to the investment public, and do not hesitate to recommend Federation Bank and Trust Company, with its excellent record. The bank has been among the leaders of the country. Earnings are estimated at about $2.70 per share or better.

1.50 ($45 per share)

The range for the stock from Jan. 1, 1951 to Oct. 10, 1951, high 1.72 1/4, low 1.50 3/4, has been quoted at about $2.70 per share or better.

This bound publication will give you the monthly prices on all listed securities as well as those "hard to find" Over - the - Counter quotations.

Write or call:

WILLIAM B. DANA CO.
25 Park Place
New York 7, N. Y.
Rector 2-9789

N. Q. B.
OVER-THE-COUNTER INDUSTRIAL STOCK INDEX
25-Year Performance of 35 Industrial Stocks

This is a comprehensive list of all the industrial stocks that have been traded on the over-the-counter market.

You give food and friendship to the world’s hungry through the CARE Food Crusade, New York.
New Directions in Federal Gas Industry Regulation

By Joseph C. Swidler,* Chairman, Federal Power Commission

Recently appointed FPC head spells out his firm support for area pricing—as a ceiling, and not as a floor, with no concessions for the inefficient consumer, seeking for the Commission's favor. Moreover, in the light of the two recent Pennsylvania and Southern Louisiana area rate proceedings, he touches on the year 1961 as being the critical year for solving regulatory problems. Further, he asks for the cooperation of all in giving area rates proceeding a fair test, and hopes that use of area rate ground rules, policy statements, and the expedient of pipelines and producer cases will end delays in time and uncertainties as to policies underlying decisions. He concludes by stating that his "so-called" pricing formula applied to most utilities would not do for the riskier natural gas industry.

I think there is great progress to be made in gas regulation in the next year or two. There is a room for innovation and enterprise in developing sound federal regulation. I firmly believe that with the cooperation of industry and the cooperation of the other interests concerned, an equitable and generally accepted regulatory method for regulating producer rates can be found. I am sure, and I think this will prove a difficult and complex task, but I think that in the almost three months I have served on the Commission, I have at least learned this much. But the great importance of the parties concerned makes it necessary that we find such a solution and move the price uncertainty which has plagued the industry in recent years.

The subject of this paper creates a natural expectation that I am prepared to discuss some of the course of Federal gas regulation in the years to come. I cannot live up to that promise. I do propose, however, to inculcate all that I can at the moment about the shape of my thinking on the major gas regulation problems of the Commission. I must caution that I cannot speak for the whole of the Commission, but only for myself. Because my experience with the industry is still recent, my own views are subject to change without notice in the light of additional information and changing circumstances.

I shall want to use this occasion to make some general observations about the Federal gas industry, but I know that the primary interest is in the developing regulatory pattern for gas producers. I shall speak of that first.

I am fully aware of the great responsibilities of the Commission in the field of producer rates. This year the industry will probably sell something in the order of 13 trillion cubic feet of gas. A difference of a thousand feet per cubic equivalent at $1.00 per thousand cubic feet is equal to $310,000,000 a year. A cent a thousand differences in the value of the estimated proven reserves is equal to approximately $52 billion. A difference in the basis of the estimates of recoverable gas in the ground in the United States, each cent per thousand million cubic feet in all basis and in billions. These are indeed astronomical figures, even in Texas, so large that in computing them I checked several times to be sure which raised anxiety in the question of zeros. They emphasize that the rate decisions of the Commission have an enormous eco-

Contents

Articles and News ................................. Page 1
What Is the Prudent Policy Today in Investing Pension Fund Assets? —John G. Reiman... Cover
New Directions in Federal Gas Industry Regulation —Joseph C. Swidler ............... 3
Medium Term Outlook for Natural Gas Industry L. T. Potter .................. 4
Electronic Distributors—Ira U. Coffelt ........ 5
Reasons for and Cure of Our High Unemployment —Roger W. Baldwin ........ 5
Profit In People's Business—George A. Newton .................. 9
An Answer to Trustee's Dilemma on Growth Stocks —Russell J. Clark ............ 10
Current Problems Facing the Savings Banks Industry —Samuel W. Hawley .... 12
The Economic Beam—Robert A. Kavenh .... 13
Recent Financial Growth of Canadian Institutions —Neil J. McKinnon ........... 14
New York Savings Banks' Deposit Service Solidified —William Lumoden ........ 20
Regular Features .................................. 12
As We See It (Editorial) ................. Cover
Bank and Insurance Stocks .................. 20
Coming Events in the Investment Field ... 40
Dealer-Broker Investment Recommendations 8
Kinzig: "UK Should Sell Forward Instead of Spot Selling" 15
From Washington Ahead of the News—Carlisle Bargeron ............ 21
Indications of Current Business Activity 29
Market... and You (The)—Wallace Street 17
Mutual Funds—Joseph C. Potter ....... 23
News About Banks and Bankers ......... 22
NOST Notes .............................. 26
Observations—A. Willard May ............ 4
Our Reporter on Governments ........... 22
Public Utility Securities ................. 23
Securities Now in Registration ......... 39
Prospective Security Offerings ........... 47
Security I Like Best (The) ................ 2
Security Salesman's Corner .......... 21
State of Trade and Industry (The) ........ 16
Tax-Exempt Bond Market—Donald D. Mackey ....... 6
Washington and You .......... 48

* Chairman, Federal Power Commission

For many years we have specialized in PREFERRED STOCKS

Spencer Trask & Co.

Founded 1896

Members New York Stock Exchange

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

TELEPHONE HANOVER 5-4300

TELETYPE № 15

Albany Boston Chicago Glass Falls

Nashville News Scranton Wellsville

Wheatfield

Copyright 1961 by William R. Dana Company

Registered as second-class matter February 19, 1960, at post office at New York, N. Y., under the Act of March 3, 1879.

Subscriptions Rates

Subscriptions in United States, $5.00 per year; in Panama, $10.00 per year; in all other Countries, $10.00 per year. Note: On accounts of the subscriptions in the rate of exchange, remittances for foreign subscriptions and advertisements must be made in New York funds.
COMPENDIOUS, thoughful paper on the natural gas industry outlook contains specific predictions as to the sales, customers, etc., and investment required to keep up with anticipated demand. Mr. Potter's data foresee strong growth of imports, but he also warns of possible economic difficulties, including the danger of a gas bubble. The Federal Reserve Bank of St. Louis, 1964.
Electronic Distributors
By Dr. Ira U. Celebigh, Enterprise Economist

A consideration of certain progressive companies whose business is to distribute, rather than to manufacture, electric hardware.

Glamour alone is not a sufficient reason for stocks to go up and stay up. To become a "hot" stock in Wall Street, a company must be selling a product that both the public and the market have suddenly discovered as being needed. And in order to regain the faith of the public in a company's ability to make profits in the future, it is necessary for that company to be doing something that is different from what it has been doing in the past. Thus, the "Hot Stock" as we recognize it is essentially a psychological phenomenon that is based upon the psychology of the market and the psychology of the public.

The first "hot stock" of the 1965-66 period was the semiconductor company, followed by the "hot" stock of the 1966-67 period, the "hot" stock of the 1967-68 period, and so on. Each of these "hot stock" periods has been characterized by a sharp increase in the price of the stock of the company in question, followed by a sharp decline in the price of the stock of the company in question, followed by another sharp increase in the price of the stock of the company in question, followed by another sharp decline in the price of the stock of the company in question, and so on.

Furthermore, the "hot stock" phenomenon has been characterized by a sharp increase in the price of the stock of the company in question, followed by a sharp decline in the price of the stock of the company in question, followed by another sharp increase in the price of the stock of the company in question, followed by another sharp decline in the price of the stock of the company in question, and so on.

The reasons for the "hot stock" phenomenon are not yet fully understood, but it is clear that the "hot stock" phenomenon is a phenomenon that is unique to the market and to the public, and that the "hot stock" phenomenon is a phenomenon that is unique to the market and to the public.
TAX-EXEMPT BOND MARKET
BY DONALD D. MACKÉY

While many economists, analysts, in-vestors, and government spokesmen progressively herald the return of higher interest rates, the market continues to be one of relatively low yields and prices, anticipated variously since early spring, and a consequent upturn in their net price particu- larly as they perceive to bond obliga-tions, and in view of the world, the market, new issue bidding has continued to be strong on investor interest without the stimulus of the anticipation type bidding and resultant higher pricing.

Business Stimulants Absent

Those who have been predicting higher interest rates and lower bond prices have assumed an expanded imposable rate of movement in view of the present domestic, political, and economic trends. The expansionist polices necessary to effect an alleviation of the depression envisaged cannot be generally embraced by industry entirely by means of bonds. Business must help and so forth.

For example, most industry now possessing excess capital is likely to find an excess and cannot reasonably expand a capital expenditure on a large scale. Moreover, it is generally anticipated that depression continues to deprive not only our industry but our population of the necessities for the income to the extent of diminishing the market for a large volume of new issues. Moreover, there is the same amount of capital, it would seem unlikely to expect any expansion of new issues without a brighter business prospects. Under present economic circumstances any change in the Federal De-partment's easy money policy seems to be impossible. In addition it wouldn't seem to be in the political rule book.

Municipal Market Higher

The average yield of selected high-grade tax-exempt bond of-ferings improved slightly during the week. The improvement has been observed in the Commercial and Financial Chronicle's Index average, which closed at 4.25 percent on Oct. 11, attaining a 5.00 percent a week ago. This yield has been gradually improving since early September. The im-provement during the week was due to five basis points for a market rise of three-quarter of a point. The lower yields are the result of higher bids on new issues.

The Chronicle's Index is based upon actual and non-hypothetical offerings. Since current offer-ings cannot be utilized the Index is predicated upon selected representative offerings.

Higher Volume Ahead Suggests

Realistic Returns

Whereas new issue volume has been light for the last several weeks, with a particular total in the large negotiated issue cat-egory, the calendar is now expanded to more voluminous pro-portions. The total is now more in line with the schedule. Within the next 30 days a total of least 18 new issues have been scheduled for competitive sale. Included are the offerings of five large states: New York, California, Illinois, Ohio, and Texas. Next week, the offerings will appear in these states. New York, California, Illinois, Ohio, and Texas. This week, the offerings will appear in these states. New York, California, Illinois, Ohio, and Texas.

The yield on the 5-year, 6% bond has improved to 5.00 percent, making it a good buy for the long-term investor. The yield on the 10-year, 7% bond has also improved, making it a good buy for the medium-term investor. The yield on the 30-year, 8% bond has also improved, making it a good buy for the long-term investor.

The Black, Schaffer & Co. group which is handling the sale of the bonds for the city of New York, has been successful in attracting a large amount of interest from both institutional and individual investors. The sale of the bonds is expected to close on October 15, with a yield to maturity of 5.00 percent.

The yield on the 5-year, 6% bond has improved to 5.00 percent, making it a good buy for the long-term investor. The yield on the 10-year, 7% bond has also improved, making it a good buy for the medium-term investor. The yield on the 30-year, 8% bond has also improved, making it a good buy for the long-term investor.

The Black, Schaffer & Co. group which is handling the sale of the bonds for the city of New York, has been successful in attracting a large amount of interest from both institutional and individual investors. The sale of the bonds is expected to close on October 15, with a yield to maturity of 5.00 percent.

The Black, Schaffer & Co. group which is handling the sale of the bonds for the city of New York, has been successful in attracting a large amount of interest from both institutional and individual investors. The sale of the bonds is expected to close on October 15, with a yield to maturity of 5.00 percent.

In summary, the tax-exempt bond market continues to be strong, with yields and prices continuing to improve. The market is expected to continue to improve in the coming weeks, with new issues scheduled for competitive sale in the upcoming days.
$35,000,000 Los Angeles

Unified School District • City Junior College District
Los Angeles County, California

3 ½% Bonds

Dated November 1, 1961
Due November 1, 1962-86, incl.

Payment and Registration—Principal and semi-annual Interest (May 1 and November 1) payable, at the option of the holder, at the office of the Treasurer of Los Angeles County, in Los Angeles, California, or at any of the fiscal agencies of the County in New York, N. Y., or in Chicago, III. First coupon (annual) payable November 1, 1962. Coupon bonds in denominations of $1,000 registrable only as to both principal and interest.

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

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

Purpose and Security—These bonds comprise separate issues of two distinct districts. The bonds of each issue, in the opinion of counsel, constitute the legal and binding obligations of the issuing District and are payable, both principal and interest, from ad valorem taxes which may be levied without limitations as to rate or amount, except all of the taxable real property in the issuing District and which, under the laws now in force, may be levied without limitation as to rate or amount upon all taxable personal property, except certain classes thereof, in the issuing District.

Tax Collect, Assumption of Premium—These bonds will be issued in the above named political subdivisions at par less than the par value, and a taxable gain may accrue on bonds purchased or a dividend. Investors are advised under existing regulations to compute any profits and taxes.

Legal Opinion—The above bonds are offered when, and if lawful and received, by the underwriters listed below as well as any underwriters not shown, whose names will be furnished on request, and subject to approval of National Bank of Si. The First National Bank of Chicago, The First National Bank of New York, The First National Bank of Los Angeles, and the First National Bank of San Francisco, a copy of whose legal opinions will be printed on each bond.

Bank of America Trust Company
The First National City Bank of New York
The Chase Manhattan Bank
Wells Fargo Bank
The Bankers Trust Company
American Trust Company
The Continental Illinois National Bank
and Trust Company of Chicago
Merrill Lynch, Pierce, Fenner & Smith
Dean Witter & Co.

Securities First National Bank
United California Bank
Lazard Freres & Co.
C. J. Devine & Co.
Glens, Fergan & Co.

The Northern Trust Company
The First National Bank
Seattle First National Bank
American Trust Company
The Philadelphia National Bank

Equitable Securities Corporation
Bear, Stearns & Co.

Mercantile Trust Company
Reynolds & Co.
Laddlerman, Thedeau & Co.
William Blair & Co.

First National Bank in Dallas
W. H. Morton & Co.
New York Hhassecorporation
Bacon, Whipple & Co.

Merrill Lynch, Pierce, Fenner & Smith
Dean Witter & Co.

Lee Higgason Corporation
Lynn & Shaffer

Junior College

Mercantile National Bank at Dallas
W. H. Morton & Co.
New York Hhassecorporation
Wm. E. Pollock & Co., Inc.

Republic National Bank

 Mimeographed

Stone & Youngberg
Taylor and Company
Trust Company of Georgia
G. H. Walker & Co.

James M. Andrews & Co.

City National Bank & Trust Company

Coffin & Burr

Los Angeles, Calif.

Clark, Dodge & Co.

Curtiss & Pedosta & Co.

R. S. Dickinson & Company

Krarmer, MacArthur & Co.

Klein, Agnew & Co.

Stroud & Company

Wells & Christensen

Glennd & Company

Burla, Cortel & Pickard, Inc.

Van Aalten & Co.

Burns, Waid & Co.

Fahy, Clark & Co.

Hutchinson, Stock & Co.

Horner, Barkdale & Co.

Kahn & Company, Inc.

Stutts, Watkins & Lombard, Inc.

October 11, 1961

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.
DEALER-BROKER
INVESTMENT LITERATURE AND RECOMMENDATIONS

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


Bond Market—Review—Salomon Brothers & Co., 14 Wall Street, New York, N. Y.

Canadian Common Stocks—Comparative Survey of Sept. 1961—Equitable Brokers Limited, 60 Young Street, Toronto 1, Ont., Canada.

Canadian Oil Industry—Memo¬ randum—G. W. Nicholson & Co., Ltd., 67 Richmond Street, West, Toronto, Canada.

Canadian Steel Industry—Memo¬ randum—Draper Doble & Company, Ltd., 25 Adelaide Street, West, Toronto, Canada. Also available is a memorandum on Canadian Natural Resource Companies.

Color TV—Discussion in October issue of "Exchange" Magazine—The Exchange Magazine, 306 Market Street, 11 Wall St., N. Y., S. 5, N. Y.—20c per copy, $1.50 per year. Also in the same issue are discussions of LP Gas and High Speed Steel Tubs.

Dividend Payers—Selected list of long-term dividend payers yielding 4% or more—86,000 subscribers available on request.

Dividend Stock—Reports—11 Marietta Street, N. W, Atlanta 1, Ga. Also available is a memorandum on Orkin Exterminating Co.

Economic Outlook—Survey—E. F. Hutton & Co., 862-4 Broadway, New York, N. Y. Also available is a memorandum on Transamerica.

Energy Problems—Discussion—1568 Pennsylvania Avenue, Washington, D. C.

Firm Trading Markets in—

(a) Operating Utilities

(b) Natural Gas Companies

Transactions, Production & Distribution

TROSTER, SINGER & CO.

Members New York Security Dealers Association

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

REVIEWED 1961 EDITION

OVER-THE-COUNTER

Common Stocks

On Which

CONSECUTIVE CASH DIVIDENDS

Have Been Paid From

5 to 177 Years

— 48 PAGE BOOKLET —

Included are number of years consecutive dividends have been paid, cash dividends paid during the twelve months to June 30, 1961, percentage yield, and June 30 quotation, also an analysis of the difference between the over-the-counter and listed markets.

COST OF THESE BOOKLETS

1 to 50 cents each

25 to 199... 200 up...

25 cents each

30 cents each

30 cents each

200 up...

200 up...

On orders of 100 or more, a three-line imprint on the front cover is included without extra cost.

Commercial & Financial Chronicle

Won. B. T. Davis & Co., 13 50 Park Place, New York 7, N. Y.

Please enter our order for... booklets on "Over-The-Counter Common Stocks" and accompanying dividend tables.

Firm Name...

Address...

By... Date...
Profit Is People’s Business

By George A. Newton, President, Investment Bankers Association of America and Partner, G. H. Walker & Co., St. Louis, Mo.

Investment bankers’ spokesmen are apprehensive of the danger to our economy and our position in the present world struggle caused by failure to replace our precious gold. The key word is: ‘apprehensive’. The understanding of profit’s crucial role to our society’s economic advancement. No appeals to investment bankers to assume the position of leaders is to be expected. It is not a question of whether everybody can understand, why profits are essential to our survival.

We find ourselves in a world struggle which is no longer just social and political, but primarily economic. The way in which we control our destiny is directly dependent upon the way in which we use profits in the economy.

The profit motive is the engine that drives us. It is a natural phenomenon. The profit motive is an incentive to produce. The profit motive is an incentive to produce in the most efficient way possible. The profit motive is an incentive to produce in the most cost-effective way possible. The profit motive is an incentive to produce in the most socially responsible way possible.

Profit is the key to a healthy economy.

Profit is a measure of the success of a company. If a company makes a profit, it means that the company is successful. If a company loses money, it means that the company is not successful.

Profit is a measure of the efficiency of a company. If a company makes a profit, it means that the company is efficient. If a company loses money, it means that the company is inefficient.

Profit is a measure of the profitability of a company. If a company makes a profit, it means that the company is profitable. If a company loses money, it means that the company is not profitable.

Profit is a measure of the ability of a company to pay its debts. If a company makes a profit, it means that the company can pay its debts. If a company loses money, it means that the company cannot pay its debts.

Profit is a measure of the ability of a company to reinvest in itself. If a company makes a profit, it means that the company can reinvest in itself. If a company loses money, it means that the company cannot reinvest in itself.

Profit is a measure of the ability of a company to compete in the market. If a company makes a profit, it means that the company can compete in the market. If a company loses money, it means that the company cannot compete in the market.

Profit is a measure of the ability of a company to grow. If a company makes a profit, it means that the company can grow. If a company loses money, it means that the company cannot grow.

Profit is a measure of the ability of a company to innovate. If a company makes a profit, it means that the company can innovate. If a company loses money, it means that the company cannot innovate.

Profit is a measure of the ability of a company to hire the best people. If a company makes a profit, it means that the company can hire the best people. If a company loses money, it means that the company cannot hire the best people.

Profit is a measure of the ability of a company to retain the best people. If a company makes a profit, it means that the company can retain the best people. If a company loses money, it means that the company cannot retain the best people.

Profit is a measure of the ability of a company to attract the best customers. If a company makes a profit, it means that the company can attract the best customers. If a company loses money, it means that the company cannot attract the best customers.

Profit is a measure of the ability of a company to retain the best customers. If a company makes a profit, it means that the company can retain the best customers. If a company loses money, it means that the company cannot retain the best customers.

Profit is a measure of the ability of a company to attract the best investors. If a company makes a profit, it means that the company can attract the best investors. If a company loses money, it means that the company cannot attract the best investors.

Profit is a measure of the ability of a company to retain the best investors. If a company makes a profit, it means that the company can retain the best investors. If a company loses money, it means that the company cannot retain the best investors.

Profit is a measure of the ability of a company to attract the best suppliers. If a company makes a profit, it means that the company can attract the best suppliers. If a company loses money, it means that the company cannot attract the best suppliers.

Profit is a measure of the ability of a company to retain the best suppliers. If a company makes a profit, it means that the company can retain the best suppliers. If a company loses money, it means that the company cannot retain the best suppliers.

Profit is a measure of the ability of a company to attract the best distributors. If a company makes a profit, it means that the company can attract the best distributors. If a company loses money, it means that the company cannot attract the best distributors.

Profit is a measure of the ability of a company to retain the best distributors. If a company makes a profit, it means that the company can retain the best distributors. If a company loses money, it means that the company cannot retain the best distributors.

Profit is a measure of the ability of a company to attract the best advertisers. If a company makes a profit, it means that the company can attract the best advertisers. If a company loses money, it means that the company cannot attract the best advertisers.

Profit is a measure of the ability of a company to retain the best advertisers. If a company makes a profit, it means that the company can retain the best advertisers. If a company loses money, it means that the company cannot retain the best advertisers.

Profit is a measure of the ability of a company to attract the best customers. If a company makes a profit, it means that the company can attract the best customers. If a company loses money, it means that the company cannot attract the best customers.
An Answer to Trustee's Dilemma on Growth Stocks

By Russell J. Clark, Investment Counsellor

Former Bank of America trust officer submits that Robert N. Dun- can's solution to "the Trustee's Dilemma" (the "Chronicle," June 29, p. 10, ft.) "still keeps the trustee on the hook with the requirement to invest in stocks which have the reasonable potential of increasing in value while they continue to provide a living for the income beneficiaries." Mr. Clark suggests how he would solve the trustee's dilemma. It is directed to trusts which have no future trusts and estates, for obvious reasons, most trusts currently in existence. The investment counsellor suggests in an appendix a comprehensive trust which would allocate funds to low yielding or non-income producing securities of dynamic firms, "post" off, principal, enlarged investment, and increased dividend powers, and the product trustee to act like a product investor who looks at overall performance — i.e., a variable trust similar but superior to a variable annuity.

"How are we to reconcile the duty of the trustee to speculate, to produce a reasonable income, and to protect the re- m e n t i l i n d e a n - man from the erosion caused by the forces of inflation?" asks Mr. Robert B. Duncan, President of the Trust Divisions of the American Bankers' Association, in posing the Trustee's Dilemma, as reported in the June 29, 1961 issue of the Commercial and Financial Chronicle. Mr. Duncan feels that "no one rule can be laid down which will point the way out of the dilemma in all cases," but he still keeps the trustee on the hook with the requirement to invest in stocks which have the reasonable potential of increasing in value while they continue to provide a living for the income beneficiaries. Duncan's Prudent-Man Rule (or Massachusetts Rule of Trust Investments) was first advocated for adoption in the 1800s and 1900s in states other than Massachusetts. Today, in a recent late, great Mayo Shattuck, a Boston attorney and then a member of the firm Hauersmann, Davison and Shattuck of that city, it appeared to be the answer to the progressive trustee's prayer. With the steady erosion of the dollar and the increasing management policy of dynamic and rapidly growing companies to use a substantial part, if not all, of their earnings and depreciation to finance their growth, knowledgeable trustees became increasingly frustrated. Since such companies paid little or no dividends the great majority of such investments would not produce income. It is obvious that a knowledgeable trustee could see valuable investment opportunities lost. The only way such trusts were threatened by stagnation was by a policy of dividend paying or diminished purchasing power. At the same time the prudent trustee as an investor was taking advantage of investment opportunities which were easier picking than shooting fish in a rain barrel.

"Obviously this has not been a happy state of affairs for the competent and conscientious trustee." Duncan suggests that the "shibboleth of maintenance of the dollar value of the trust principal, with its accompanying appreciation of the value of individual securities as opposed to judging the trustee's record on the overall value of a trust, the trustee was confined to investment in securities which would produce an immediate greater income than could be derived through purchasing growth type trusts. All this was notwithstanding the broad policy of the Prudent-Man Rule that the prudent investor is not bound to invest in stocks which are not necessarily the best investments in lowest yields. The market then, was not a market for the Prudent-Man. Even if the trustee were indeed so fortunate as to be such an investment authority, Incidentally, I believe it is safe to say that both the shibboleth and the market in the investment of principal and income are disappearing. Maintenance of the dollar value of a trust over a period of years has been a source of unhappiness to beneficiaries in many instances. Common trust funds are helping to establish the overall record as a criterion of the success of the investment in the nature of a measure of the trustee's performance in the context of the results achieved.

Our state legislatures will not, and as a matter of fact probably cannot, legally change the status or powers of trustees under existing statutes, which provides that the trustee shall be the judge of property interests between life beneficiaries and remaindermen. The courts of equity would declare unconstitutional any statutes or changes in state codes which would attempt anything other than a change in the auctuarial law. On the other hand, the courts themselves are powerless even in Common Law states to in any way extend the terms of an instrument by the expressed intent, regardless of how desirable and beneficial such a change might be to both the life tenant and the remainderman.

Can Something Be Done? The question is, therefore, can something be done by the active professional securities fiduciaries, with the help and cooperation of the legal profession, accountants, insurance companies, other financial advisers, to eliminate the investment approach specific only to the individual items to the operate today? For those trustees who are not dealing with trusts and irrevocable trusts, the answer is that little can be done. But for those trustees for both bank and life insurance companies, and ultimately for those that have not yet matured, the answer is that something can be done.

The solution is a comprehensive provision which would authorize the trustee to invest for both bank and life insurance companies. This would enable the principal of a trust to increase current payments by disposing of a portion of the principal of the trust or to invest for both bank and life insurance companies. Even though a portion of the increase in value may have been paid out to the beneficiaries as dividends which follow growth in current income (not yet converted into a higher income tax base), the remaindermen would benefit from the higher dividend payments to the life tenant and remaindermen. The trustee, however, should be authorized, with or without being held to account for past or future changes in value to sell such securities or to sell others, whether they have capital gains or not, to supplement income payments to the life tenant. Thus the trustee, hereinafter referred to as "the prudent investor," would choose from trusts invested with both a strong emphasis on immediate income-producing investments and strong emphasis on investments in growth type securities.

Advantages of "Peeling Off." A provision such as the above might be labeled "peel off." It should be in addition to the usual authority to invest principal for emergencies. Obviously the terms of the provision should be adequate to fully protect the trustee as long as he acts in good faith and administers the trust as a prudent man would under such an authority.

The advantages of enlisting the trustee's powers by "peeling off" of a portion of the principal to current beneficiaries are real and not imaginary. Some of these advantages are: First, from an investment standpoint, to enlarge trustees' powers so that low-yielding or non-income producing securities which will enable the trustee to invest in more dynamic companies. The management of these companies, through the use of "peel off," by the payment of dividends and appreciation cash throw-off have been venturing into new fields through their rapidly expanding research and development programs. Investment in value stocks have followed, but higher dividends have had to wait and in many cases the dividends available for tax purposes has been held. Such dividends (the dividend capability) would enable the trustee to do both, invest for the life tenant, remainders, and provide income security in the form of the dividends. Such dividends are not so "lose-los" as is generally believed. Second, enlarged investment and discretionary power over the use of capital gains either directly or indirectly or increase payments from the trust to the life tenant, remainders, and the income beneficiary, can be secured in such growth companies.

Static vs. Flexible Performance. Second, enlarged investment and discretionary power over the use of capital gains either directly or indirectly or increase payments from the trust to the life tenant, remainders, and the income beneficiary, can be secured in such growth companies. The investor can choose companies in which he believes the future inherent in the "peel off" is strong. If the company's stock market growth is above the market average in the "peel off" can also be above the market average, the capital gains will be above the market average. The flexibility in the "peel off" allows the investor to choose a group of companies in which he believes the future inherent in the "peel off" is strong. If the company's stock market growth is above the market average in the "peel off" can also be above the market average, the capital gains will be above the market average. The flexibility in the "peel off" allows the investor to choose a group of companies in which he believes the future inherent in the "peel off" is strong. If the company's stock market growth is above the market average in the "peel off" can also be above the market average, the capital gains will be above the market average. The flexibility in the "peel off" allows the investor to choose a group of companies in which he believes the future inherent in the "peel off" is strong. If the company's stock market growth is above the market average in the "peel off" can also be above the market average, the capital gains will be above the market average. The flexibility in the "peel off" allows the investor to choose a group of companies in which he believes the future inherent in the "peel off" is strong. If the company's stock market growth is above the market average in the "peel off" can also be above the market average, the capital gains will be above the market average.
FROM WASHINGTON ...Ahead of the Bryce

BY CARLISLE BARGER

When the United States gained its independence from Great Britain its leaders had to go to work like every other citizen of a new nation and the going was hard.

Independence of the African nations may not have helped the people of those nations but it certainly has meant a windfall for the leaders.

A few weeks ago, one Aronne Asaun A. Uber, age 30, moved to a $40,000 house at Lloyd Harbor, a plush section of Long Island. The property includes eight acres overlooking the water; a 42-room mansion will house the Uber’s three children, a staff of 10, and a swimming pool.

And is this affluent young man, A. Uber’s rising young executive? An heir to corporate millions? Not so. Mr. Uber is Ambassador to the United Nations from the Ivory Coast, one of the former French colonies that gained independence a year ago. The estate has been purchased with proceeds from the sale of the latter, a case of foreign currencies into local currencies.

It is the Ivory Coast that only just recently, also an heir to corporate millions, as an infant Republic that cannot possibly make and spend on its own. What a stroke of luck, Mr. Nkrumah is seeking credit where he cannot, his cause is not greatly helped, it might be suggested, by the chartered BOAC airliner that brought him and a delegation of Cabinet members from the United Nations. Mr. Nkrumah expected to be in New York only two days; he was to make one speech. But his staff, which shortly grew to 70, took 40 suites in the Waldorf-Astoria, an elegant reception was held. At all that Ghana’s reception in New York was mere tea and stories compared to a dinner the Indonesian Embassy threw in Washington last month for 1,200 guests. A single ticket cost very fairly well insured to eating high on the Washington bog, with Chinese food and no worry about his famous words, “Do what you will, your capital is at risk.”

While the United States gained its independence from Great Britain its leaders had to go to work like every other citizen of a new nation and the going was hard.

The Immigration Act of 1924 is an example of the provisions that have been made to restrict the entry of immigrants. It was passed by Congress and signed into law by President Calvin Coolidge in 1924. The act limited the number of immigrants who could enter the United States to 150,000 per year, with an additional 100,000 for the Southern Hemisphere.

The act also required immigrants to pass through a medical examination before entering the United States. This was done to prevent the entry of individuals who might be carriers of infectious diseases.

The act was controversial at the time it was passed, with some arguing that it was too harsh and would prevent the entry of skilled workers who were needed by the United States. Others argued that it was necessary to protect the United States from the entry of undesirables.

The act remained in effect until 1965, when it was replaced by the Immigration and Nationality Act of 1965. This act was much more liberal than the 1924 act, and it has remained in effect to the present day.

The 1924 act was not the only piece of legislation that was passed to restrict immigration. In 1930, Congress passed the National Origins Act, which established a numerical quota system for the entry of immigrants based on the ancestry of the individual.

The quota system was revised several times over the years, with the most significant change coming in 1965 with the passage of the Immigration and Nationality Act of 1965. This act abolished the quota system and replaced it with a system of family preference and employment-based immigration.

The act of 1924 was not without controversy, and it was criticized by many who argued that it was too harsh and would prevent the entry of skilled workers who were needed by the United States. However, the act was also popular with many who argued that it was necessary to protect the United States from the entry of undesirables.

The act of 1924 remains in effect to this day, and it continues to be a source of controversy and debate.
Current Problems Facing The Savings Banks Industry

By Samuel W. Hawley, President, National Association of Mutual Savings Banks and President, People’s Savings Bank, Bridgeport, Conn.

Savings bank trade head comments on the crucial relationship between legislation and success of the industry. He also states his views on the need for greater understanding among the people of the savings banks movement.

In addressing the annual meeting of the Savings Banks Association of New York, I am very much in the position of a corporation president talking to his largest stockholders. However, only 25% of the number of banks are in New York, and by comparison you could pick New York banks whose assets would total more than all 107 banks of the next largest savings bank state. Massachusetts.

These greatly contrasting figures are typical of the situation facing savings banking. We are an industry characterized by differences and contrasts, highly individualistic units of unlike character, operating in such diverse business surroundings as 42 Street and Falls Village, Conn. Underlying all these differences is a common bond—a bond between state and nation, between local community and national economy. We are a nation-wide industry, with the many local peculiarities making us more understandable particularly important to us.

Public-Confidence Essential

Banking needs the public. The citizen has changed greatly with the redistribution of incomes and wealth, and the movements of population which have taken place in the last quarter century. Institutions, to survive, must keep themselves attuned to the changing needs of the public. We must be able to recognize these needs and to respond to them. Our ability to meet these needs can add powers with which to offset the technocratic tendencies, to enhance the public confidence which we already enjoy.

So, in carrying out our task of providing the people the banking service they want and need, it is desirable to explain simply and clearly the significance of what we do, the purposes which motivate us, and the public benefits which accrue from our activities.

In order to be trusted by law, it would have required, it is true, that we now have to operate and the public must be satisfied that our motives are as we say—prosperity of the public, rather than selfish in their origin. If by any merit or zeal of leadership, the impression that savings banks are not meeting the public needs of all home financing in this area, it might offset many hundreds of thousands of dollars of paid publicity in New York City. By the same token, thanks to press and radio, a controversy on Long Island may have repercussion throughout the land.

We are in the position of operating under widely differing local conditions both as between banks and between states, and yet to the public benefit and to the interest of the banks may be many, many local variations, or perhaps a combination of all. We are concerned with the needs of developments of the public for funds, and the future of the industry.

In other important areas of the nation, the whole spirit of the people of the savings bank industry is as great as the spirit of the whole communities in which the banks operate. For instance, where the sources of our greatest concentration of savings bank assets in the country, is the Federal Savings and Loan Association, to which the Federal Savings and Loan Association has been valuable contributions to the industry. Those banks which are not performing as expected are recognized as having a future in the national policy, in such as in the housing field as well as in the local scene, but on the national level as well. This is born, upon our growing awareness of the need to cover the fees of Federal agencies and examinations. We must understand and state our policies with the public in the housing field as well as in the local scene, but on the national level as well. This is born, upon our growing awareness of the need to cover the fees of Federal agencies and examinations. We must understand and state our policies with the public in the housing field as well as in the local scene, but on the national level as well.

The significance of our savings banks has become more and more apparent to us as the public has become more and more aware of the needs of our communities, and the ability to meet these needs. We are aware of the needs of our communities, and the ability to meet these needs. We are aware of the needs of our communities, and the ability to meet these needs. We are aware of the needs of our communities, and the ability to meet these needs.

Mortgage Investments

Competition for savings of the public seems to have increased, and cost of funds necessary to operate our institution.

For many years savings banks have labored to extend our systems of savings and security. At last long there has come a prevalence of a lack of confidence in every public mortgage field. Among our own trustees, among the bankers, among the people, there is a feeling that the public and the whole country, and therefore at the min. Our mortgage investments.

For many years savings banks have labored to extend our systems of savings and security. At last long there has come a prevalence of a lack of confidence in every public mortgage field. Among our own trustees, among the bankers, among the people, there is a feeling that the public and the whole country, and therefore at the min. Our mortgage investments.

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.

New Issue

October 11, 1961

200,000 SHARES

Urethane Industries International, Inc.

COMMON STOCK

(Par Value $1.00)

PRICE: $5.00 per share

Copies of the Prospectus may be obtained in any State in which this announcement is circulated from any of the undersigned or other brokers or dealers as may lawfully offer these securities in such State.

Gart & Polonita, Inc.

Fleetwood Securities Corp. Lubetkin, Regan & Kennedy of America
The Economic Outlook

By Dr. Robert A. Kavesh, Associate Professor of Economics and Finance, Graduate School of Business Administration, New York University.

Economics' appraisal of the economic outlook considers the disquieting increase in business pessimism about the prospects of a profitless prosperity and, notwithstanding, the positive factors pushing GNP to a 3.6% billion level by the end of next year. Dr. Kavesh is convinced we are in for a broadly based upswing performance not out of line with earlier periods of prosperity and expects prices to remain steady.

The general mood of the business community during the past few weeks has shifted from optimism to uncertainty. Not that the major economic indicators have changed their tone or direction, almost all the series continue to exhibit a upward momentum. Here and there, evidence of a tailing off of temporary setbacks is evident in the statistical releases, but the pattern is not unusual during a period of recovery.

No, the concern, basically stems from two closely different, unsettling developments.

The resumption of nuclear testing and the tensions in Berlin and the U.N. have produced widespread concern and anxiety. For the first time, in an age of emergencies, many Americans have come to realise that war is not only possible, but probable. This conclusion may or may not be warranted, but it clearly puts the matter of business activity in a subordinate role.

Less dramatic, but also disturbing, was the recent flurry over the prices and profits. The President's message to the steel producers holding the line was met by dismay and resentment. Much of the controversy, however, was rendered academic by the unexpected cut in world aluminum prices. The net result of all this was a sense of puzzlement—a haunting question on the prospects of a profitless prosperity.

Although these two elements—so different in their meaning and impact—are at the heart of the business community's interest, it is interesting to note that they both reflect a much closer involvement of the United States in world affairs.

To be sure, this has been true during the entire postwar period as far as military commitments were concerned. What distinguishes this period is merely its magnitude and imminence.

U. S. Loses "Trump Card?"

But for America to be once again a member of the world economic community is still somewhat in the nature of a surprise. For many years—long enough, perhaps, to have produced considerable complacency—the U.S. had held all the chips in the international game of economic poker. We had, in effect, strategically, staked much of the world so the game wouldn't end. But while we set the rules and traveled the strategies, the other players watched carefully and learned.

Now the match is being conducted on a more equal basis. Several nations have piled up large stocks of chips and are betting with vigor and assurance. And all too often they hold the high cards.

This circumstance, so swift as some see it, has produced disquieting results. The fact remains, however, that the postwar era is over. Supply and demand on a competitive world-wide basis are in closer balance today than they have been in a generation. For many American producers this signifies the twilight of a long era of good and easy times. Newer disciplines must be appraised and mastered; the adjustments will not be easy.

Business Prospects Exceed Expectations

Businessmen are quite aware that new competitive era is in the making; it would be foolish to downplay the current interplay of forces in the American economy. In this it is an assumption many would challenge) the immediate trend of business activity includes time to show substantive vigor. Indeed, the list of positive factors could be cited:

1) Government spending is slated to rise rapidly, chiefly on increased defense outlays. As these expenditures are made (and the brunt will not be felt until next year) the economy will experience an added flow of income and output.

2) Consumer buying—so far a keen disappointment—should be in to pick up as incomes rise and confidence is restored. Next year should witness a sharp recovery in automobile sales.

3) Most surveys point to a marked increase in capital spending. By mid-1962, this sector should be playing a major role in lifting the economy to higher levels.

4) Housing, too, seems to be slated for improvement. An increase of at least $10 billion in one million units next year is a reasonable expectation to anticipate.

All in all, the pattern that appears to be emerging is one of a rise in postwar upturns. By the end of next year the Gross National Product should be in the neighborhood of $500 billion, with gross national product earnings in excess of $55 billion.

Not only will this performance be out of line with earlier periods of prosperity. This must represent a pattern of permanent growth, similar to several previous postwar upturns.

One element of concern in this picture would continue to be the level of unemployment. For under these conditions, there would still be roughly 5% on jobs—nonsurplus, substantially above what the President has set as a target. Thus, the Unemployment

But forecasting is still the art of selecting the probable outcome. What could go wrong to upset these estimates? For one thing, the international scene, even barring the military aspects) poses a major uncertainty. As our economic advances, the role of imports will in all probability rise. No such increase appears to be in the offing for the export markets. Consequently, we may witness a recurrence of the balance of payments difficulties that plagued us last year.

To counter this problem we may have to resort to currency restraints. To such an extent the pace of economic activity might be substantially affected.

The fact that continuing conferences are held, fielded on these matters attests to the concern felt here and abroad over the future of the dollar.

In a similar vein, the possibilities of further inflation cannot be entirely ruled out. For the first time in five years upward pressures on prices appear to be minimal. Yet inflation has frequently occurred when least expected. A renewal would accentuate the balance of payments problem and conceivably jeopardize the stability of the economy.

On balance, however, the positive elements in the business picture clearly outweigh the potential pitfalls. Caution will continue to be the watchword—and this is perhaps as it should be. The long years of the sellers' markets are all but vanished. The return to a world of balanced economic power should furnish a needed stimulus to American talent and ingenuity. A positive response to this new challenge would provide the tonic—not only to ourselves, but to our Allies as well.

John Francis Weiss John W. Winnett, Jr.

California Inv. Adds

With California Investors

Bache Co. Admits

VAN YUN, Calif.—Salvatore E. Cammarata has become associated with California Investors, 1401 Mission Street, San Francisco, with Samuel B. Franklin & Co., & Co.,

BOWERY Savings Bank

NEW YORK CITY

A MUTUAL INSTITUTION

Member Federal Deposit Insurance Corporation

Seeking TAX-FREE Exchange? There are only

19 more days left for TAX-FREE exchange for shares of

Ohio Franklin Fund Inc.

Common Stock

The Ohio Company, Dealer Manager of the Fund.

A mutual fund emphasizing possible long-term growth of capital and income. Fund shares are issued for exchange for blocks of acceptable securities with a market value of at least $5000. No capital gains tax is incurred by investors at the time of exchange. The exchange is based on one Fund share for each $200.00 of market value of deposited securities, less exchange fees, as described in the Prospectus. A copy of the Prospectus may be obtained in the states where authorized for distribution, from The Ohio Company, Dealer Manager of the Fund.

(1971)
Recent Financial Growth Of Canadian Institutions

By Neil J. McKinnon, President, Canadian Imperial Bank of Commerce

Canadian banker ticks off significant financial developments in the past decade keeping up with changes in the economy's structure. This takes in the increasing participation of savings in the form of life insurance, and the lag in chartered banks' savings deposits despite the marked rise in savings, assets of life insurance companies, and the pension plans and trust companies' rate of growth. The Government, through its Industrial Development Bank, Central Mortgage & Housing Corp., Export Credit Insurance Corp., and Farm Credit Corp., is shown to be involved in financing housing, export insurance and credit facilities, industrial development, agricultural activities. Moreover, personal loans' phasing out is related to "day-to-day" loans made by chartered banks against Treasury bills, and Government bonds of up to 3 years maturity.

Although the banking systems in the United States and Canada now vary widely, it is perhaps not generally realized that there is a close historical relationship. The founders of the early Canadian banks borrowed literally from the Charter of the first bank of the United States which was opened in 1791 and which permitted branch banking on a national scale. The chartered banks doing business in Canada are authorized by charter to operate on a national scale. These charters are reviewed decently. The banks compete actively for savings and other notice and commercial deposits. At the end of July this year the chartered banks operated 5,250 offices from coast to coast servicing over an estimated 11,000,000 savings depositors. The total personal savings deposited in those chartered banks increased by 54% during the past year, totaling in excess of $7,600,000,000. The deposits represented approximately 60% of the total Canadian dollar deposit liabilities of certificate of deposits of the banks at the end of July. The institution I reprehensive for instance operates apart from foreign offices 1,243 branches in Canada ranging from north of the Arctic Circle to our joint border and from the Atlantic Ocean on the east to the Pacific Ocean on the west. Savings deposits entrusted to us by Canadians were close to $2,000,000,000.

The development of the branch banking system in Canada while serving to mobilize economically the savings resources of Canadians has not inhibited the growth of other savings institutions in Canada which vary widely from the Canadian Government Post Office and savings offices sponsored by Provincial Governments to Trust Companies and Credit Unions. It is of interest to note that in the five years ending in 1964 deposits in those chartered banks increased by 50%, those in trust companies increased by 60% and those in credit unions by 95%. The latter two classes of institutions, while engaging in many facets of finance including trust and investment services, are not limited by banking laws in their fields of activity or in the nature of their assets. As they may charge higher rates, they have greater flexibility than the other category of deposits and have grown more rapidly.

Economic growth of course takes many forms. Indeed, it takes many forms. Otherwise progress in one sphere would be hampered by the lack of it in others. The increase of 45% in Canada's Gross National Product over the past ten years could not have been achieved without a considerable improvement in the diverse factors that are involved in its financing and distribution.

The actual mechanics of distributing the increased funds involved fundamental changes—and not without strain during the post-war period. The financial world too has had to be constantly alert in order to keep pace with, and when possible to anticipate, structural developments within the economy. I should like to review the more significant changes which have occurred as a result in the financial scene during the past ten or so years.

Increasing Government Financing

It may well be that a most interesting financial development of the 50's and 60's to date will prove to be the increased and ongoing participation of government in various aspects of finance and insurance. The government by agencies of government through special types of credit such as Farm Improvement and Home Improvement Loans has been in effect since 1945, but more recent years have seen the expansion of government investment involvement in other fields of the credit markets and Corporations at similar means. Not only have new facilities been set up, but the functions and scope of those longer standing have been greatly expanded.

Characteristic of these agencies is the creation of the National Housing Act and to co-ordinate the activities of the Federal Government. The Federal Government now plays a minor role in the sphere of residential construction. In the 25 years since the passing of the first Housing Act, units built under the National Housing Act totalled 600,000, compared with 1.6 million total.

The proportion thus built in the 1951-60 decade was 41%. In 1958, public funds advanced through Central Mortgage & Housing Corporation totalled $243,000,000 actually exceeded by $61,000,000 commitments by approved lenders such as insurance and trust companies and banks.

The National Housing Act during the present session is expected to increase from $1,000,000,000 to $2,000,000,000, or a charge on the Consolidated Revenue Fund for direct loans by the Central Mortgage & Housing Corp. Funds available for other financial institutions to participate in this legislation are also to be doubled: to $10,000,000 for housing and consumer's credit to $20,000,000 for university housing projects, and to $20,000,000 for sewage treatment projects.

The importance of the increased number of chartered banks with minor exceptions prohibition and other aspects of the security of mortgages, but the revision of the National Housing Act in 1954 had provisions for them to finance housing construction by mortgage loans not insured under the Act, and this change did not directly provide for the revision of the Bank Act in the same year. Mortgages by government agencies of government in special types of credit such as Farm Improvement and Home Improvement Loans has been in effect since 1945, but more recent years have seen the expansion of government investment involvement in other fields of the credit markets and Corporations at similar means. Not only have new facilities been set up, but the functions and scope of those longer standing have been greatly expanded.

Financial Foreign Trade

The 10.5% total increase for the export trade was taken last year in Canada's total balance of trade and the increase in foreign trade is expected to be important in foreign trade. The increase in foreign trade has been expected to be in the form of imports. In the past the Canadian Government has been interested in the part of the increase in foreign trade in the form of imports which has been in the area of machinery supplied to Chile on long-term credit by Inland Bank of Chile and to use in the future.
U. K. Should Sell Forward Instead of Spot Sterling

By Paul Einzig

Foreign exchange speculation upholds his country for selling forward instead of spot and, by precipitously lowering the bank rate from 1% to 6% while announcing there would be no relaxation of the credit squeeze. To stop the "hot-money" influx and to avoid the flight of the I.B.D. mistakes, Mr. Einzig urges a policy of Widening the forward discount and, thus, avoid what he terms a phony, window-dressing increase in gold and dollar reserves. The substantial sacrifice of sterling basic resources, he argues, instead of what is feared to be an attempt to camouflage il-

LONDON, Eng.—One of the most deplorable consequences of the nationalization of the Bank of England has been that Bank rate changes are now liable to be affected by political considerations. The timing of the decision to lower the Bank rate from 7% to 6% on Oct. 5 must have been largely influenced by the Government’s desire to make a popular gesture on the eve of the annual Conference of the Conservative Party at which the industrial situation will be debated on Oct. 13. It seems probable that even from this point of view, Mr. Selwyn Lloyd missculated the effect of this move. He must be strangely unfamiliar with the mood of the rank and file of his party if he thinks that a slacking of his determination to check wage inflation would receive a favorable welcome.

ContraDuctive Policy

Even those industrialists who are short-sighted enough to be pleased with this light immediate relief, must feel it is at the cost of producing the chance of some lasting improvement in the credit of sterling. As their result, there is a continuation of the increased cost of living, unemployment, and reduced wages. The only concreteness reasons given for making the decision were that it was now under pressure that the Bank rate was attracting far too much money for speculating purposes. The reason for the return of confidence in the English currency is also sound to be affected by the cheating of nationalized funds to foreign bond market, and of the limited supply of the gold standard funds. The basic position remains unsatisfactory.

The Better Way to Stop Hot Money Influx

As for the influx of hot money currently, the Government has the remedy in its own hands. All that is necessary to cure the ailments of the bank rate is to do is to widen the discount on forward sterling by means of selling sterling for forward delivery. The result of this approach is that the upper limit of pound exchange is £2.5, there is now evidenced too much risk in the short-term sterling investments. And if the cost of lending sterling is made too high, by a widening of the discount on forward sterling, it would reduce the interest arbitrage to a bare vantage point.

Instead, the Exchange Equalization Account has been selling spot sterling to prevent a further rise of the spot rate. In doing so, it is in fact accumulating dollar balances, the counterpart of which is represented by hot money. The mistake of 1960 is repeated once more. A policy of increasing the gold and dollar reserves instead of window dressing purposes is pursued regardless of the fact that the Interested shows in the monthly returns is purely fictitious and does not induce any basic improvement.

Selling Forward Exchange: In the Unit Account

An account would be well in position to check the influx by the simple technical device of selling forward instead of buying spot sterling. A widening of the forward discount would bring the inflow to a halt, and eventually reverse it. But it seems that the Treasury wants to know an increase of the reserve no matter how phony that increase may be. Evidently the main object of the British foreign exchange policy is to encourage this influx, so as to enable the Government to claim credit for having brought about an improvement in sterling.

The adoption of forward exchange tactics on the lines suggested above would have avoided it unnecessary to lower the Bank rate for the purpose of discouraging the influx. The only reason that remains to be seen whether a corresponding narrowing of the discount on forward sterling, would neutralize the effect of the Bank rate on interest arbitrage operations.

There are other indications that seem to show that the Government is much keener on camouflaging the exchange situation than in pursuing an determined policy to stabilize it. Several British firms have recently been authorized to raise capital abroad. There is everything to be said for this if the funds are used for the financing of investment abroad. But this is by no means the case. Improvements in the trend of the Treasury’s policy in supporting such a thing may be e t n e t t e d e y c e r t i f i c a t e s it seems that the aim is to encourage long-term borrowing abroad on private account. Instead of making a really determined effort to improve the balance of payments, this would enable Britain to live on borrowed money a little longer. If the above assumption should prove to be correct, it would mean the opening of yet another chapter in the history of "boots -paradise -economies."

Natural Gas Is Billion Dollar Texas Industry

Texas gas distribution and pipeline companies, natural gas producers, and manufacturers of gas appliances and components add up to a billion-dollar-a-year business according to trade officials.

Natural gas is a billion-dollar-a-year business in Texas, the American Gas Association’s managing director said in Dallas on Oct. 7 at the first convention of the industry’s national trade association ever held in the state. C. S. Stockpile noted that Texas gas distribution and pipeline companies had added the third of a billion dollar’s worth of business a year within the state, double the volume in ten years ago.

"To this must be added the sales of the state’s natural gas producers, which now amount to two and a half billion dollars a year, plus the sales of Texas companies manufacturing supplies and equipment," he said. More than two dozen gas distribution companies, pipelines, and associated manufacturing plants in the state are members of the gas industry’s national-trade association.

Mr. Stockpile reported that Texas serves as the hub of a vast natural gas pipeline network supplying millions of residential, industrial and commercial gas customers throughout the Atlantic Seaboard, Midwest, Pacific Northwest and Southern California.

Organized and wholly owned by the Mutual Savings Banks of New York State, SAVINGS BANKS TRUST COMPANY is the savings banks’ bank, serving them and their agencies exclusively as depository, correspondent, investment consultant and trustee; also as a research body and clearing house for information on matters of interest to the Savings Banks Association and its members.

JOHN ADKISSON, Chairman, savings Bank
F. W. HARRISON, President, Board, Chautauqua County Savings Bank
GEORGE T. BOWERS, Trustee, President, Salvation Army Savings Bank
JAMES M. BRIDGWATER, President, First Savings Bank
JAMES J. CONWAY, President, Bay Island City Savings Bank
WILLIAM H. HADDEN, President, Board, Chautauqua County Savings Bank
THOMAS H. HAWKS, President, Board, Commercial City Savings Bank
WALTER J. HESS, President, New Ulster Savings Bank
ADOGO DREIBL, President, Board, Chautauqua County Savings Bank
GEORGE C. JOHNSON, President, Board, Chautauqua County Savings Bank
JAMES B. MOORE, President, Board, Chautauqua County Savings Bank
WILLIAM F. LEWIS, President, Board, Chautauqua County Savings Bank
R. A. DEMPSEY, President, Board, Chautauqua County Savings Bank
WILLIAM A. LYON, President, Board, Chautauqua County Savings Bank
ALFRED S. MILLER, President, Board, Chautauqua County Savings Bank
WILLIAM A. SCOTT, President, Board, Chautauqua County Savings Bank
WILLIAM A. SWATTER, President, Board, Chautauqua County Savings Bank
EARL S. STOY, President, Board, Chautauqua County Savings Bank
S. D. WATTS, President, Board, Chautauqua County Savings Bank
HAMILTON R. WHEELER, President, Board, Chautauqua County Savings Bank

SAVINGS BANKS TRUST COMPANY
14 WALL STREET, NEW YORK, N. Y.
Steel Production - Electric Output

The uncertainties inherent in the rapidly changing world economy have continued to act as an unsettling business influence, says the October New England Letter of the First National Bank of Boston. Businessman's confidence is somewhat sluggish, and the level of capital investment still worries concern. Although the rate of advance has slowed down in late summer, compared with the exceedingly strong recovery pace which was not unusual for recovery periods.

The over-all economy remains sufficiently buoyant in September, with rising activity broadly distributed. Steel companies have provided a reasonable basis for anticipating a further pick-up during the fourth quarter, probably of more-than-seasonal proportions. Automobile output was hampered by local strikes, affecting the major producers, and by strong demands for steel in shipbuilding. Catching-up efforts in building 1962 cars, and a broadening of steel demand, now reported to include a notable expansion in size of orders as some users attempt to build inventories. However, this will provide active support for the steel industry.

Looking at the third quarter as a whole, early estimates of green national product indicate a total output of goods and services—steel and other metal products—of $526 billion annual rate. This is some $8 billion above the intermediate peak. As expected, production will rise to its second quarter of 1961, when this basic shift in inventory accumulation would be expected to continue. Final demand—GDP after all final inventories—probably increased at approximately the same rate in both the second and third quarters.

The Federal Reserve index made its second high of 113 (1957 equals 100), but the gains were not sustained, the index being smaller than February since January 1958. While output has bounded nearly 11% above the 1957 level, and is also 1.5% above its January, 1960 level, the activity of industries remain below their 1959 peak; particularly in the construction, metals, non-electrical machinery, motor vehicles, aircraft, lumber, and textiles.

During this recovery, both total non-farm and manufacturing employment have recovered more rapidly than in the 1958 upswing. The gain in manufacturing jobs from February to August of less than 4%, and increase in average hours of production workers of 3%, are considerably below the 10% increase in the second quarter. While, admittedly a rough measure, this suggests there has been a good gain in factory productivity per employee. Some part of this turn helps to explain the vigorous rebound in corporate profits to a seasonally adjusted rate of around $45 billion in the second quarter, and the optimism after further improvement in the fourth quarter just may follow.

While many industries continue to experience an earnings squeeze, physical plans to remain with us for some time, there has been a noticeable improvement in business plans for spending on major projects. The most recent government survey estimates a 5% rise in the third quarter and a 10% for the fourth quarter, the latter figure would be 7% above the cyclical low of the second quarter. According to this pattern, the year 1961 would have shown a growth of 3% or 7% above 1960, and only about two-thirds of the way back from the low year—1960—to the peak of 1967. While now seems unlikely, with industry still possessing considerable excess capacity, that there will be sustained, material, upward spending in the next segment, this year's economy should be contributing more above the expected upswing.

What of the consumer, who seems to have been concentrating his buying since 1961 on the wage-reducing and reducing his installment debt? Personal income has been rising during the past two months in the third quarter slow down, while in employment, wage, and hours worked, in agricultural productivity, and thus guide further gain ahead. This would contribute to rising spending, and, therefore, to a recovery shop.

Probably the key item to watch is passenger car sales. Discounting for the industry's optimism at model introduction, the front-run with the facts would seem to justify expectations. In 1962, sales models, following a slow upswing in early new stock. Rising income, the ability of consumer to absorb increased debt, the age-wield on this generation, the lower level of stocks of used cars, the long, sustained strength, and wide selection of new models — all these seem favorable. Growing consumer confidence and some pent-up demand could push the sales curve above the expected trend if the new cars really have sufficient "appeal." Only time will provide the answer.

While it appears on the basis of gathering evidence that the consumer and investment sectors of the economy are generating forward motion to that of the government, the uncertainty has been made so much of the momentum for early recovery, that the press impression at this time is one of sustained strength over the next year rather than unrestrained boom, as seen by some optimists. Such a pattern of stability, if broadened, will be less likely to generate excessive inflationary pressures, and thus would be infinitely more healthy and desirable.

**Rank Closings 1.5% Higher Than Same Week Last Year**

Bank closings were down an increase compared with a year ago, according to the New York Times. Bank closings were reported by the Chronicle based on telephone-graphics from the chief bank examiner. If they don't, for the week ended Saturday, Oct. 7, closings for all cities of the United States for which it is possible to give reliable data, was 1.5% above those of the corresponding week last year. Our preliminary total stood at $2,584,928 against $3,127,840,975. The comparative summary for the major banking centers for the week follows:

<table>
<thead>
<tr>
<th>City</th>
<th>Closings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>1,000</td>
</tr>
<tr>
<td>New York</td>
<td>2,500</td>
</tr>
</tbody>
</table>

**Iron Age Says Oct. Has Yo Be Major Month For Steel**

October has to written off as a major recovery month in steel production, according to the Iron Age reports.

Auto strikes, first at General Motors, then at this month have not been made up by increases in production. To aggravate the auto strike situation, General Motors has not scheduled a new contract to compensate for lost time. It had been expected that the steel needed for the GM strike would see an all-out production effort on the part of steel producers. This has not materialized.

At the time of the Gm strike, this automaker told suppliers to hold up on shipments, but not production. Now, the unshipped steel is making up a large portion of the steel requirements for October.

The result, The Iron Age says, is a big hit for steelmakers who had confidently expected would clear the backlog. For auto makers worse, the pattern is being repeated at Ford where there has been a second work stoppage in the second week.

Hope now is that auto sales will show a sharp jump and automakers will start to increase their order output. But if sales of the 1962 models take off, steel requirements will get a fast resumption and the year could end on a good upturn.

Except for those steel producers in the general demand for steel is there, the steelmakers have been coming into season strength, and are taking good tonnages. Even without steel producers in the car market, it is comprised of large public projects, the steel industry will continue to be the leading of commercial and industrial work.

Steel service centers report an increase in September business, with a further gain expected this month. The outlook for the December is the peak month of the year. One of the largest steel producers, with a broad enough base to avoid automotive domination, reports that this month in September was the best for orders since June. At this mill, many orders have been come out of a lathetight period. In some areas, November is running in line with the October, and December is out in front of November for comparable periods, which tonnage in steel to date is small, but the slight bulge in November indicate speculative sources and may be significant. For the third quarter, defense orders are showing up in more than taken tonnage. Defense - related orders for steel, such as bar stock, up to about three-inch diameter material in November, with the United States for which it is possible to give reliable data, was 1.5% above those of the corresponding week last year. Our preliminary total stood at $2,584,928 against $3,127,840,975. The comparative summary for the major banking centers for the week follows:

<table>
<thead>
<tr>
<th>City</th>
<th>Closings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>1,000</td>
</tr>
<tr>
<td>New York</td>
<td>2,500</td>
</tr>
</tbody>
</table>

**Steel Mill Needs More Commodities**

Labor conditions in the automotive industry continue to keep the steel companies ahead of the expected production levels, according to the Iron Age reports.

Ford and Chrysler are buying cautiously, but material has not been release to make as much steel as steelmakers expected. Sales executives have two theories—either automotive steel is not available or steel prices are too high, or estimators, or automakers do not intend to have an important order out put enough to make up for the production lost in September. If one major Japanese good, automakers will probably order more steel, According to new delivery than they will take this month. Until they step up their purchases, the steel market will have a hard time getting off dead center. Steel companies are not only producing more, steelmakers are cheered by uptakers in the important auto market.

Tank and boat fabricators are stepping up material orders. Similarly, the shipbuilding and chemical industries are producing good steel precision parts. Further slight improvement in demand for iron and steel as a whole is noted. More tonnage is going into forgings and castings instead. Defense requirements are heavier, and the steel service centers are specifying more freely.

Although the building season is advancing, structural activity continues to be a main prop of the steel market. Volume in being fairly well sustained, it is comprised of largely public projects, the steel industry is benefiting of commercial and industrial work.

Steel service centers report an increase in September business, with a further gain expected this month. The outlook for the December is the peak month of the year. One of the largest steel producers, with a broad enough base to avoid automotive domination, reports that this month in September was the best for orders since June. At this mill, many orders have been come out of a lathetight period. In some areas, November is running in line with the October, and December is out in front of November for comparable periods, which tonnage in steel to date is small, but the slight bulge in November indicate speculative sources and may be significant. For the third quarter, defense orders are showing up in more than taken tonnage. Defense - related orders for steel, such as bar stock, up to about three-inch diameter material in November, with the United States for which it is possible to give reliable data, was 1.5% above those of the corresponding week last year. Our preliminary total stood at $2,584,928 against $3,127,840,975. The comparative summary for the major banking centers for the week follows:

<table>
<thead>
<tr>
<th>City</th>
<th>Closings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>1,000</td>
</tr>
<tr>
<td>New York</td>
<td>2,500</td>
</tr>
</tbody>
</table>

**Dividend Notice**

The Board of Directors of the Federal Reserve Bank of St. Louis, on October 2, 1961, declared a 6% stock dividend payable on November 15, 1961, to stockholders of record at the close of business on October 15, 1961.

**Regular Quarterly Dividend**

The Board of Directors has declared this day common stock dividend No. 100 of 27 1/2% payable on Nov. 15, 1961, to stockholders of record at the close of business on November 1, 1961.
THE MARKET...AND YOU

By WALLACE STREETE

What demand showed up to brighten this market last week was highly selective but did serve to keep the general list on a rather even keel. There was no major trading on the stock market side as investors were waiting for some indication of the market's future course.

As they have been for a long time, utilities continued to push up in price, some of them starting a reaction in the market for the recent years and the long-lagging rail average gained 3%, which is about the best possible, work, to nudge to its best posting in the last five years. The industrial average showed little disposition to wander too far from the center of its trend as well as a hint that bids either to test the reaction-low or the top of that range are weak.

The Better Actors

Apart from individual situations where good buying showed up, the better performing stocks of the tobacco, electronics on occasion, show a very scattered list of the paper, drug and food sections.

Some large blocks showed up, and not all of them were obviously on the sell side since prices improved in some cases on the large transactions. And even in the case where the big blocks pulled the market, they were able to rebound mostly once the overrunning momentum curbed up.

Finance company shares also enjoyed good popularity and low-priced San Diego Imperial which controls several well known rent and loan institutions was a volume leader last week. Utilities that appeared repeatedly on the lists of new issues in the not too distant past of this item crossed the tape.

Jumping Splitter

In the tobacco section, Reynolds Tobacco Co., which had not split since 1938, completed a stock split on the week's first session, as a price-setter even though, recently split stocks are supposed to take a breather before jumping into the spot light again. The shares had also been split recently.

Reynolds is a perfect illustration of the market adage that stock splits are bullish. The old shares had closed 1960 at only a bit over $60 under their high for that year, and wound up their trading life this week at around the $50-52 area, a gain of 50%. The new, split 2-for-1, shares have rapidly advanced in price and have been able to rebound almost as quickly as the old shares fell as the new popularity developed for them this week. And at that level the price tag was well above where some other issues had found expedition to split them off. Although Reynolds was not so distinct, since shares in the group, including Consolidated Cigar, U. S. Tobacco, Liggett & Myers, Loessedahl and Sterling, were also prominent in the new highs to make their repre sentation rather complete.

Among the other things that varied was the tobacco section were preliminary indications that new brands were being tested marketing and could set another trend to the bull side as that ranged a few years back. At that time all the excite ment was in the seasonal increases that fell off the effects of all the recurring health problems. The resultant performance was Loewig which had sold for a shade over 15 in 1963 and was running at 20 by the time before it joined the stock price parade with the other groups.

Striking Utilities' Demand

The continued demand for solid utility issues was something of a surprise in the market but the institutional interest must be cent ering on this section. The de mand mount as more and more ap piances move into the hands of more and more homes. Some obvious lump in the expansion program of major electric companies to try to keep up with the demand. Consolidated Edison has been one of the leading companies to embark on a five-year expansion program that will well serve the nation's largest generator of electric power. The company has called for expenditure of more than $330 million, much of the growth potential approaches this company.

The net result is that the staid utility issues with earnings supposed to be sedate has generally running along the line that GE's heavy equipment business is only a fourth of the total and the items are, in fact, were involved in anti-trust suits are an even more important portion of that; so the potential liability could probably roll down to an inconsequential total.

Intriguing Film-TV Item

An issue that is a famous name and has had its share of problems is Paramount Pictures which lately has been far more content to try with its year's low price than the high. Despite the uncertainties, Par mount has been making good progress in turning its extensive holdings into a viable television, as well as building up the business of a subsidiary that is in the electronics data processing field which is one of glamour for a while.

What could make Paramount a dynamic item is the pay-TV system which it has developed in Canada and plans next year to set up in other areas in the country. Since the system operates through franchises, it is not subject to the life-or-death powers of Federal regula tion and are the proposed variations that has been going on in televisions and so far haven't been able to clear the regulatory authorities. It if means with success in this venture the contribution to profits could be substantial. The color-TV market is so broad as well as the world wide devotion, it has gained very much, though it has been growing. Any marked improvement in the color business could give Paramount a lot of good help to Paramount's profit picture. So while there are questions about Paramount's future, it is a good buy to stake a few dollars and hop that the only one of the few dozen of major film exhibitors to have any sort of a dividend record in recent years; its $2 payout has been constant.

The views expressed in this article do not necessarily at any time apply.

Natl' Comm. Fin. Conf. Elects

J. Martin Seiler, Executive Vice President of the New York Stock Exchange of J. A. Armstrong Co., Inc. and Thomas Jeffers, President of Commercial Discount Corp., Chicago, Ill., were elected President and Vice President, respectively, of the National Commercial Finance Conference.

$35,000,000

Los Angeles, Calif., Bonds Offered

A Bank of America N. T. & S. A. has been authorized by the Los Angeles Board of Supervisors, in conjunction with a Chase Manhattan Bank syndicate to purchase an issue of the Stock Exchange of $35,000,000 Los Angeles Unified School District and Los Angeles City Junior College District Bonds, due Nov. 1, 1962 to 1986, inclusive.

The merged syndicate which is managed by Bank of America, includes The First Na tional City Bank of New York, Bankers Trust Company, and Harris Trust and Savings Bank.

The mergers syndicate purchased the stock Exchange of the Los Angeles Unified School District, paying a premium of $1,032, for 3% bonds. The dollar price was 100.705, and the net interest cost to the District was 3.4461.

The merged syndicate purchased the exchange of the Los Angeles City Junior College District Bonds paying a premium of $52.549 for 3% bonds. The dollar price was 100.701, and the net interest cost was 3.60%. The exchange of 1,750 bonds offered to yield from 1.50% to 3.60%, according to maturity.

The Los Angeles Unified School District Bonds sold on Oct. 10 at an average of 100.81, and the Los Angeles City Junior College District Bonds, at an average of 100.65, for a total of $35,600,000. Proceeds will be used for various school purposes in the cities of Los Angeles, Vernon, South Gate, Cheviot Hills, Gardena, Santa Fe nado, and San Fernando, as well as consolidated residential and industrial areas which are unincorporated. About 81% of the sales are in the city of Los Angeles.

New York Stock Exchange Magazine takes a New Look at Color TV

Order today and start with the October issue—full year's subscription—$4.50

New series for color television gives you a quick, comprehensive survey of all the new developments in the industry in a magazine particularly designed for the enthusiast.

Here are just five samples of current business news that the Exchange Magazine, published by the New York Stock Exchange, discusses in detail in the October issue. Facts, figures and opinion help investors size up business developments each month. Send in the coupon today.

Color TV

Set manufacturers have decided to give another push to color TV. The industry has been in a doldrums and the field has dwindled since the first of the year. Read why they are cautious but optimistic.

Management Ownership

Opinions are many and varied on whether shareownership by man agement should be required and whether ownership affects the job an executive does for his company.

The October issue of the Exchange reveals how management and shareholders in 245 companies listed on the New York Stock Exchange.

25 Top Advertisers

This group of big spenders—ex cepted from the August 26 area of Advertising Age—increased ad expenditures in 1960 but spent slightly less per dollar of sales and earnings. Ad budgets for the biggest advertisers among listed companies ranged from 4% to 27% of sales. See the advertising-sales-earnings table in the October issue.

LP Gas—the Baby Giant

Considered worthless 35 years ago, liquid petroleum gas had grown to over 14 billion dollars in 1960. The president of the largest independent distributor of LP gas tells how the industry appears headed for its second stage of growth.

High Speed Stock Tables

With the aid of automatic computers and newly developed electronic equipment, full stock tables can be prepared in 3½ minutes. A story by the general business editor of Associated Press explains the high-speed equipment that will bring stock tables to newspapers across the country faster and more accurately than ever before.

Digital for FRASER
http://fraser.stlouisfed.org/
New Directions in Federal Gas Industry Regulation

Continued from page 3

duction of natural gas lends itself readily to the sale for well or even company by comp¬
any cost of service. This is because the
The man who risks his money to find gas is not the
situation for no other reason than because he has
its own service obligation until he dedi-
cates the gas. But there are some

reasons. The typical utility is a
self-serving investment and consequently
limited yield of gas for the company.

An independent producer

equities the virtues of the pioneering

time—^and the risk—^in the hope

that he is successful.

We cannot expect him to con¬

nism, his money exploring

for gas at the pace which the na¬

tional interest requires without

that a return on the money

ex¬

is applied to most utilities

vantages of the drive toward economy and efficiency

which the Commission has

judged the reward for his efforts.

While I do not doubt, and I

I believe that the Commission

advantages to an individual

in the technical obstacles to an individ¬

ual cost-of-service approach, area

regulations are far from being

for producers and consumers.

The two area rate proceedings,

the Perman Basin and South¬

cess and fully meaning and di¬

orders. For example, the

nished with little and given more meaning and di¬

teristic area rate proceedings.

In announcing that it

onomical-rate-making practices, the

Commission has opened the door to any evidence remotely dealing with the eco¬

omy, efficiency, and stability of the history of the industry. The Com¬

mission is not considering this

inducing new ground and that it would be

necessity to issue additional policy

that the existing procedures are

time clarifying various issues. In

the record in the proceedings is

apt to be so enormous that it

would provide a poor basis for
decision and review.

Ground Rules Essential

While my present thinking is

that the area rate proceedings are

itive device, they can be useful

only if appropriate and compre¬
hensive regulations are adopted and

effect. This has been the con¬

clusion of the Commission. That

duty we can neither shirk nor

dicate is that we have re¬

quire the parties in the proceed¬

ings to make their views, re¬

views and suggestions. We are

ard at this time to present and de¬

is my earnest hope that we will

have the answers, or the bulk of the

quently be in such a position as to be

of part of the Com¬

Be that as it may, it is my earnest hope that

in mind, the public and the

in mind, the public and the

further to make progress at this

an essential part of the

in the Oklahoma area, when

the meat markets of my early

years would give away to pur¬

houses of other meats. Natural

gas has now emerged as one of the

principal petrochemicals. It is

much sought after for its own

in combination with well and of related expen¬

sible to emphasize that I do

not believe that gas, any more

from a natural gas station on the basis of its market status of

half or even a quarter century ago.

Ceilings, Not Floors

I believe that the first step to

be an effective form of regulation, must be set as ceilings and not as

a floor. I believe that this will be completely the possibility of

im¬

in any case when such exceptions can be

Ceilings, Not Floors

I believe that the first step to

be an effective form of regulation, must be set as ceilings and not as

a floor. I believe that this will be completely the possibility of

im¬

in any case when such exceptions can be

Ceilings, Not Floors

I believe that the first step to

be an effective form of regulation, must be set as ceilings and not as

a floor. I believe that this will be completely the possibility of

im¬

in any case when such exceptions can be

Ceilings, Not Floors

I believe that the first step to

be an effective form of regulation, must be set as ceilings and not as

a floor. I believe that this will be completely the possibility of

im¬

in any case when such exceptions can be

Ceilings, Not Floors

I believe that the first step to

be an effective form of regulation, must be set as ceilings and not as

a floor. I believe that this will be completely the possibility of

im¬

in any case when such exceptions can be

Ceilings, Not Floors

I believe that the first step to

be an effective form of regulation, must be set as ceilings and not as

a floor. I believe that this will be completely the possibility of

im¬

in any case when such exceptions can be
nating and perplexing, full of paradoxes and the next step. The first impression of the reader may have been that is exulting in the certainty of its end in the midst of the world's progress. The Federal Reserve Bank of St. Louis is digitized for FRASER.

It is not surprising to find that the central bank of a nation, which has the responsibility for maintaining the stability of the currency and regulating the supply of money, should be interested in the growth and development of the natural gas industry. This industry is one of the most important sectors of the economy, providing energy to homes, industries, and businesses.

The growth of the natural gas industry is characterized by a steady increase in production and consumption. As the population grows and the economy expands, the demand for natural gas increases, leading to higher prices and a need for further exploration and development of new reserves.

The role of the Federal Reserve Bank is to support the stability of the financial system, and it does so by maintaining its independence from political influence. This independence is essential for the central bank to make decisions based on economic principles rather than short-term political considerations.

In conclusion, the growth of the natural gas industry is a reflection of the economy's growth and development. The Federal Reserve Bank plays a crucial role in ensuring the stability of the financial system, which is essential for the continued progress of the natural gas industry.

---

Shaskan & Co. to Admit Partner

Shaskan & Co., 47 Broad Street, New York City, members of the New York Stock Exchange on Nov. 1 will admit Sidney R. Buchman to Partnership.

Now Sherman & Hall

ALLENTOWN, Pa. — The firm name of Schlepel, Sherman & Hall, 539 Hamilton Street, has been changed to Sherman & Hall Inc.

R. T. Brennan Opens

SAN FRANCISCO, Calif.—Russell T. Brennan is engaging in a securities business from offices at 5040 Geary Boulevard.

---

Lowes' Companies Stock Sale

Public offering of 415,000 common shares of Lowes' Companies, Inc. at $12.25 per share is being made by G.H. Wilkerson & Co., Inc., New York City, and associates. The offering marks the initial public sale of the company's common stock.

None of the proceeds from the sale of the stock will accrue to the company as the offering is being made for certain selling stockholders.

Lowes' headquarters in North Wilkesboro, N. C., is engaged directly and through subsidiaries in the retail and wholesale distribution, on a volume basis at discount prices, of building materials and supplies, major household appliances and other consumer durables.

The company currently has 28 sales outlets, located in North Carolina, Tennessee, Virginia and West Virginia. Of these 16 are stores owned by the company, directly or through subsidiaries, and 12 are independently owned.

The "Lowe's" name and self-primarily merchandise purchased by such stores from the company.

---

Educators Inv. Assoc.

SWATHMORE, Pa. — Educators Investment Associates has been formed with offices at 401 Dickinson Avenue to engage in a securities business. Partners are Russell L. Snyder, general partner; and R. K. Snyder, limited partner.
New York Savings Banks’ Deposit Service Solidified

By William Lamonde*, Vice-President, The Bowery Savings Bank, New York

Mr. Lamonde describes the efficiency with which large deposits are handled at New York State savings banks during recent months through the deposits’ Bank, in order to report the Service which is working to the benefit of our members and to the benefit of every member savings bank. As chairman of the Committee on the New York Savings Deposits in the Government Department, it is my function to report the Service which is working to the benefit of our members and to the benefit of every member savings bank.

The Distributor Service is a great potential. We estimate that the untapped market, that is, unhandled by S. D. S. B. in the billions of dollars, made up in part of $3,567,000 has been withdrawn in the last two years. The cooperation of the service almost 3 years ago, has aggregated less than 1% of the amount deposited. I submit that this is an excellent start.

As chairman of the Committee on the New York Savings Deposits in the Government Department, it is my function to report the Service which is working to the benefit of our members and to the benefit of every member savings bank. As chairman of the Committee on the New York Savings Deposits in the Government Department, it is my function to report the Service which is working to the benefit of our members and to the benefit of every member savings bank.

New York Savings Banks’ Deposit Service Solidified

By William Lamonde*, Vice-President, The Bowery Savings Bank, New York

Mr. Lamonde describes the efficiency with which large deposits are handled at New York State savings banks during recent months through the deposits’ Bank, in order to report the Service which is working to the benefit of our members and to the benefit of every member savings bank. As chairman of the Committee on the New York Savings Deposits in the Government Department, it is my function to report the Service which is working to the benefit of our members and to the benefit of every member savings bank. As chairman of the Committee on the New York Savings Deposits in the Government Department, it is my function to report the Service which is working to the benefit of our members and to the benefit of every member savings bank.

The Distributor Service is a great potential. We estimate that the untapped market, that is, unhandled by S. D. S. B. in the billions of dollars, made up in part of $3,567,000 has been withdrawn in the last two years. The cooperation of the service almost 3 years ago, has aggregated less than 1% of the amount deposited. I submit that this is an excellent start.

As chairman of the Committee on the New York Savings Deposits in the Government Department, it is my function to report the Service which is working to the benefit of our members and to the benefit of every member savings bank.
SECURITY SALESMAN'S CORNER  
BY JOHN DUTTON

Clientele Building — A Continuous Process

During the first few years of a security salesman's career, he is well advised to understand that he must be successful if he is interested in ever the possibility of establishing a clientele. But after he has been in the business for a few years, and he has some steady customers, he begins to think less and less of the business as a whole. This is natural development. First of all, he must spend more of his time in servicing his accounts. Also, it is natural for enthusiasm to fade if a salesman becomes more experienced; and along with some degree of success, too tendency to rest on one's laurels is almost a continuing problem among those salesmen who have a good business.

Customers Come — and Go

This would all be very well if it were possible to build a clientele that would replenish itself automatically. A salesman could afford to neglect his "new business contacts" and just sit back and enjoy the fruits of his past labors. But this is not that kind of a world. People move away, and despite the close relationship that may have existed between a security salesman and his client, the impediment of distance often overcomes a customer and he finds that another firm closer to his door can service his account more advantageously. Unfortunately, people die and their heirs sometimes have other contacts and this too, will eventually cause some attrition among the salesman's clients.

Then people become dissatisfied for any number of reasons. A client may think he can obtain better service elsewhere. He may find another salesman who has a good firm behind him and who knows his business. Through some suggested oversight, or neglect, he may start buying securities from a competitor and it can happen that you have lost a client. Competition is very keen in many areas, and it is other firms and salesmen who are doing a good job. You can not become complacent if you wish to hold your business. The other fellow is out there working — and if you wish to stay in the race you must keep your enthusiasm up to par and continually cultivate new accounts.

If you rest on past performance your results next year will very likely be disappointing. If you continue in this rut, sooner or later you will be faced with the reality that you have lost substantial production. It is far wiser to see new people every week, develop a new rapport and keep along, and continue the enthusiastic attitude that you had when you knew you must get out and build your own business.

Overcoming the Eales Slump

Since the sales problem among nearly all salesmen who have been in the business for a while to relax and feel the luxury of sitting around the office, the following suggestions may be of some interest to any member of the profession who may wish to try it. This idea was used by a money manager of a large underwriting, and member firm, whenever he began to get in a rut. He told me that when he was a salesman in a large city, that every time the urge to let up and take it easy would come to him, he would

is a complex communications center

In minutes, an enemy attack could level some of our sprawling cities.

Because of this, the Bell System is now supplementing its great reaches of buried cable with a network of underground communications stations.

Under the protection of a thick earth and concrete cover, and away from target areas, several of these communications centers are already in operation. Many more are to come.

The walls for these installations are huge, reinforced concrete slabs. Ventilation systems filter air so fine that even radioactive fallout cannot enter.

Food and water are stockpiled. Living quarters are provided for all operating personnel.

These buildings are costly. Tough to build. Yet, the Bell System recognizes that communications are the lifelines of our defense systems. And so we took the lead in establishing these underground centers with our own money.

There are many other ingenious projects in our "Survivability" program for America's communications. Many cannot be mentioned here.

Because of them, ambitious command, control and defense systems are feasible. And our vast existing communications network is one of America's most ready defense weapons.

Beneath a field like this...

BELL TELEPHONE SYSTEM
The Commercial and Financial Chronicle . . . Thursday, October 12, 1961

GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The money and capital markets continue to reflect the opinions of market participants that there will be no important change in credit conditions or that interest rates will remain stable in the foreseeable future. The supply of funds and the demands of the economy are in accord with existing regulatory authorities, because through open market operations, the Board of Governors of the Federal Reserve System continues to remain at levels which mean that there will be no shortage of credit for the balance of the year at least.

Cat in British Bank Rate

The need for short-term issues is as large as ever, though there is evidence that there may be a reduction in the hot money which had been held in the Federal Reserve banks as a result of holding long-term obligations.

The production of the English bank rate fund shows that the rate of interest will be determined by the pattern of the economy at home and what develops in the International financial situation. Which of these will be more important is a matter of guesswork since they both will be very important in determining future policy. These followers of the money market expect no increase in the cost of obtaining money and credit for either short- or long-term purposes. They think that the trend of interest rates will be determined by the pattern of the economy at home and what develops in the International financial situation. Which of these will be more important is a matter of guesswork since they both will be very important in determining future policy. These followers of the money market expect no increase in the cost of obtaining money and credit for either short- or long-term purposes.

Treasury's Fall New Money Needs Met

The Treasury allotted $21,798,000 of the funds notes due May 10, 1963 to investors. This was the fifth allotment of $500 million which the Government intended to place on the market as a result of its new money raising operations. Investors, aside from the Government, have been able to limit their subscription of $500 million which were allotted in full. The Treasury is now all thrown with its full new money venture since the last week of this month which completed the week's $500 million offering. This was the six week's offering from the enlargement of the borrowing of the Treasury bill.

The Government has been able to meet its new money market needs by offering only short-term securities. The Government has been able to meet its new money market needs by offering only short-term securities. The Government now has held the pattern intact which has been in effect for the last year for both new money and refunding purposes. There is not likely to be any new policy for the foreseeable future, since the market for long-term Government bonds is still a limited one. Also this sector appears to have been reserved by the Treasury for forward refunding operations which have turned out to be successful ventures for the Government as well as those who exchanged the term-rate securities for the most distant maturities.

Walter Breeden.

The pattern of interest rates is subject to considerable discretion but there are no indications that any new agreement on what is likely to happen with the passage of time has been reached at any time. There are those, however, who still believe there will be a boom, or better still, a superboom which will not be about by the great demand for housing along with sharply higher education costs. This would produce a great demand for funds and this would most likely result in a lessening of the available credit. This would also bring about a change in monetary policy so that interest rates, both long and short, would move up.

It is evident that an economic walk will be based on a boom and bust psychology that will have many implications is going to be brought to an end by the Federal Government. One of the ways in which it will be done is by the use of monetary means, such as restricting the use of credit along with higher interest rates which increases the cost of obtaining these funds.

Conservative School of Thought

The other point of view on the future trend of interest rates is that there will be only a modest upward trend in short-term rates with the cost of long-term borrowings likely to trend up a little bit also. These money market experts are not looking for any sharp increase in the cost of obtaining money and credit for either short- or long-term purposes. They think that the trend of interest rates will be determined by the pattern of the economy at home and what develops in the International financial situation. Which of these will be more important is a matter of guesswork since they both will be very important in determining future policy. These followers of the money market expect no increase in the cost of obtaining money and credit for either short- or long-term purposes.

Specialists in U. S. Government and Federal Agency Securities

AUDREY G. LANSTON & CO.

INCORPORATED

22-24 BROAD STREET
NEW YORK 6, N. Y.

2-2& BOSTON

DENVER, Colo.—Warren P. Bulk
den's system of offices at 885 West Colfax Avenue is completing its fourth year in the office.

L. C. PORTER OPENS OFFICE

M. ANTHONY PORTER is continuing a securities business in the offices of the Alfred I. du Pont Building in Philadelphia.

FRASER.
MUTUAL FUNDS

BY JOSEPH C. POTTER

Open Up That Golden Gate

Millions of Americans, have witnessed the golden gate 
recently in the middle of the world. A gleaming, golden 
structure stands in the center of the world, a symbol of 
freedom and peace. The golden gate is a wonder of 
modern engineering, a testament to human ingenuity.

The funds report

Abacus Fund had net assets of $36,807,160 at $36,807,160 at the end of the year, down 1% from $36,987,160 at the end of the previous year. The fund's performance was mixed, with returns ranging from 1% to 16%.

Canada General Fund Ltd. reported net assets of $35,000,000, an increase of $13,000,000 from the previous year. The fund's performance was mixed, with returns ranging from 1% to 16%.

Carriers & General Fund reported net assets of $32,165,759, an increase of 20% from $26,927,165 at the end of the previous year. The fund's performance was mixed, with returns ranging from 1% to 16%.

Fidelity Capital Fnd, Inc. reported net assets of $30,975,759, an increase of 20% from $25,503,759 at the end of the previous year. The fund's performance was mixed, with returns ranging from 1% to 16%.

General American Investors Co., Inc. reported net assets of $29,165,759, an increase of 20% from $23,927,165 at the end of the previous year. The fund's performance was mixed, with returns ranging from 1% to 16%.

Illinois Power Company

Illinois Power Supplies electricity and gas to a population of 1,120,000 in portions of central Illinois. Leading the field in gas service, the company serves Bloomington and East St. Louis. The company's stock is included in the Dow Jones Industrial Average and the Chicago Board of Trade. The company is a member of the Public Utility Commission of Illinois.

The Public Utility Commission of Illinois has approved the construction of a new power plant, to be located in southern Illinois. The plant will provide a much-needed boost to the local economy, creating jobs and stimulating growth.

ASE Nom. Comm. To Hold Meetings

The Nominating Committee of the NAIC will hold open meetings Nov. 8 and Nov. 10 in the committee room at 467 Trinity Place, New York City, to receive nominations for officers to be filled at the annual election on Monday, Feb. 12. Nominations will be taken at the meeting.

Another $20 million may be required for costs associated with a new gas supply contract with Trunkline Gas. The company expects to increase its rate base by $10 million, which will be reflected in the company's financial statements.
A Prudent Pension Fund Investment Policy

Continued from page 1

What is a Pension Fund?
The typical pension fund is a trust fund meant to provide a guaranteed retirement benefit. The returns on investments can be obtained by those individuals who are covered by the plan. The individual must retire, or die, in order to be paid. The trust fund is designed to cover all the retirement benefits for each individual. It is helpful to know the details of the fund before the retirement age is reached.

Is a Pension Fund? The typical pension fund is a trust fund designed to provide a guaranteed retirement benefit. The returns on investments can be obtained by those individuals who are covered by the plan. The individual must retire, or die, in order to be paid. The trust fund is designed to cover all the retirement benefits for each individual. It is helpful to know the details of the fund before the retirement age is reached.

We are all aware of the facts of life in a collectively-bargained retirement plan. The dollar benefit is subject to the negotiation and administration of the plan. The initial trust is given to, any given retirement plan, but the benefit is not dependent on the trust. The benefit is based on the preservation of the purchasing power of the dollar.

There are many types of plans available, each with a variety of investment theories from which to choose. Be it indexed or not, each plan is designed to provide a guaranteed benefit. The benefit is based on the preservation of the dollar. The goal of the plan is to provide a benefit that will be equal to the purchasing power of the dollar.

For many years the theory of dollar plan was dominant, and was still quite popular in 1960. This is the basic plan with which the pension fund comes.

In the 1960, the various funds held the bulk of pension fund reserves. In 1957, however, the funds had changed dramatically during the past 15 years. During the late 1940s many individuals became aware of the self-insured nature of the pension fund. They were no longer the beneficiaries of government plans, but were now the beneficiaries of their own plans.

In order to answer the question, "What is a prudent investment plan for a pension fund?" let us consider the advantages and disadvantages of various investment options.

(1) What can be considered a prudent investment plan for a pension fund at the present time?

We are now concerned with the advantages and disadvantages of various investment options. We have discovered that there are many different characteristics of a pension fund which can be important to its success. First, the pension fund must be designed to provide a guaranteed benefit. This is especially true in a time when the purchasing power of the dollar is so important.

There have been periods in our history when the purchasing power of the dollar has been as low as 1%. There have been periods when the purchasing power of the dollar has been as high as 5%. We must recognize the importance of the purchasing power of the dollar in our investment decisions.

Equity Holdings Increased

Because of all these factors, the percentage of common stocks in pension funds has increased rapidly. This was due to the fact that the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

One sentence in the last few years has been the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

Equity Holdings Increased

Because of all these factors, the percentage of common stocks in pension funds has increased rapidly. This was due to the fact that the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

One sentence in the last few years has been the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

Equity Holdings Increased

Because of all these factors, the percentage of common stocks in pension funds has increased rapidly. This was due to the fact that the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

One sentence in the last few years has been the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

Equity Holdings Increased

Because of all these factors, the percentage of common stocks in pension funds has increased rapidly. This was due to the fact that the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

One sentence in the last few years has been the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

Equity Holdings Increased

Because of all these factors, the percentage of common stocks in pension funds has increased rapidly. This was due to the fact that the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

One sentence in the last few years has been the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.

One sentence in the last few years has been the annual contributions invested in stocks but also to the rise in the value of stocks. In the late 1940s' and early 1950s', when the common stock funds held the largest portion of the pension fund holdings, it was often recognized that stocks were a good investment for the long-term investor. However, it is now recognized that stocks are not the only investment that is good for the long-term investor. Therefore, the percentage of common stocks in pension funds has increased rapidly.
Record Is Illuminating

The accompanying table provides some illuminating facts. For example, in the period 1935-1960, the Standard & Poor's composite index, based on market value, showed an annual rate of increase in earnings of 1.5% and an annual rate of increase in market value of 11.8%. During the years 1957-1961, earnings remained unaltered, and market value increased by 6.3%. The figures speak for themselves and are hardly conducive to forming any current market values.

An Investment Policy for Today

An investment policy is to be expected in a world where, in the future, we may have to deal with new economic, political, and social conditions. Whether a fund invests in bonds, stocks, or other securities, the future will have to be evaluated in a new economic environment. The basis of the analysis must concern ourselves with the guidance of the future. It is not possible to make the necessary adjustments for the future in the form of a flexible framework within which specific judgments are to be made. The investor cannot determine the share in which will satisfactorily answer and that will preserve its purchasing power. If there were, if something could have been discovered long ago.


to the purchase of common stocks.

The Case for Bonds

Since the Federal Reserve Bank of New York is the province of a trustee and a lever to take unwise risks, then it is the duty of the institution to take a sound investment in light of all the historical data. There is no substitute for the use of the present yield of current stocks. For example, by giving bond yields and stock yields, it is possible to make more normal relationships, and the future outlook can be seriously considered.

\[ \text{Bond Yield} + \text{Stock Yield} = \text{Total Yield} \]

This thinking would be that applied to the selection of individual stocks. A more sound approach to this problem is to consider the type of a stock, and not the type of a fund. For example, a fund should not purchase. Since the rationalization of stock ownership for a pension fund is based upon long-term performance, it is evident that no commitment should be made in any case, whether the fund is equal or not, equal the average. Certainly, there will be a varying degree of performance as a guide which should be applied without too much variation.

I do not wish to lay down any hard and fast rule. The percentage of a fund should be invested in bonds and mortgages varies. I should feel much safer, however, in the present time. This can only be judged from the historical basis and depends directly upon the economic situation and the current percentage diversification of assets between these types of investments. It is necessary that it has been investing its money. Whatever happens to be and assuming they have not been well conceived prior to this time, then I think that more conservative attitude is warranted in light of present market conditions.

An Investment Policy for Today

An investment policy is to be expected in a world where, in the future, we may have to deal with new economic, political, and social conditions. Whether a fund invests in bonds, stocks, or other securities, the future will have to be evaluated in a new economic environment. The basis of the analysis must concern ourselves with the guidance of the future. It is not possible to make the necessary adjustments for the future in the form of a flexible framework within which specific judgments are to be made. The investor cannot determine the share in which will satisfactorily answer and that will preserve its purchasing power. If there were, if something could have been discovered long ago.


to the purchase of common stocks.

The Case for Bonds

Since the Federal Reserve Bank of New York is the province of a trustee and a lever to take unwise risks, then it is the duty of the institution to take a sound investment in light of all the historical data. There is no substitute for the use of the present yield of current stocks. For example, by giving bond yields and stock yields, it is possible to make more normal relationships, and the future outlook can be seriously considered.

\[ \text{Bond Yield} + \text{Stock Yield} = \text{Total Yield} \]

This thinking would be that applied to the selection of individual stocks. A more sound approach to this problem is to consider the type of a stock, and not the type of a fund. For example, a fund should not purchase. Since the rationalization of stock ownership for a pension fund is based upon long-term performance, it is evident that no commitment should be made in any case, whether the fund is equal or not, equal the average. Certainly, there will be a varying degree of performance as a guide which should be applied without too much variation.

I do not wish to lay down any hard and fast rule. The percentage of a fund should be invested in bonds and mortgages varies. I should feel much safer, however, in the present time. This can only be judged from the historical basis and depends directly upon the economic situation and the current percentage diversification of assets between these types of investments. It is necessary that it has been investing its money. Whatever happens to be and assuming they have not been well conceived prior to this time, then I think that more conservative attitude is warranted in light of present market conditions.
AS WE SEE IT

Another Question

What we earnestly wish is that there be a considera-
tion in official quarters at least to inquire into the basis for continued improvement without inflation affecting a longer period of time. It often appears to us that as a people we are obsessed with the "business cycle" and its jargon that we all too often forget the requirements of long-sustained good times, notwithstanding the constant talk in official circles about the growth.

Recessions and depressions—and any other sort of reverse—are supposed to generate their own internal logic to think, by removing at least some of the causes that produced them. But this would not be likely to endure without unfortunate side effects turns, or is likely to avoid any recovery that sets in is likely to endure without unfortunate side effects, that appeared when we have permitted hard times, or less prosperous times, to be used as a basis of difficulties. The question that naturally arises at this time is: Is there good reason to believe that the current position needs that has moved ahead and were the recent recession terminated. In other words, are we laying, or have we been laying, a sure foundation for sound and reasonably secure economic progress in the future?

Merely to ask such a question brings to mind a number of current public policies which we are discussing, and apparently intend largely to neglect in the future—some issues which may need to have constructive attention if we are to bring into existence the conditions which render consistent economic progress possible in the future. One of these, of course, is the matter of needless government expenditures. Requirements of defense may necessitate larger outlays in various directions. There is doubtless a waste and extravagance in our procurement, and it may be that there are underestimates in the name of defense which are quite indefensible in the current circumstances. Regardless simply dramatize—and, so it seems to us, rather senseless explanations that have their effect upon official thinking. But it is in categories such as these that we are indeed powerless to having their effect upon official thinking. But it is in categories such as these that we are indeed powerless to having their effect upon official thinking.

Geriatric Services

Common Offered

Geriatric Services, Inc., 1261 Blue Ridge Road, Boston was offering publicly, without underwriting, 79,000 shares of its common stock at $4 per share. Proceeds will be used to modernize and improve its various nursing homes, to reduce and increase working capital.

Urethane Ind.

Stock Offered

Public offering of 200,000 common shares of Urethane Industries International, Inc., at $5 per share by Garant & Polin, Inc., New York was for 5,000,000 common shares of which 25,000 and 42,000 shares respectively, will be offered in compliance with the offering.

Estate Mgmt.

Connolly Secs. Opens

RICHMOND HILL, N. Y.—Connolly Securities Corp. has been formed with offices at 85-32 Broadway to conduct a securities business. Officers are E. M. Connolly, President; and Harold Sickle, Secretary. All served in a T. Connolly, Secretary-Treasurer.

Security Traders Club of St. Louis

The Security Traders Club of St. Louis will hold its annual meeting and election on Oct. 31. The Nominating Committee, composed of Ralph D. Deppen, President; John J. Jones, and Edward J. White, White & Company, has submitted the following slate:


New Orleans Security Traders Association

The new Orleans Security Traders Association have elected the following officers for 1961-1962:


Investment Traders Association of Philadelphia

John E. Knob of Dreixel & Company was elected President of the Investment Traders Association of Philadelphia at the Annual Meeting on Thursday, Sept. 26 at the Barclay Hotel.

Rothschild Joins Reynolds & Co.

SACRAMENTO, Calif.,—Rene L. Rothschild, former investment officer of California Union Bank, has joined the Sacramento office of Reynolds & Co., 8th and Tenth Street, as resident, according to James L. Murphy, West Coast resident manager of the nationwide investment brokerage firm.

Rothschild began his career in the investment field at Anglo London Paris National Bank (now Charter Anglo National Bank). After a variety of security activities he became a member of the bank's investment analysis department and member of its Los Angeles investment committee, supervising hundreds of millions of dollars in domestic and foreign securities.

In 1940 he was named to the newly formed office of investment officer, State of California, in Sacramento. The state's portfolio of approximately $50 million State Retirement Systems. By mid-1961, it had mushroomed to over $2 billion. Mr. Rothschild also supervised many other state funds averaging in excess of half a billion dollars, both large and small, handling all types of securities.

Joiins Jimieson Co.

EAU-CLAIRE, Wis.—Ben M. Siritz, Jr., has joined the staff of the Jimieson Co., new member of the Jimieson Co., new member of the Jimieson Co., new member of the Jimieson Co., a registered representative. He was formerly with Palen, Webber, Jackson & Curtis.

Named Director

RALPH E. CARPENTER, a general partner in the Nussbaum & Company, has joined the board of directors of the insurance and Reems & Co. as a representative.

Estate Fund Mgmt.

SALT LAKE CITY, Utah.—The Estate Fund Management Corporation is conducting a merger of the business offices in the Utah Savings Building. Officers are formed with offices at 85-32 Broadway to conduct a securities business. Officers are E. M. Connolly, President; and Harold Sickle, Secretary. All served in a T. Connolly, Secretary-Treasurer.
The SECURITY I LIKE BEST...

Continued from page 3

months that the market for yarns has been narrow with a high of 19% and a low of -5%. The increase in popularity increases with price, and the market for certain qualities of yarns in demand. Every indication of its strong technical and sensitive nature has been "buy" list of one or more leading mill owners. The current earnings potential of Dupont's 25-100 yards for its一个 powerful manufacturer of oil burner and turbine engines, who are sold to manufacturers of heating equipment. The company is believed to be the largest Canadian manufacturer of electric motors. Dupont's capitalization (as of Sept. 30, close to 290,000 shares) is $3,025,000; common stock ($1 par), 97,673 shares.

Dupont is strong with working capital of $2,000,000 in Sept. 30, 1960 (latest available figures). The company's total assets are $2,750,000. Dupont is one of the top ten companies in the spinning industry.

Current trends in the spinning industry will continue to push up yarns, but the movement is likely to be more gradual than in the past. The rising yarns are likely to continue to be used in local markets for the next few years, but the future looks brighter for the industry as a whole, since the domestic market is likely to be a major factor in the current trend.

The recent development of synthetic fibers has brought about a greater variety of yarns, which can be made in different colors and textures. These synthetic fibers are expected to continue to be an important factor in the spinning industry in the future.

Recent Financial Growth

Of Canadian Institutions

Continued from page 14

Improvement Loans Act are of course in the latter category. Consumer Credit

Consumers, however, have not lacked in the latest study of the Canadian consumer credit market, the number of Canadians paying off their consumer credit debts is growing. The recent study indicates that the number of Canadians paying off their consumer credit debts is now at a record high. This is likely to continue in the future as the Canadian consumer credit market continues to grow.

Winrich Joins

Schwabacher & Co.

SAN FRANCISCO, Calif.—Darrell J. Winrich has joined Schwabacher & Co., 25 Montgomery Street, members of the New York Stock Exchange. Mr. Winrich has been Managing Director of a major bank, and was a senior analyst in 1960.

Now Herman & Diamond

The firm name of O'Vega Securities has been changed to Eerman & Diamond. The partnership was formed in New York City, and is now a member of the National Financial Markets Association.

Now Brown & Co.

PDXS3X, Ariz.—Barbara C. Brown is now controlling her own business, the firm name of Brown & Company, with offices at 1347 North St.

Now, in conclusion, I may say that, in my opinion, the level of price of cotton is not yet in line with the cost of production, which has brought about a decrease in the price of cotton. The price of cotton is likely to continue to be a major factor in the future, and will be influenced by the weather and other factors.
STATE OF TRADE AND INDUSTRY

Continued from page 16

since one-third of the annual scrap crop comes from the disposi-
tion of old buildings and the demolition of industrial plants.

The scrap prices will stay around present levels because increased needs will prob-
elably be met by resales from blast furnaces now idle. Some even think we may see a weakening if scrap exports continue to

Scrap prices are leveling off after a jagged, nine-month climb to the highest levels in almost two years. The September average of 83 cents per pound on No. 1 heavy mel-
ing (the bellwether in the scrap market, a grade) was $3.93, a ton.

Last week, the price composite was $3.92, down 10 cents from the preceding week.

Many scrapmen think $3.50 is the point at which it becomes more economical for steelmakers to use blast furnace hot metal in preference to purchased scrap.

Steel Production Data for the Week Ended Oct. 7

According to data compiled by the American Iron and Steel In-
stitute, production for week ended Sept. 30, 1961, was 2,100,000 tons (111.8%) and equaled the output of 2,131,000 tons (114.4%) in the week-
edited.

Production this year through the week amounted to 72,351,000 tons (79.4%) and surpassed the production for 1960 through Oct. 7, 1960.

The year-end production for 1960 through Oct. 7, 1960, was 81,323,000 tons or

109.1%.

The institute concludes with the words, ""The outstanding achievement in the Steel Districts, for week ended Oct. 7, 1961, as follows:

<table>
<thead>
<tr>
<th>Region</th>
<th>Total</th>
<th>Shipments</th>
</tr>
</thead>
<tbody>
<tr>
<td>North East Coast</td>
<td>109</td>
<td>108</td>
</tr>
<tr>
<td>North Central</td>
<td>112</td>
<td>112</td>
</tr>
<tr>
<td>South Central</td>
<td>128</td>
<td>128</td>
</tr>
<tr>
<td>Pacific</td>
<td>119</td>
<td>119</td>
</tr>
<tr>
<td>Total</td>
<td>478</td>
<td>478</td>
</tr>
</tbody>
</table>

- Index of index of average 1959-60 production for 1959-60

Auto Strikes Knock Big Hole in Production Figures

The producer’s nationwide strike knocked a 30,000-unit hole in Ford Motor Co. passenger car production this month, complicating industry prospects for 1961 and beyond.

Ford’s Autographic Reports attributed a 32.5% decline to 105,802 industry car assemblies this week with a fleet of a million vehicles to the Ford strike.

The statistical service estimates industry production this week as follows:

- Week Ended Oct. 7, 1961

<table>
<thead>
<tr>
<th>Region</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>North East Coast</td>
<td>473,800,000</td>
</tr>
<tr>
<td>North Central</td>
<td>485,900,000</td>
</tr>
<tr>
<td>South Central</td>
<td>567,600,000</td>
</tr>
<tr>
<td>Pacific</td>
<td>440,500,000</td>
</tr>
<tr>
<td>Total</td>
<td>2,047,800,000</td>
</tr>
</tbody>
</table>

Week-end Ford Motor Co. had built 18,311,000 new models by the start of the strike, compared with 201,311,000 new models by the end of the month (vs. 190,520 GM Company-built). Both companies were looking forwards of a half million assembly positions on a per day basis, and a short-run of the production has not been announced.

With producers other than Ford operating steadily, this week’s volume was 694,000 cars out of 690,000 the number of models built in the previous week.

5. truck production this week dropped 32.6% for the week ended Oct. 7, 1961, compared with 24,200 units built in the previous week, due to strikes at Ford and at Diame. In the same week last year 17,906 trucks were built.

The labor contract at International Harvester expired Sept. 30, 1961, and the company has been trying to produce trucks under a contract extension subject to 24-hour notification.

Business Failures Up for Week Ended Oct. 5

Construction and retail trade were the two industries hardest hit with 1,480 failures, or an increase of 332 over the comparable week.

The breakdown shows that 521 failures were in construction, 353 failures in retail trade and 216 failures in service industries. The rest were in the other industries.

Failures involving liabilities under $100,000 climbed to 294 from 234 in the previous week but were slightly lower than last year when there were 345 failures.

Auto sales fell 10% but recovered some after the long Labor Day weekend.

The total of a small increase in the number of failures was pushed down to 36 from 42 a week ago and 46 in 1960.

The auto and retail trade groups except service suffered more fail-
ures than all other industries. The slight upswings in wholesale-
outlook in the following week, was held up, attaining to 141 from 127. Slightly increased the toll total of the week was 51 and among construction conce-
tinued. The number of failures showed lovely change, few of the failures, and a number of firms went into the wholesale line.

Geographically, the week’s rise was most marked in the South Atlantic, where it was particularly sharp in the Middle South Atlantic States where the toll of 45 was a total of the East North Central States, up to 66 from 132 to 66 for the Pacific also up to 72 from 68.

As tolls rose in the West North Central and Mountain States and held even in New England.

The week-end toll in the South Atlantic States, off 28 to 42 down from 50 in the South Central States. Six of the nine major states showed a steep rise or failure for the week.

In New England, the tolls increased from 50 to 54 in the New England region.

The number of failures in the week adjourned to 50 from 49 a week ago and 48 in the preceding week.

Electric Output 5.6% Higher Than in 1962

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Oct. 7, was estimated at 15,035,000,000 kW-hr., according to the Edison Electric Institute.

This figure is 300,000,000 kW-hr. below that of the previous week and is 922,000,000 kW-hr. or 6.6% below that of the comparable week.

Lumber Shipments Were 4.1% Below in Same Week

The U.S. Census Bureau reported the sale of 1,900,000,000 board feet (4.1%) and orders were down 3.2%.

Lumber output dropped 5.2% for the week ending Oct. 7, 1961, compared with 238,850,000 board feet in the week before, according to the National Lumber Manufacturers Association.

A year ago the figure was 243,850,000 board feet.

Compared with 1960 levels, output was down 11.1%.

The bureau said shipments were down 4.1% and orders were down 2.5% for the week ending Oct. 7, 1961.

The news item was published in the Commercial and Financial Chronicle, October 12, 1961.
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:

### American Iron and Steel Institute

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total shipments</td>
<td>25,800</td>
<td>24,900</td>
<td>24,500</td>
<td>24,000</td>
<td>23,500</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic sales</td>
<td>23,800</td>
<td>22,800</td>
<td>22,400</td>
<td>21,900</td>
<td>21,400</td>
</tr>
<tr>
<td>Exports</td>
<td>2,000</td>
<td>2,100</td>
<td>2,100</td>
<td>2,100</td>
<td>2,100</td>
</tr>
<tr>
<td>Imports</td>
<td>300</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
</tr>
</tbody>
</table>

### American Zinc Institute, Inc.

- **Sales of Zinc**:
  - Domestic total: 12,000,000 tons
  - Exports: 1,000,000 tons

- **Exports of Zinc**:
  - To Canada: 500,000 tons
  - To Mexico: 300,000 tons

### Metal Output (Bureau of Mines)

- **Steel Output**:
  - Total: 240,000,000 tons
  - U.S. output: 210,000,000 tons
  - Foreign output: 30,000,000 tons

- **Iron Ore**:
  - Domestic: 30,000,000 tons
  - Import: 10,000,000 tons

### Metals Prices

- **Copper**:
  - Domestic: 30.00 per ton
  - Export: 30.50 per ton

- **Lead**:
  - Domestic: 10.50 per ton
  - Export: 11.00 per ton

- **Zinc**:
  - Domestic: 20.00 per ton
  - Export: 22.50 per ton

### Motor Vehicle Factory Sales from Plants in U.S. Automobile Manufacturers

<table>
<thead>
<tr>
<th>Model Year</th>
<th>Sales (in 1,000s)</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1935</td>
<td>4,820,000</td>
<td>-30.0%</td>
</tr>
<tr>
<td>1936</td>
<td>3,500,000</td>
<td>-27.2%</td>
</tr>
<tr>
<td>1937</td>
<td>2,200,000</td>
<td>-38.9%</td>
</tr>
</tbody>
</table>

### Railroad Earnings Class I (Class I Railroads: 1934-1937)

<table>
<thead>
<tr>
<th>Class I Railroads</th>
<th>1934</th>
<th>1935</th>
<th>1936</th>
<th>1937</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>$250,000,000</td>
<td>$255,000,000</td>
<td>$260,000,000</td>
<td>$265,000,000</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>$200,000,000</td>
<td>$205,000,000</td>
<td>$210,000,000</td>
<td>$215,000,000</td>
</tr>
<tr>
<td>Net income</td>
<td>$50,000,000</td>
<td>$55,000,000</td>
<td>$50,000,000</td>
<td>$50,000,000</td>
</tr>
</tbody>
</table>

### Real Estate Financing in Nonfarm Areas

<table>
<thead>
<tr>
<th>Area</th>
<th>House Price Index</th>
<th>1934</th>
<th>1935</th>
<th>1936</th>
<th>1937</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>100</td>
<td>105</td>
<td>110</td>
<td>115</td>
<td></td>
</tr>
<tr>
<td>Chicago</td>
<td>100</td>
<td>105</td>
<td>110</td>
<td>115</td>
<td></td>
</tr>
<tr>
<td>Los Angeles</td>
<td>100</td>
<td>105</td>
<td>110</td>
<td>115</td>
<td></td>
</tr>
</tbody>
</table>

### Wholesale Prices, New Series — U.S. Dept. of Commerce

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>10.00</td>
<td>10.50</td>
<td>11.00</td>
</tr>
<tr>
<td>Corn</td>
<td>8.00</td>
<td>8.50</td>
<td>9.00</td>
</tr>
<tr>
<td>Cotton</td>
<td>0.50</td>
<td>0.55</td>
<td>0.60</td>
</tr>
<tr>
<td>Sugar</td>
<td>0.20</td>
<td>0.25</td>
<td>0.30</td>
</tr>
<tr>
<td>Coffee</td>
<td>1.50</td>
<td>1.60</td>
<td>1.70</td>
</tr>
<tr>
<td>Cocoa</td>
<td>0.50</td>
<td>0.55</td>
<td>0.60</td>
</tr>
<tr>
<td>Tea</td>
<td>0.30</td>
<td>0.35</td>
<td>0.40</td>
</tr>
</tbody>
</table>

### Stock Exchange Transactions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>New York Stock Exchange</td>
<td>1,000,000</td>
<td>1,100,000</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Chicago Stock Exchange</td>
<td>500,000</td>
<td>550,000</td>
<td>600,000</td>
</tr>
<tr>
<td>Philadelphia Stock Exchange</td>
<td>300,000</td>
<td>350,000</td>
<td>400,000</td>
</tr>
<tr>
<td>Boston Stock Exchange</td>
<td>200,000</td>
<td>250,000</td>
<td>300,000</td>
</tr>
</tbody>
</table>

### Summary of Business Activity

- **Index of Industrial Production**
  - Sept. 1935: 95.0
  - Oct. 1935: 96.0

- **Index of Wholesale Prices**
  - Sept. 1935: 100.0
  - Oct. 1935: 102.0
Securities Now in Registration

NOTE—Because of the large number of issues amending the SEC, it is becoming increasingly difficult to predict offering dates with certainty. Only issues currently listed indicate the index in the and in the accompanying detailed listing herein. Offers of securities are subject to change, but are not, in general, to be considered as firm offering dates.


Aerila Underwriter—Erza Koren Co., N. Y.

Aceto Chemical Co., Inc. Sept. 7, 1961 filed 200,000 common shares, of which 100,000 will be sold by the company and 100,000 by stockholders. Price—By amendment. Business—The manufacturer of sales plastic auxiliary stock data in kit form. Proceeds—For equipment, repayment of loans, and working capital. Office—1225 E. Maple Rd., Troy, Mich. Underwriter—Decker & Co., Detroit.


A-Drive Auto Leasing System, Inc. Jan. 18, 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, of which 20,000 shares are outstanding stock, the present holders thereof. Price—$10 per share. Business—The purchase and sale of new and used automobiles and trucks for periods of over one year. Proceeds—For repayment of debt and working capital. Office—By 14th, Paterson, N. J., and in the home of the holder’s head, and Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks.

Prime Prospects

People in Chicago and Mid America are prime prospects for stocks and bonds. Only New York edges out Mid America in the number of individual owners of securities. And in this 60th anniversary year, any adult who reads the Chicago Tribune, or sees you and your investment services in Chicago and Mid America, will see the Chicago Tribune. Why not ask your Tribune man for details today?
Artlin Mills, Inc.


Associated Products, Inc. (10/23-27)


Astrodome, Inc.


Astra-Science Corp.

Sept. 27, 1961 filed 225,500 common, of which 150,000 are to be offered by the company and 75,000 by stockholders. Price—By amendment. Business—Design and manufacture of ground systems equipment for the U.S. Army. Proceeds—To reduce long-term debt. Underwriter—M. Langley & Co., N. Y. C.

Atlantic Capital Corp.


Atlantic Imperial Corp. (10/30-11/3)


Atlas Electronics Inc.


Atmospheric Controls, Inc.


Atrumtron, Inc. (10/23-27)


Authorship Corp.

Aug. 22, 1961 filed 200,000 common, of which 128,000 are to be offered by the company and 1,600 by stockholders. Price—$1.25. Business—The furnishing of photographic service for the professional market. Proceeds—For working capital and repayment of long-term debt. Offer—$25 Lexington Ave., N. Y. C. Underwriter—General Economics Corp., N. Y. C.

Auto¸ International, Inc.


Automated Building Components, Inc. (10/17)


Automated Sports Centers, Inc. (11/4)

Aug. 29, 1961 filed 1,750,000 units, each consisting of one $100 preferred and one debenture (with attached war

Continued on page 32.
rants) and 120 common. Price—$1.00 per unit, Business—Manufacture of polyvinyl chloride products. Proceeds—For the repayment of debt, acquisition of a warehouse and working capital. Office—11459 E. Imperial Hwy, Norfolk, Calif. Underwriter—Arnold, Inc., 8 W. 58th St., N.Y., N.Y. Underwriter—Arthur J. Rosenhofer, 85 Broad St., N.Y.

Automated Teaching Systems, Inc.


Aveno Pharmaceuticals, Inc.


Avenco Finance Corp.


BSF Company

June 20, 1961 filed $2,500,000 of 5% convertible subordinated debentures due 1966. Price—At par. Proceeds—19 repayment of debentures, Office—818 Market St., Wilmington, Del. Underwriter—None.

Bachem Electronics Corp.

(10/16-20)

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 underwriters. Price—By amendment. Business—The manufacture of electronic units for remote control of appliances, and the manufacture of related equipment for use in the domestic, industrial and commercial markets. Proceeds—For the repayment of debt, Office—8965 Covelie Rd, Silver Spring, Md. Underwriters—Bryth & Co., Inc., New York and Schwabacher & Co, San Francisco (managing).

Barry & Co.


Barry-Martin Pharmaceuticals

Aug. 31, 1961 filed 100,000 common. Price—$5. Business—Manufacture of slippers, robes, cushions, pillows, auto¬mat frozen for home use and for sale to medical centers. Proceeds—To repay debt, increase inventory and for other corporate purposes. Office—1500 West Main St., Columbus, Ohio. Underwriter—Alran Kahn & Co., N.Y., N.Y.

Baron & Co.


Barklin, Ltd.

(10/3-17)


Bowing International, Ltd.


Broward Products, Inc.


Bundy Electronics Corp.


Burlington State, Inc.

(10/23-27)


California Real Estate Investors

Aug. 17, 1961 filed 1,000,000 shares of beneficial interest, for the acquisition of real estate, Office—500 W. 35th St., N.Y., N.Y. Underwriter—Harr¬man, Thomas & Co. underwriting the offering. Office—203 Broadway, Brooklyn, N.Y. Underwriter—To be named.

Cambridge Fund of California, Inc.


Camp Chemical Co., Inc.


Cannobowl Centers Ltd.

Aug. 4, 1961 filed 131,000 common shares to be offered by Cannobowl Enterprises, Inc., parent company, on the basis of one Cannobowl share for every 100 shares held. Price—$5. Proceeds—Business—the operation of bowling centers. Proceeds—For expansion and working capital. Office—100 Wilder Blvd. Rochester, N.Y. Underwriter—None.

Card Key Systems, Inc.

Sept. 21, 1961 filed 192,400 class A common, of which 125,000 are to be offered by the company and 67,400 by stockholders. Price—By amendment. Business—Manufacture, sale and distribution of card key systems, Office—2500 Water St, Wheeling, W. Va. Underwriter—Fulton, Reid & Co., Inc., Cleveland.

Carnegie Enterprises, Inc.


Cell-Matic Hospital Supply, Inc.

(10/24)


Champ Electronics, Inc.


Bel-Aire Products, Inc.


Bell Television, Inc.


Berkley & Co., Inc.

Sept. 14, 1961 filed 100,000 common, of which 60,000 will be sold to the company and 40,000 for certain stockholders. Price—By amendment. Business—The operation of eight discount type department stores in four states.
October 17 (Tuesday)
American Distilling Co. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $35,000,000

October 23 (Monday)
AMT Corp. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $30,000,000

October 25 (Wednesday)
Cowell Magazines & Broadcasting, Inc.—Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $20,000,000

October 30 (Monday)
American Dynamics Corp. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $30,000,000

Keystone Steel & Wire Co. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $20,000,000

Lortogs, Inc. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Mairs & Power Income Funds —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Marshall Industries —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Middle Atlantic Credit Corp. —Units
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Midwest Technical Developers, Inc. —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Mixer Industries, Inc. —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Mobile Estates, Inc. —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Motor Coils Manufacturing Co. —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

National Semiconductor Corp. —Capital Stock
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Nuclear Corp. of America —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Nuclear Corp. of America —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Orbit Instrument Corp. —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Regal Homes, Inc. —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Semincon, Inc. —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Southern Growth Industries, Inc. —Capital Stock
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Southwestern Research & Development Co.—Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Tol Education, Inc. —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Tri-Chem, Inc. —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Tri-State Displays, Inc. —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Wendover, Inc. —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

World Wide Bowling Enterprises, Inc. —Capital
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

October 18 (Wednesday)
Georgia Power Co. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Interstate Fire Protection Corp. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

Wisconsin Natural Gas Co. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

October 20 (Friday)
Empire Precision Components, Inc. —Class A Shares
(sensoring in stockholders—underwritten by Birnbaum & Co.) $15,000,000

October 22 (Sunday)
Cinema Syndicate, Inc. —Debentures
(sensoring in stockholders—underwritten by Birnbaum & Co.) $75,000,000

October 24 (Tuesday)
American Automatic Vending Corp. —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $70,000,000

Anderson New England Capital Corp. —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $70,000,000

Beaumont Hospital Supply, Inc. —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $70,000,000

Girdler Process, Inc. —Common
(sensoring in stockholders—underwritten by Birnbaum & Co.) $70,000,000

Niagara Mohawk Power Co. —Bonds
(sensoring in stockholders—underwritten by Birnbaum & Co.) $70,000,000

Niagara Mohawk Power Co. —Bonds
(sensoring in stockholders—underwritten by Birnbaum & Co.) $70,000,000

October 27 (Friday)
Avenue Finance Corp. — Common
(Stirling, Great & Co. and House, Becker & McDowell, Chicago (mfr.))

Cap & Gown Co. — Common
(Continental Bank & Trust Co.)

Churchville Telegraph Corp. — Units

Citizens Life Insurance Co. of New York — Common

Electro-Miniatures Corp. — Units

Ferman Electric Corp. — Units

First National Bank & Trust Co. — Common

Holden & Sprague, Inc. — Common

Atlantic City Electric Co. — Common

(Rutland, Dilone, Union Securities & Co. and Smith, Barray & Brown, Baltimore (main office))

Kent Dry Cleaners, Inc. — Common

(Burnham & Company, Inc.) 100,000 shares

Pittsburgh Steel Co. — Common

(Rutland, Dilone, Union Securities & Co. and Smith, Barray & Brown, Baltimore (main office))

Schilling Glass & Metal Works, Inc. — Common

Old Empire, Inc. — Debentures

(Abbott & Company, Inc.)

Oldsmobile, Inc. — Common

(Abbott & Company, Inc.)

Athenian Industries Co., Inc. — Common

(Burnham & Company, Inc.) 100,000 shares

Boston Indemnity Co., Inc. — Common

(Davidson, Baskin & Co. (main office)) 10,000 shares

Arista Truck Renting Corp. — Units

(Rutland, Dilone, Union Securities & Co. and Smith, Barray & Brown, Baltimore (main office))

Alcoa, Inc. — Common

(Peter F. Ross, Cincinnati (main office)) 10,000 shares

American Machine and Foundry Co. — Common

(Continental Bank & Trust Co.)

All Steel, Inc. — Common

(Sheehan, Barron & Co. (main office)) 10,000 shares

Alumni Publishing Co., Inc. — Common

(Rutland, Dilone, Union Securities & Co. and Smith, Barray & Brown, Baltimore (main office))

Trans-Lux Corp. — Common

(Sheehan, Barron & Co. (main office)) 10,000 shares

United Scientific Laboratories, Inc. — Common

(Continental Bank & Trust Co.) 100,000 shares

Voron Electronics Corp. — Common

(Seabury, Hamilton & Co. (main office)) 107,371 shares

Wards Co., Inc. — Common

(Seabury, Hamilton & Co. (main office)) 110,000 shares

October 31 (Tuesday)

Chicago, Burlington & Quincy Railroad Co. — Equip. Trust Cts. (Due to be received) $2,400,000

Duplan & Associates, Inc. — Common

(Donnell & Donnell Inc.) 75,000 shares

November 1 (Wednesday)

Automated Sports Centers, Inc. — Units

(Seabury, Hamilton & Co. (main office)) 10,000 shares

Idaho Power Co. — Common

(Continental Bank & Trust Co.) 100,000 shares

Idaho Power Co. — Bonds

(Continental Bank & Trust Co.) 100,000 shares

Old Empire, Inc. — Debentures

(Abbott & Company, Inc.)

November 2 (Thursday)

Atlantic City Electric Co. — Common

(Rutland, Dilone, Union Securities & Co. and Smith, Barray & Brown, Baltimore (main office))

Kent Dry Cleaners, Inc. — Common

(Seabury, Hamilton & Co. (main office)) 105,500 shares

Pittsburgh Steel Co. — Common

(Rutland, Dilone, Union Securities & Co. and Smith, Barray & Brown, Baltimore (main office))

November 6 (Monday)

Amateur Master Circuit Co. — Common

(Franklin & W. Post & Co.) 200,000 shares

Albert W. Richardson, Inc. — Common

(David Barse & Co. (main office)) 200,000 shares

American Finance Co., Inc. — Common

(David Barse & Co. (main office)) 200,000 shares

Arista Truck Renting Corp. — Units

(No underwriting) $800,000

580 W. Lake St., Chicago: Underwriter—Straus, Blissett & McDowell, Chicago (mfr.)

Cooleco Industries, Inc.

Sept. 26, 1961 filed 120,000 common, of which 12,000 shares are to be offered by the company and 108,000 shares by stockholders. Price—By amendment. Business—Manufactures and distributes electrical and electronic equipment. Proceeds—For expansion and working capital. Offices—150,000 shares. Underwriter—D. Klapper Associates, Inc, Miami Beach, Fla.

October 15 (Wednesday)

Acro Electric Products Co., Inc. — Common

(Seabury, Hamilton & Co. (main office)) 100,000 shares

Executive House, Inc. — Units

(Shearson, Hammill & Co.) 100,000 shares

Fairfield Controls, Inc. — Common

(Pitney-Bowes, Inc.)

Lincoln Fund, Inc. — Common

(Shearson, Hammill & Co.) 100,000 shares

Lunar Enterprises, Inc. — Common

(Seabury, Hamilton & Co. (main office)) 150,000 shares

National Bowling Lanes, Inc. — Capital

(Seabury, Hamilton & Co. (main office)) 1,000,000 shares

Palo Alto Fisheries, Inc. — Common

(Continental Bank & Trust Co.) 100,000 shares

Photo-Animation Corp. — Common

(Continental Bank & Trust Co.)

Pueblo Corp. — Common

(Sheehan, Barron & Co. (main office)) 100,000 shares

Rocket Power, Inc. — Common

(Shearson, Hammill & Co.) 100,000 shares

Space Age Materials Corp. — Common

(Continental Bank & Trust Co.) 100,000 shares

Valley Gun Production, Inc. — Common

(Sheehan, Barron & Co. (main office)) 100,000 shares

November 21 (Tuesday)

Consolidated Edison Co. of New York, Inc.–Bonds (Due to be received) $250,000

Gibraltar Financial Corp. of California—Debentures

(White, Weil & Co. and Dean Wheeler & Co. (main office)) 1,500,000 shares

November 29 (Monday)

Sav-Mor Oil Corp. — Common

(Seabury, Hamilton & Co. (main office)) 100,000 shares

November 29 (Wednesday)

Swift Homes, Inc. — Common

(Rutland, Dilone, Union Securities & Co. and Smith, Barray & Brown, Baltimore (main office))

December 4 (Monday)

Clute (Francis H.) & Son, Inc. — Common

(Continental Bank & Trust Co.) 100,000 shares

December 11 (Monday)

General Telephone Co. of California—Bonds

(Seabury, Hamilton & Co. (main office)) 100,000 shares

December 18 (Monday)

Mercury Photo Corp. — Common

(General Securities & Co.) 200,000 shares

December 20 (Wednesday)

Rubber & Filbre Chemical Corp. — Common

(Seabury, Hamilton & Co. (main office)) 100,000 shares

January 4, 1962 (Thursday)

Glumco (Wm., Ltd., Co., Ltd. — Common

(Cooper, Askins & Bar, Inc.) 1,000,000 shares

January 9, 1962 (Tuesday)

New York Telephone Co., Inc. — Bonds (Due to be received) $250,000

May 3, 1962 (Wednesday)

West Penn Power Co. — Bonds

(Seabury, Hamilton & Co. (main office)) 100,000 shares

Lake City, Utah. Underwriter—None. Note—This statement was withdrawn.

Columbian Bronze Corp. (10/31/11–)

July 13, 1961 filed 150,000 common shares. Price—$5


Combined Insurance Co. of America

Cookie Engineering Co.

July 26, 1961 filed 100,000 common shares, of which 50,
shares are to be offered by the company. Price—$15.00.

Corrigan Communications, Inc.

Sept. 17, 1961 filed 32,000 common. Price—$2.00.

Costal Record Distributing Corp. (10/16-20)

May 12, 1961 filed 100,000 common shares of which 105,000
shares are to be offered for public sale by the company.
Price—$2.00. The sale of the conversion shares by the
present holders thereof. Price—to be supplied by amend-
ment.

Cowes' Magazines & Broadcasting, Inc.


Cramer Electronics, Inc.

July 26, 1961 filed 100,000 common shares of which 107,000
shares are to be offered by the company and 3,000 shares
by Underwriters. Price—by amendment.

Crossway Motor Hotels, Inc. (10/16-20)

Aug. 4, 1961 filed 70,000 common shares. Price—$3.00.

Dallas Power & Light Co. (11/15)

Oct. 3, 1961 filed 100,000 preferred shares. Price—by
Underwriters. The operation and expansion of the company.

Deerfield, Inc.

Sept. 26, 1961 filed 1,000,000 common shares. Price—by
Underwriters. The operation and expansion of the company.

Denver Industrial Co. (10/23-27)

July 27, 1961 filed 302,000 common to be offered for sub-
scription by stockholders of Multifone Corp. of Braden-
thorn, Pa. Each holder to be granted 2 new shares for each 5 Multilone shares held. Price—by amend-
ment.

Continental Leasing Corp.

June 19, 1961 ("Reg. A") 100,000 common shares (par
$1.00). Price—by Underwriter. Manufacture and selling of
new automobiles, advertising and promotion, and working
capital. Office—111 S. Broad St., Philadelphia, Pa. Under-
writer—H. B. Crandall Co. and American Securities
Inc., S. Y. Offering—Expected late October.

Control Systems, Inc.


Dumur Industries, Inc.

Sept. 26, 1961 filed 95,000 common. Price—$3.50. Busi-
ness—Manufacture of precision rubber extrusions. File-
ment—For repayment of loans and working capital. Office—66-28 Washington St., Middlet-
low, N. Y.

Delta Savings Bank.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par

Delta Capital Corp.

Aug. 22, 1961 filed 500,000 common shares. Price—by
Underwriter. The operation and expansion of the company.

Demarco Business Forms (10/16-20)

Sept. 26, 1961 filed 100,000 class A common (with
attache shares) and 100,000 preferred shares. Price—by
Underwriter. The operation and expansion of the company.

Dero Research & Development Corp.


Deuelor Corp.

Aug. 26, 1961 filed 140,000 common with attached war-
rents to purchase an additional 140,000 shares to be offered for subscription by December 1, 1961. (of one warrant to each share on the basis of 3 units for each preference share held, 2 units for each 5% preferred A stock held and one warrant for each class B share held. Price—$29 per unit. Business—Company plans to manufacture and sell all kinds of chemical materials.

District Woolen Drug Co. of Washington

Sept. 29, 1961 ("Reg. A") 75,000 common shares. Price—by
Underwriter. The manufacture of drugs.

Diversified Small Business Investment Corp.

Sept. 27, 1961 filed 650,000 common. Price—$5.00. Busi-
ness—The sale of manufacturing equipment of general corporate purposes. Office—214 East St., Engle-
wood, N. J. Underwriters—Lieberbaum & Co. and M.
Ira Cohon & Co., N. Y.

Dixie Distillers, Inc.

July 27, 1961 filed 100,000 common. Price—$3.50. Busi-
ness—Manufacture of tables and chairs for use in institutional purposes.

Don Mills, Inc.

Sept. 27, 1961 ("Reg. A") 69,000 common shares. Price—by
Underwriter. The sale of machinery.

Dressron-Bares Electronics Corp. (10/30-11/3)

June 14, 1961 filed 100,000 common shares (par 10
cents). Price—by amendment. Business—The sale of
stock to the public.

Drucker Gear Co., Inc. (10/19-23)

June 30, 1961 filed 75,000 common shares, of which 60,000
will be offered by the company and 5,000 by stock-
holders. Price—by amendment. Business—Manufacture of power supplies and automatic line instruments. Pre-
ceeds—Repayment of loans and working capital. Office
main N. U. Street, Pascall, Calif. Underwriter—Lus-
ter, Ryon & Co., Los Angeles.

Drummond Mining Co. Inc. (10/19-23)

June 30, 1961 filed 75,000 common shares, of which 60,000
will be offered by the company and 5,000 by stock-
holders. Price—by amendment. Business—Manufacture of power supplies and automatic line instruments. Pre-
ceeds—Repayment of loans and working capital. Office
main N. U. Street, Pascall, Calif. Underwriter—Lus-
ter, Ryon & Co., Los Angeles.

Drummond Mining Co. Inc. (10/19-23)

June 30, 1961 filed 75,000 common shares, of which 60,000
will be offered by the company and 5,000 by stock-
holders. Price—by amendment. Business—Manufacture of power supplies and automatic line instruments. Pre-
ceeds—Repayment of loans and working capital. Office
main N. U. Street, Pascall, Calif. Underwriter—Lus-
ter, Ryon & Co., Los Angeles.

Drummond Mining Co. Inc. (10/19-23)

June 30, 1961 filed 75,000 common shares, of which 60,000
will be offered by the company and 5,000 by stock-
holders. Price—by amendment. Business—Manufacture of power supplies and automatic line instruments. Pre-
ceeds—Repayment of loans and working capital. Office
main N. U. Street, Pascall, Calif. Underwriter—Lus-
ter, Ryon & Co., Los Angeles.

Drummond Mining Co. Inc. (10/19-23)

June 30, 1961 filed 75,000 common shares, of which 60,000
will be offered by the company and 5,000 by stock-
holders. Price—by amendment. Business—Manufacture of power supplies and automatic line instruments. Pre-
ceeds—Repayment of loans and working capital. Office
main N. U. Street, Pascall, Calif. Underwriter—Lus-
ter, Ryon & Co., Los Angeles.

Drummond Mining Co. Inc. (10/19-23)

June 30, 1961 filed 75,000 common shares, of which 60,000
will be offered by the company and 5,000 by stock-
holders. Price—by amendment. Business—Manufacture of power supplies and automatic line instruments. Pre-
ceeds—Repayment of loans and working capital. Office
main N. U. Street, Pascall, Calif. Underwriter—Lus-
ter, Ryon & Co., Los Angeles.
Ave, Antiville, N. Y. Underwriter—Flomech, Seid¬
re of electric meters, telephones, etc. Proceeds—To
N. Y. Underwriter—Hancock Securities Co., N. Y.
Sept. 8, 1961 filed 100,000 common shares. Price—$2. Business—The company operates a large manufac¬
ture and retail store carrying all types of electric equip¬
ment, sales promotion, salaries, rent, furniture and work¬
ing capital. Office—156 E. 32nd St., New York, N. Y. Underwriter—W. M. Janis Co., Inc., N. Y. Offer¬
ing—Expected in November. Y. N.

Eagle Life Insurance Co. of America
March 14, 1961 (letter of notification) 50,000 shares of
common stock. Price—$10 per unit. Business—Manufactu¬
re of electric equipment for radio and television. Proceeds—To go to selling stockholders. Office—201 W. Roose¬
vell Road, Little Rock, Ark. Underwriter—Consolidated Se¬
ture of electric equipment for radio and television. Proceeds—To help finance acquisition of Empire Stad¬
ding Building Associates. Office—60 E. 42nd St., N. Y., Underwriter—None.

Empire Precision Components, Inc. (10/13)
Aug. 24, 1961 filed 26,000 common shares. Price—$10 per
unit. Business—Manufacture of mechanical metal compo¬
nents for precision electronic connectors. Proceeds—For
moving expansion, advertising, office equipment and work¬
ning capital. Office—574 President St., Brook¬
equipments. Proceeds—For expansion of company, in¬
terest in plant and equipment and other working capital.
Office—1424 W. 30th St., Chicago. Underwriter—Albin Securities Co., Inc., N. Y. Price—$2.50. Business—A "centennial-type" firm which plans to offer a variety of securities having a market value of $25,000 or more. Proceeds—To assist in the manufacturing of additional
ning—Expected in November. Y. N.

Fastline Inc.
Sept. 26, 1961 filed $400,000 of 6% conv. subord. de¬
bentures due 1971 and 40,000 common shares to be of¬
fers. Proceeds—To refund $400,000 of 6% subordinated and 20 common
bentures due 1968. Office—$575 per unit. Business—Manufacture of con¬
celled zinc and aluminum for metal and glass. Proceeds—To help finance capital. Office—8 Washington Pl., N.
Y. Underwriter—G. Everett Parks & Co., Inc., N. Y. Offer¬
by 42 S. 15th St. Phila¬
delphia. Underwriter—Netherlands Securities Co., Inc.

Fifth Avenue Cards, Inc.
Sept. 20, 1961 filed 11,000 A common shares as capital.
Price—$405 per unit. Proceeds—To refund $405,000 of
a chain of retail greeting card stores. Proceeds—Debt repayment, and working capital. Office—8 W. Street,
N. Y. Underwriters—Hardy & Co. and Filler, Baurdell & Smyth, N. Y. Offerings—Expected sometime in Nov.

First Federated Life Insurance Co.
Sept. 20, 1961 filed 10,000 capital shares to be offered for
subscription by stockholders at the rate of one new share for
each two held. Price—$83. Proceeds—To increase capi¬
tal. Office—Manuey Bldg., Baltimore, Md. Under¬
writer—None. Y. N.

First Midwest Capital Corp.
Sept. 14, 1961 filed 13,500 common stock. Price—By am¬
er, Jackson & Curtis, N. Y., and Craig-Hallum, Min¬
neapolis. Underwriter—G. Becker Y.

First National Realty & Construction Corp.
Aug. 11, 1961 filed 3,233,333 of 6% subordinated de¬
bentures due 1976 (with warrants attached). Price—By am¬
bend. Business—The company operates a chain of retail
operation of a $16 million

First Small Business Investment Company
Oct. 6, 1961 filed 500,000 common stock. Price—$10 per

First Western Financial Corp. (10/30-11/3)
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 associa¬
tion. Proceeds—To expand operations and increase share¬
capital and an appraisal service. Proceeds—For repayment of loans and working capital. Office—L. H. Barr,
corporations.

Fla. Realty Fund II
April 21, 1961 filed 2,000,000 shares of participation in a
new real estate investment trust. Proceeds—For invest¬
ment. Office—Highway 44 and Baldwin Blvd., Corpus Christi, Tex. Underwriters—C. A. Gilchrist & Co., and
C. W. Miller & Co., Cleveland.

Fleetwood Securities Corp. of America
(11/16-20)
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—$3. Business—Distributor of
Electronics Investment Corp., Contractual Plans and a broker-dealer registered with NASDs. Proceeds—To increase net capital and for investment. Office—44
Wall St., N. Y. Underwriter—General Securities Co., Inc., N. Y. Underwriter—Floyd Bennett Stores, Inc. (11/13-17)
Sept. 26, 1961 filed 1,000,000 common stock. Price—By am¬
bend. Business—The company runs 27 men’s clothing depart¬
ment stores. Proceeds—For repayment of loans and working capital. Office—800 W. Sunshine Highway, Valley Street,

Flying Comuter, Inc.
neapolis, Minn. Underwriter—None.

Foods Plus, Inc. (11/6-10)
Sept. 26, 1961 filed 50 common stock. Price—By am¬
bend. Business—A manufacturer, wholesaler and retailer of vitamin products. Proceeds—For selling stock¬
holders.
Continued from page 27


Jefferson Counsel Corp., July 28, 1961 filed 200,000 common stock shares, of which 125,000 are to be offered by the company and 50,000 shares by stockholders. Price — $5.


Kendall Industries Inc., Sept. 11, 1961 filed 100,000 common shares of which 100,000 are to be offered by the company and 50,000 by a selling group of underwriters.

Kent Dry Cleaners Inc., Aug. 11, 1961 filed $1,100,000 of 6% convertible subordinated debentures due 1981. Proceeds—For repayment of loans and general corporate purposes.

Kent Dry Cleaners Inc., Aug. 11, 1961 filed $1,100,000 of 6% convertible subordinated debentures due 1981. Proceeds—For repayment of loans and general corporate purposes.

of loans, working capital, construction and other cor¬
porate improvements. Proceeds—For repayment of a loan, purchase of equipment, advertising, position of a new
contractor, sale, and general corporate purposes. Office—1
Spanish St., San Francisco, Calif. Underwriter—None.

payment of debt, and general corporate purposes. Office—238 Broadway, New York, N. Y. Underwriter—None.

Kullcke & Sonas Manufacturing Co. Aug. 15, 1961 filed 100,000 shares of which 10,000 shares are to be offered by the company and 90,000 shares are to be under¬
ritten by Consolidated Bank & Trust Co., New York, N. Y. Underwriter—None.


Krupp & Sonas Manufacturing Co. Aug. 15, 1961 filed 100,000 shares of which 10,000 shares are to be offered by the company and 90,000 shares are to be under¬
ritten by Consolidated Bank & Trust Co., New York, N. Y. Underwriter—None.


Lance, Inc. Aug. 19, 1961 filed 364,000 common shares. Price—By amend¬

Klein Rides, Inc. Sept. 3, 1961 filed 1,000,000 of 7% convertible subordi¬
nated debentures due 1971 and 30,000 common to be offered for purchase by the company for the redemption of its debentures. Proceeds—For debt payment, working capital, Office—2357 W. North Ave., Chicago. Underwriter—Klein Rides, Inc., Kimball & Co., Chicago.


King Long Bowling Co. Sept. 20, 1961 filed 100,000 common shares. Price—By amend¬

Knickerbocker Toy Co., Inc. July 29, 1961 filed 150,000 common shares of which 50,000 common shares are to be offered for subscription by stockholders. Price—$5. Business—Manufacturing and sale of toys. Proceeds—For repayment of debt and for other corporate purposes. Office—501 E. 72 St., New York, N. Y. Underwriter—None.

Korfund, Inc. Sept. 5, 1961 filed $900,000 of 6% convertible subordinated debentures due 1971 and 100,000 common to be offered for purchase by the company for redemption of its debentures and 30,000 common. Of the 100,000, 40,000 will be sold by the company and 140,000 by Massachusetts Mutual Life Insurance Co. underwritten by the company. Proceeds—For debt payment and for general corporate purposes. Office—16 E. 34 St., N. Y. Underwriter—Netherlands Securities Co., Inc., N. Y.


Kratner Corp. Sept. 27, 1961 filed $100,000 of 6% subordinated debentures due 1976 (with attached five-year warrants to purchase 2,000,000 class A common) to be offered to holders of class A and class B shares of the company. Proceeds—For payment of debt. Office—118 Broadway, New York, N. Y. Underwriter—None.


Mann Industry Corp. (10/13-27)

Dawn Business—The manufacture and sale of iron and steel castings, forgings, special purpose castings, general equipment, and various derivatives of iron and steel. Underwriter—First National Bank, N. Y. C.

The Commercial and Financial Chronicle... Thursday, October 12, 1961

Continued from page 39

cover Island and a subsidiary will build a pipeline from Bremerton to Port Angeles, Washington. Proceeds—For construction.


Mairs & Power Income Fund, Inc. (10/23-27)

Major Finance Corp. Aug. 16, 1961 filed 10,000 of 7% senior subordinated debentures due 1971 (with attached warrants) and 100,000 common shares to be offered in units consisting of $119 debentures and 1 share common to purchase each common share at $43 and 50 common shares. Price—$20 per unit. Proceeds—For working capital. Office—1217 Ave S., Seattle, Wash.

Malone & Hyde, Inc. Sept. 1, 1961 filed 275,000 common, of which 100,000 are to be offered by the company and 175,000 by stockholders. Price—By amendment. Business—The procurement, warehousing, sales, and distribution of various types of fabrics, men's and women's clothing, and men's and women's accessories. Proceeds—For working capital. Office— 1700 Dunn Ave, Memphis, Tenn. Underwriter—Equitable Securities Corp., Nashville (n.g.).


Marlboro Industries Corp. (11/3-17)
Aug. 29, 1961 filed 225,000 common, of which 150,000 are to be offered by the company and 75,000 by stockholders. Price—By amendment. Proceeds—For working capital. Office—41 W. 36th St, New York 1, N. Y. Underwriter—Morgan Guaranty Trust Co., N. Y. C.

Marshall Industries Corp. (10/13-27)


Mellon Financial Corp. Aug. 28, 1961 filed 200,000 common, of which 75,000 are to be offered by the company and 125,000 by stockholders. Price—$20 per share. Proceeds—For repayment of a note, purchase of an investment company, etc. Proceeds—For repayment of debt. Office—1121 St. Bldg, Boulder, Colo. Underwriters—First National Bank, Denver, Colo. (n.g.) Underwriter—Nelson Securities, Inc., Hempstead, N. Y.


Minor Industries, Inc. (10/23-27)


Mississippi Systems Corp. Sept. 28, 1961 filed 125,000 common, of which 100,000 are to be offered by the company and 40,000 by the stockholders. Price—$2. Business—Design, construction, manufacturing of electro-mechanical assemblies and systems for weapons under government contracts; furnishing of electrical and electronic equipment, and all material and services; and the manufacture of multi-color harness and cable assemblies, computer equipment, and associated equipment. Proceeds—For working capital. Office—3025 Wilshire Blvd, Los Angeles 5, Calif. Underwriter—George, O'Neill & Co., Inc., N. Y. (n.g.).


Monmouth Bank Corporation. Monmouth, N. J. (10/16-20)

Monmouth Electric Co., Inc. (10/30-11/3)
Aug. 28, 1961 filed 200,000 common, of which 125,000 are to be offered by the company and 75,000 by stockholders. Price—$8. Business—The manufacture of electronic equipment. Underwriter—Sheets & Co., Inc. and Irvine Wells & Co., N. Y.

Continued from page 41


Pako Corp. (11/20-24) Sept. 20, 1961 filed 10,000,000 common of which 100,000 will be sold by the company and 50,000 by stockholders. Price—$5. Business—Manufacture of equipment used to print and process photographs. Proceeds—For the selling stockholder. Office—35124 Alva-rado-Niles Road, Union City, Calif. Underwriters—Frank J. O'Malley, San Francisco (m.c.). Offering—Indefinitely postponed.


Pacific Lumber Co. Sept. 27, 1961 filed 50,000,000 common shares. Price—$5. Business—the company is registered to issue bonds, debentures and preferred stocks. Proceeds—For working capital. Underwriting—For the share holders. Office—440 Montgomery St., San Francisco (m.c.). Offering—Indefinitely postponed.


Pako Corp. (11/20-24) Sept. 20, 1961 filed 10,000,000 common of which 100,000 will be sold by the company and 50,000 by stockholders. Price—$5. Business—Manufacture of equipment used to print and process photographs. Proceeds—For the selling stockholder. Office—35124 Alva-rado-Niles Road, Union City, Calif. Underwriters—Frank J. O'Malley, San Francisco (m.c.). Offering—Indefinitely postponed.


Sel-Rox Corp. (12/9) Sept. 27, 1961 filed 1,000,000 common, of which 32,000 will be sold by the company and 167,000 by a stockholder. Price—By amendment. Business—Production of gold compounds and electroplating equipment. Office——23-21 54th Street, Brooklyn, N. Y. Underwriter—Nelms, J. N. Underwriter—Eastman Dillon, Union Securities & N. Y. Underwriters.


Southern Equipment Co. Sept. 28, 1961 filed 1,000,000 common shares, of which 20,000 are to be offered by the company and 70,000 by the stockholders. Price—By amendment. Business—the manufacture and distribution of railroad management equipment. Proceeds—for general corporate purposes. Office——31-10 48th Ave., Long Island City, N. Y. Underwriter—Lee Higginson Corp. and H. Hents & Co., New York.


Southsea Consolidated Corp. Sept. 8, 1961 filed $7,500,000 of convertible subordinated notes due 1968, for general corporate purposes. Business—the operation of a restaurant chain, the sale of frozen prepared foods and the furnishing of management service to large organizations. Proceeds—for the repayment of debt, expansion, and working capital. Office——Rutledge, Merrill, Lynch, Pierce, Fenner & Smith Inc., N. Y., and San Francisco.


Union Trust Life Insurance Co.


United Aero Products Corp.

Sept. 22, 1961 filed 300,000 common, of which 15,000 shares are to be offered by the company and 285,000 shares by stockholders. Price—By amendment. Business—Supplying of decorative, drapery, cleaning, and related services for trade shows and conventions. Proceeds—For working capital, and repayment and purchase of debt and purchase of equipment. Office—355 W. 35th St., New York. Underwriter—Sutro Bros. & Co., Chicago, Ill.

United Exposition Service Corp.


United Improved & Investing Corp.


United Servornation Corp.

Sept. 22, 1961 filed 255,000 common of which 150,000 shares will be offered by the company and 105,000 shares by stockholders. Price—By amendment. Business—Sale of food, tobacco products and beverages through automatic vending machines. Proceeds—For repayment of debt and purchase of working capital. Office—115 Pioneer Ave., N. Y. Underwriter—Hemp- hill, Noyes & Co., N. Y.

U. S. Controls, Inc.


U. S. Dialectic Inc.


U. S. Electronic Publications, Inc.


U. S. Markets, Inc.

Sept. 26, 1961 ("Reg. A") 60,000 common shares of which 16,000 shares are to be offered by the company and 44,000 shares by a stockholder. Price—$5. Business—the operation of coin-operated amusement machines. Proceeds—For repayment of debt and purchase of working capital and general corporate purposes. Office—60 Fall Street, Oakland, Calif. Underwriter—Stanley, Wilmer & Co., N. Y. Offering—Expected in November.

United States Plastics Inc.

Sept. 25, 1961 ("Reg. A") common shares of which 150,000 shares will be sold by the company and 45,000 shares by a stockholder. Price—$1. Business—the manufacture and distribution of items, power tools, hardware, etc. Proceeds—To repay debt, Office—750 W. 18th St., Hialeah, Fla. Underwriter—Johnson & Font, Fort Lauderdale, Fla.
United Variable Annuities Fund, Inc.

Vendotronics Corp. (11/6-10)


Val-Vu Products, Inc.

Universal Rectifier Corp.


Universal Surgical Supply Inc.

Oct. 11, 1961, filed 200,000 common shares, of which 100,000 will be for sale to public and 100,000 will be for sale to stockholders of United States Fearless Corp., parent company, on the basis of one share for each 20 shares held of record at close of business at 117 E. 5th St., N.Y. Underwriter—Shields & Co., N.Y.

Val-U-Homes Corp. of Delaware


Val-U-Town Realty Corp.


Val-Vu Manufacturing Co.


Valley Gas Production Inc.


Valhalla Sales Corp.


Valtron Corp.


Van-Pak Corp.


Van-Pak, Inc.


Vendotronics Corp. (11/6-10)


Vic Tanny Enterprises, Inc.

May 11, 1961, filed 320,000 shares of class A common of which 100,000 are reserved for stockholders of the company and 220,000 shares are offered for the account of the company and 160,000 shares are offered to stockholders of Bennett Kureen Office—280 O'Brien Place, Brooklyn, N.Y. Underwriter—Era Koren Co., N.Y.

Vol-Air, Inc. (10/16-10)


Voron Electronics Corp. (10/30-11/3)

Oct. 11, 1961, filed 120,000 common shares, of which 72,000 will be for sale to the general public and 48,000 will be offered to the account of the company and 48,000 shares by the present holders thereof. Price—$10.75 per share. Business—the manufacture and sale of compact appliances and semi-conductive equipment. Proceeds—For general corporate purposes. Office—880 West Olive Ave., Burbank, Calif. Underwriter—H. L. Weyenberg & Co., Los Angeles (managing).

West Coast Bowling Corp.

Nov. 18, 1961, filed 137,000 shares of common stock, of which 58,000 shares are to be offered for public sale and 79,000 shares by the present holders thereof. Price—$7.50 per share. Business—the purchase and operation of bowling centers and amusement parks. Proceeds—For general corporate purposes. Office—1300 West Olive Ave., Burbank, Calif. Underwriter—H. L. Weyenberg & Co., Los Angeles (managing).

Western Semiconductors, Inc.


Western Capital Corp. (11/17-13)


Weyenberg Shoe Manufacturing Co.


White Electromagnetics, Inc.


Wiltner's Liquors


Winsted Draft House, Inc.


Winston Tobacco Corp.


Witte Corp.

Sept. 20, 1961, filed $114,000 common stock of which 225,000 are offered for public sale and 60,000 shares by the present holders thereof. Price—$5 per share. Business—the manufacture and sale of rubber products for the automotive industry. Proceeds—For expansion, and the repayment of bank loans. Office—259 W. 51st St., New York. Underwriter—A. G. Leventhal & Co., Inc., N.Y. C.

Wonderbowd, Inc.

Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. Price—At par ($2 per share). Proceeds—To discharge a contract payable, accounts payable, and...

Wood Motor
July 24, 1961 ("Reg. A"). 250,000 common shares (par $1).—For working capital, payment of purchase of equipment, advertising and building expansion.

Wood Publishing, Inc.

World Scope Publishers, Inc.

Wood Bundy Mfg. Co.

World Wide Reinsurance Corp.

Yankeo, Inc.
June 5, 1961 filed 700,000 common shares. Price—$1. Business—The manufacture of plastics and forms, including the production of plastic cans, cooking utensils, party goods, and an overrun. Proceeds.—For inventory, plant improvement, working capital, and general corporate purposes. Office—425 Broadway, New York, N. Y. Underwriter—None. Note—Registration has been withdrawn.

Zep Aire (10/17)
July 9, 1961 filed 100,000 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 equipment for aircraft. Proceeds.—For inventory, plant improvement, working capital, and general corporate purposes. Office—425 Broadway, New York, N. Y. Underwriter—None. Note—Registration has been withdrawn.

Zim Israel Navigation Co., Ltd.

ATTENTION UNDERWRITERS!
Do you have an issue you're planning to register? Our Corporation News Department would like to hear from you. Please send us any information you think would be of interest to our readers. We will do our best to keep the information concise and to the point. Please remember to keep any item similar to those you'll find hereunder.

Prospective Offerings

Arizona Public Service Co.

Auto Electric Corp.
Sept. 25, 1961 the company plans to sell about $5,000,000 of debentures in November. Office—1008 Broadway, New York, N. Y. Underwriter—The company said it may make the offering through an underwriter.

Carbonic Equipment Corp.
June 28, 1961 a report that a "Reg. A" will be filed shortly to register about $35,000,000 of common stock. Proceeds.—For expansion. Office—97-02 Jamaica Ave., Wood burning, N. Y. Underwriter—None.

Chicago, Burlington & Quincy RR. (10/31)
Sept. 19, 1961 it was reported that this company plans to sell about $15,000,000 of common stock. Proceeds.—For the operation of dining cars. Office—To be named. Underwriter—None. Note—Expected about Dec. 1.

Circa 1961

Disclaimers

Dividend Advertising Notices

Monitor the market to keep up to date on the latest dividend notices appearing in The Commercial and Financial Chronicle. Advertise your dividends with us and reach a wide audience of investors.

Dividend Advertising Notices

Appeared on Page 16.

the debentures, to be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Morgan Stanley & Co., Inc.; and Morgan, Lewis & West Co., Inc. Information Meeting—Nov. 9 (2:30 p.m. EST) in Room 103, Federal Reserve Bank of St. Louis, St. Louis, Mo.

* Petite Girl, Inc.
June 1, 1961 it was reported that this company plans to sell about $500,000 of its common stock. Proceeds.—For expansion and working capital. Office—15th and Locust St., Philadelphia, Pa. Underwriter—To be named. Registrations—Expected about Dec. 1.

* Rochester Gas & Electric Corp. (11/14)
Aug. 15, 1961 the company stated its plans to issue about $15,000,000 of 20-year bonds in November. Proceeds.—For construction. Underwriter—None. Note—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Morgan Stanley, Inc., and Morgan, Lewis & West Co., Inc. Information Meeting—Nov. 14 (9:30 a.m. EST) in Room 103, Federal Reserve Bank of St. Louis, St. Louis, Mo.

* Shemek Industries, Inc.
Aug. 22, 1961 it was reported that this company plans to sell about $2,000,000 of common stock. Business—The re-manufacture and distribution of automotive parts and accessories. Proceeds.—For the repayment of loans and expansion. Office—First Boston, Mass. Underwriter—Kleintal, Walker & Co., Inc., Jersey City, N. J.

* Silo Discount Centers
Sept. 6, 1961 it was reported that company plans to sell about $1,000,000 of common stock. Business—The operation of discount centers. Proceeds.—For expansion and working capital. Office—Philadelphia, Pa. Underwriter—Rodeatzy, Kleintal, Walker & Co., Inc., Jersey City, N. J.

* Southern Pacific Co.

* Tesco Automated Systems, Inc.
Aug. 9, 1961 it was reported that a "Reg. A" would be filed shortly covering about 350,000 common shares. Proceeds.—For expansion and working capital. Office—New York, N. Y. Underwriter—Herman & Diamond, New York.

* Vector Engineering Co.
Aug. 21, 1961 it was reported that the company plans to sell about $2,000,000 of common stock. Proceeds.—For expansion and working capital. Office—Philadelphia, Pa. Underwriter—None.

* West Penn Power Co. (2/5)
Feb. 10, 1961, J. Lee Blake, Jr., President of Allegheny Power System, R. I., parent of all utilities in the Pennsylvania, announced that the company plans to sell about $25,000,000 of bonds in February. Proceeds.—For the development of new generating stations. Office—To be named. Underwriter—None.

* Wisconsin Michigan Power Co. (11/14)
Sept. 13, 1961 it was reported that this company plans to sell about $1,800,000 of common stock. Proceeds.—For expansion and working capital. Office—251 W. Michigan Ave., Milwaukee, Wis. Underwriter—None. Note—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Morgan Stanley, Inc., and Morgan, Lewis & West Co., Inc. Information Meeting—Nov. 19 (1:00 p.m. EST) in Room 103, Federal Reserve Bank of St. Louis, St. Louis, Mo.

* Wisconsin Michigan Power Co. (12/5)
Dec. 16, 1961 it was reported that the company plans to sell about $1,800,000 of common stock. Proceeds.—For working capital and general corporate purposes. Office—To be named. Registrations—Expected about Dec. 1.
WASHINGTON, D. C.—Something has got to take place in the Nation's Capital in 1962. In these autumn days there is considerable activity at the White House over the colossal problem of reducing expenses of the Federal Government.

The fiscal staff of President Kennedy would like very much to balance the budget this year. This is not going to be easy. As a matter of fact it appears hopeless at this time.

Both professional and amateur economists in Washington are now convinced that a heavier tax burden on the near future appears inevitable. In other words, the only way to balance the budget is to raise taxes.

Ironically, the great bumper crops that are being harvested this autumn may make things worse rather than better.

The bumper crop means that the United States Treasury is going to have to pay substantial sums for support prices.

Kennedy Orders Study

President Kennedy has asked Walter Heller, his chief economic adviser to conduct an all-out study of the tax system and the budget program. At the same time he has directed Secretary of Agriculture Orville L. Freeman to call for more reports and evidence of criticism of the farm subsidy program and, rightly so. However, the recommendations and actions taken by Congress are not expected to amount to around $8 billion.

The increase in defense spending has been the major single increase in spending, but both the Administration and Congress wanted to help depressed communities and areas over the country.

The distressed areas legislation is an example of the expanded social legislation.

If the people and the leadership have more assistance and more social programs in general in their capacity to be prepared for it rather than the cost along to the future generations to pay.

Eisenhower Budget Discarded

President Eisenhower, in taking the budget for fiscal 1962, inherited the budget of President Truman which called for expenditures of $78.6 billion and appropriations of $73.8 billion. After certain revisions the Eisenhower Administration had reduced the appropriation recommendations by $8.8 billion. Then Congress made additional reductions in appropriation 30.9 billion for a total out of $12.6 billion from Mr. Truman's plan.

The final reduction amounted to $10.1 billion from the request of the Eisenhower Administration.

When President Eisenhower, who did not do too well in balancing the budget, submitted his budget plan for fiscal 1962 he proposed a spending authority of nearly $81 billion. He estimated that revenue would be $82.3 billion. In opposition, the Kennedy Administration threw the Eisenhower budget into the waste basket.

The New Frontier has some fiscal staff hurdles to climb because of the "fretted spending season in peacetime or cold war climate."

It was reported out here that Senator Harry F. Byrd of Virginia is apprehensive that the deficit at the end of 1962 will amount to $10 billion. It seems that the time has come when Congress should work out a way to improve its control over Federal spending.

If Congress and the country want to spend and then let them pay for it as they travel along the socialist highway.

This column is intended to reflect what is said and written from the nation's Capital and may or may not coincide with the "Chronicle's own views."

Exchange Firms Name Eustis

DENVER, Co.—Brittin C. Eustis, partner in Spencer Trask & Co., New York, has been nominated for the position of President of the Association of Stock Exchange Firms for the coming year. Howard B. Dean, Harris, Brann & Co., New York, and William C. Cox, Merrill & Co., Washington, D. C., have been nominated as Vice-President, and Walter B. Levering, Carlisle & Jacques, New York, as Treasurer. Elections will take place at the annual meeting in New York on Nov. 15. Mr. Eustis has been associated with Spencer Trask & Co. success- sively his entire business career, having joined this organization in 1927 after his graduation from Yale University in 1919. He became a partner in January 1944 and is presently in charge of operations and is head of the Oil & Gas Department. In conjunction with the many past years in the oil field he has been interested in several producing and marketing companies.


Nominations for membership on the committee to present a slate of Governors for 1963 are as follows:


James F. Bruns, Jr., Harris, Upham & Co., was Chairman of the Nominating Committee.

FEDERAL SECURITIES

CARL MARKS & CO., INC.

FOREIGN SECURITIES SPECIALISTS

12 BROAD STREET • NEW YORK 1, N. Y.

TEL: HARVARD 2-6235 TELETYPE BY 1401

WASHINGDON AND YOU—BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL.

COMING EVENTS

INVESTMENT FIELD

Oct. 13, 1961 (Montreal, Canada) Canadian Association of Investment Bankers Association meeting.


Oct. 20-21, 1961 (Milwaukee, Wis.) National Association of Investment Clubs 11th annual national convention at the Hotel Schroeder.

Oct. 24, 1961 (Minneapolis-St. Paul, Minn.) Minnesota Group of Investment Bankers Association annual meeting.

Oct. 25, 1961 (Louisville, Ky.) Kentucky Group of Investment Bankers Association annual meeting.


April 8-10, 1962 (San Antonio, Tex.) Texas Group of Investment Bankers Association of America, annual convention at the Sheraton-Hilton Hotel.


Apr. 23-May 1, 1963 (Boston, Mass.) Massachusetts Association of Mutual Savings Banks 35d annual convention at the Hotel Statler.

Form Truday Co.

Truday Co., Inc. has been formed with offices at 100 William Street, New York City, to engage in a securities business. Isaac Hasday, President; and D. Hasday, Secretary and Treasurer.

Attention Brokers and Dealers

TRADING MARKETS

American Cement
Botany Industries
Maxxon Electronics
Official Films

Our New York telephone number is in
Canal 6-3840

LEWNER & CO., INC.
Investment Securities
10 Post Office Square, Boston, Mass.
Telephone: Park 1-6987

1961. Our Mutual Funds C.P.A. 67