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In 2 Sections — Section 1

Editorial AS WE SEE IT

Katanga in the Congo is denied its independence at a price which almost bankrupted the United Nations and brought sharp differences of opinion between the United States and Britain into prominence. India, much to the delight of the Kremlin, and to the chagrin of most of the rest of the world, has ended "colonialism" in part of its territory. Cuba, still under the thumb of "Marxist-Leninist" Castro is finding it difficult to do as well as it did under previous dictators with the aid of foreign capital which made that island a victim of "colonialism," according to communist dialectics. Nasser is not finding it easy to "liberate" certain parts of the Middle East, and indeed to manage the affairs of his own country so that its people are as well off as they were before he came to the fore. Indonesia is in a turmoil since some sections of that part of the world are still "colonies" of a European country. And so the story goes round the world.

And it is in this setting that the President of the United States regrets that American investment is relatively light in those backward parts of the world where capital is most needed—and more abundant in the more advanced countries of Western Europe. Ways and means must be found, he seems to believe, to turn the flow of our capital funds from sections of the globe where political and other conditions are relatively settled to other lands where such funds are badly needed, but where no one can guess what the treatment of foreign capital will be—the odds favoring something approaching confiscation at one time or another and the certainty being that such investment will be labeled by the communists and a good many others influenced by them as modern-day colonialism.

Not to Be Overlooked

These are facts which must not be overlooked by those who talk glibly about foreign investment of private funds as a solution or even a part solution of the unrest that has now developed all over (Continued on page 23)

Encouraging Expansion Prospects And Our Potential Achilles Heel

By Dr. Paul W. McCracken,* Professor of Business Conditions, School of Business Administration, The University of Michigan

Sanguine currents in the economy are seen overriding the gloomy ones by former member of the Council of Economic Advisers. The G.N.P. predicted for 1962 is put in the \$565-to-\$570 billion rate barring no discouraging reversal in consumer buying and some kind of an international run on the dollar. Dr. McCracken takes a grave view of our "toe dance on the edge of the cliff on this gold and international financial situation" and hopes we realistically come to grips with it before it is too late. Apart from this danger, he looks for rising business tempo in 1962.

There is clearly one question that, at this particular juncture, is paramount. That question is: What is the meaning of the sluggish performance of business activity during the last three months?



Dr. P. W. McCracken

There are two possibilities. On the one hand, we can dismiss this sluggish performance as simply one of those things. It just represents a temporary lull in the inevitably uneven pace of economic advance. When business activity is recovering from the low point of a recession, month-to-month gains always vary widely. If that is the current interpretation, then this rather arthritic performance we have had since July is not anything to be particularly concerned about. We can be reassured that the recovery and expansion of business activity will soon proceed at the normally vigorous pace, and that we will get back on the rails soon. There is an alternative interpretation of this per-

formance which has been causing a great deal of concern on the part of many. Does this experience of the last three months mean that we are going to be in for real difficulties in keeping the business activity moving ahead at a fairly vigorous and rapid pace? In other words, is this just one of those transitory things, or does it represent some kind of fundamental change in the character of the economy which is going to make it difficult to operate at a reasonably full level of business activity.

II

That there has been a slowing down in the momentum of the expansion since the low point in business activity last February is, of course, very evident. Without trying to give any kind of blow-by-blow description on all of the statistics on business activity, let's just pick three or four fairly important measures.

(1) Taking the period from February, which was the low point of the recession, to July, the average monthly increase in non-farm employment was 224,000. In the period from July through October, however, the average monthly gain was in the neighborhood of only 80,000. The statistics would be very similar if we were looking at the aggregate flow of personal income. Once again, from February to July we were achieving an average monthly gain of slightly in excess of \$3 billion per month. In the period from July through October, the average monthly gain was just over half that.

Industrial production reflected a similar slowing down in the pace of expansion. Only in the case of retail sales is this not clear cut. But that is what one might call a hollow victory, because the fact of the matter is that retail sales weren't doing so well from February to July either.

Therefore, as we attempt to make up our minds about where the economic situation seems to be headed in the 12 to 15 months ahead, we must take account of the factual evidence that there has been a slowing down in the (Continued on page 22)

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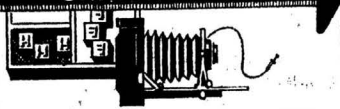
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ALAN K. BROWNE

Vice-President, Municipal Bond De-
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Low coupon municipal bonds selling at deep or substantial discounts afford one of the best ways to improve net income after taxes, to those buyers able to forego a portion of current income. It is often possible to increase net yield 10-40 basis points, in comparison with market offerings of the same credit and maturity but having a current coupon allowing purchase at a price of approximately par or above. This spread varies with coupon, credit, maturity, size of the offering and other marketability factors. The Financial Publishing Company of Boston has published a booklet showing net yields to the investor after 25% capital gains tax for tax exempt discount bonds, representing the maximum rate to individuals and corporations under the present law.

Let us take for example a recent sale of 2 1/4% bonds due 1980 in a standard California name at a 4.00% basis, showing a dollar price of about 76.86. After allowing for a 25% capital gains tax on the 23.14 point taxable profit at maturity, there remained a net yield of 3.75% according to the table. This compared with available market offerings approximating 3.60% of the same credit and maturity, but with current coupons of 3 3/4%. Current income for the 2 1/4% issue was 2.93% on dollars invested. The net return on the current coupon bond over a 19-year period would be 67.81% and on the discount bond 78.20%.

	3 3/4% at 3.60	2 1/4% at 4.00
Original cost.....	\$1,020.50	\$768.60
Interest earned 19 years.....	712.50	427.50
Discount earned.....	*(20.50)	173.55
Total net gain.....	\$692.00	\$601.05
Percent original cost.....	67.81%	78.20%
*Premium deducted, \$231.40 gain less \$57.85 capital gain tax of 25%.		

The marketability of low coupon discount bonds is necessarily restricted because relatively few sophisticated investors take advantage of this added income feature, and only a few banks and dealers maintain trading positions in them for various reasons. Nevertheless, there is a growing acceptance of discount bonds among both long and short-term investors to whom the ultimate return is of basic importance. Generally shorter maturities may be acquired to realize a greater net yield than otherwise would be possible.

As "growth" bonds they offer unusual advantages to estate builders. With gradual appreciation built into the investment, educational and other needs may be facilitated. Trust accounts whose current income may be diverted in part to the final beneficiary would gain particularly. Individuals desiring to offset capital losses at a later date by capital gains from discount bonds are another example. Long-term institutional and pension fund buy-

ers also should profit. Any investor in municipal bonds can well afford to analyze his or her individual tax situation to determine whether discount bonds would be advantageous.

HENRY J. LOW

Manager, Institutional Research Dept.,
Gude, Winmill & Co., New York City
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Sterchi Brothers Stores, Inc.

In these days of high earnings multiples, when investors reach without hesitation for common stocks priced anywhere from 25 to 40 times earnings and up, it is indeed rare to find an equity of a leading growing and financially very strong company in the merchandising field available at only twelve times indicated 1961 and ten times estimated 1962 net income. In addition the shares offer an above average yield of 6% on the well protected \$1 annual dividend.

Such an opportunity presents itself in the common shares of STERCHI BROTHERS STORES, one of the oldest and best known furniture chain store organizations in the United States. The company has just reported earnings of \$1.11 per share for nine months ended Nov. 30, 1961, representing a healthy increase of 30% over last year's three quarter showing of 85 cents per share. This large improvement in profits was accomplished on a sales rise of only 5.6% from \$13,009,000 to \$13,730,000 for the three quarters through Nov. 30, 1961. Total sales for the fiscal year ending Feb. 28, 1962 could well equal STERCHI BROTHERS' peak sales of \$18,852,000 recorded in fiscal 1957, and 11% above last year's sales of \$16,947,000. Fiscal 1962 net income is expected to equal or slightly better 1959 results of \$1.41 per share compared with last year's disappointing showing of only \$1.05 per share.

Last year's earnings were adversely affected by the recession, extremely severe winter weather conditions and the closing of the company's store in Daytona Beach, Fla. However the current uptrend in furniture buying, which is expected to gain momentum in 1962, when housing starts are estimated to rise 8%, has considerably brightened the outlook. Thus further sizeable improvement with a rise in sales to \$20,000,000 and net income of \$1.75 per share for the coming fiscal year is anticipated.

STERCHI BROTHERS STORES, founded in 1888, operates 48 stores which are located primarily in smaller industrial towns in such rapidly growing states as Tennessee, Kentucky, Alabama, North and South Carolina, Georgia and Florida. The stores, which are generally leased, offer a complete line of low and medium-priced furniture, home furnishings, floor coverings and appliances. Furthermore, small jewelry departments are maintained in 17 stores and leased to other operators.

About 75% of total sales are accounted for by furniture with the remainder made up by appliances. Since most of the sales are han-

This Week's Forum Participants and Their Selections

"Discount Bonds." — Alan K. Browne, Vice-President, Municipal Bond Department, Bank of America National Trust and Savings Association, San Francisco, Calif. (Page 2)

Sterchi Brothers Stores, Inc. — Henry J. Low, Manager, Institutional Research Dept., Gude, Winmill & Co., New York City. (Page 2)

dled on a credit basis and financed by the company, STERCHI BROTHERS has provided for ultra conservative reserves against possible losses arising from non-payment. In fact allowances for doubtful accounts are carried in the balance sheet at about 11% of installment accounts receivables compared with the more customary 7% reserves used by other leading furniture store organizations. Thus with available reserves about three times higher than actual losses on collections from credit sales both cash position and real earnings have been greatly understated over the years.

During the past 18 months STERCHI BROTHERS STORES has embarked upon an accelerated store expansion and modernization program. Since March 1961 four stores were opened in Murfreesboro, Tenn.; Nashville, Tenn.; Bennettsville, S. C. and Gallatin, Tenn. Additional openings of two or more stores in growing areas of the South are planned for next year. Store sites are primarily selected in small towns where steady employment of the population has been consistently maintained. These locations are considered particularly suitable because they offer good potential for expanding sales, lease arrangements can be often made on favorable terms and operating costs and overhead are generally quite low.

While gradually expanding its operations, STERCHI BROTHERS has also put into effect a rigid program aimed at complete tightening of overall operations, budget controls, cost reductions and greater operating efficiencies. Benefits from these measures are presently making themselves felt in a strengthening of profit margins. The impact of these developments should be even greater next year when demand for new furniture is expected to be higher than at any time since the end of World War II, a trend which should continue throughout this decade as more new families are being formed. Thus the company, which has maintained a better earnings record than its competitors, seems geared for continued impressive income improvements over the next few years.

Dividend payments, made uninterruptedly since 1943, have been quite liberal and are presently at an annual rate of \$1 per share. STERCHI BROTHERS STORES is in very sound financial and working capital position with current assets of \$17,221,000 on Nov. 30, 1961, including cash of \$831,000, compared with \$5,152,000 current liabilities, or a current ratio of 3.3 to 1. Book value stood at \$19.30 per share and net working capital at \$17.50 per share at that time. Capitalization is small with \$1,525,000 long term debt and 596,216 shares, of which about 20% is owned by the Sterchi family.

STERCHI BROTHERS STORES common, currently selling around 17 on the New York Stock Exchange, is clearly undervalued, offers an above average yield of about 6% and excellent potential for good long term capital gains.

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Price and Supply Trends For Gas, Oil and Coal

By Bruce C. Netschert,* Director, National Economic Research Associates, Washington, D. C.

Expert admits that his optimistic views as to future availability and price of oil, gas and coal run contrary to current trends and majority opinion. Nevertheless, the author and consultant on the subject explains why: (1) the real cost of oil and gas is not likely to increase significantly; (2) coal will not rise in price and might even decline further; and (3) adequate oil and gas resources exist for at least the next two decades or more compared to the general range of demand projected for that period. He chidingly blames pessimistic assessors for possessing a blind spot in failing to include the pace of technological progress; cautiously uses statistical trends to the future; and analyzes the three determinants of future availability and price—supply, technology and government policy.

Given the topic at hand, I venture to say no one would be surprised if I were to come up with a discussion liberally sprinkled with statistical data, together with a normal quota of charts showing derived trends and projections thereof. Those with higher than average (or perhaps I should say, lower than average) expectations would not be surprised at curvilinear projections or even a full econometric model.



Dr. Bruce Netschert

I must say at the outset that I do not intend to do this. In the first place, the relevant statistical data leave much to be desired. Bases and definitions are all too frequently ambiguous or ill defined—so much so that analysis of the data may yield misleading results. In the second place, statistics interfere with verbal communication and I believe, therefore, that they should be used sparingly away from the printed page.

As for trends and their projections, I suffer from a severe aversion to them. Trendology has its place in looking in the near-term future; but we are here discussing the long-term. Trend projections are only as good as the assumptions on which they are based. These assumptions in turn are related in one way or another to the circumstances of the past and present that have produced the trend that is being projected. Trend projection cannot avoid implying to some degree that things in the future will continue in the same manner as they have in the past. I am philosophically opposed to this implication. We live in an area of change, and if there is any burden of proof in considering the future, it is the proof that things will, in fact, remain the same or nearly so in the future. I believe, on the contrary, that the most logical assumption to make is that things will be different in the future. The only question is, how different?

With this bit of philosophizing, let me now turn to my subject. I intend to discuss the future availability and price of hydrocarbon raw materials in the U. S. in general rather than specific

terms, with emphasis on their determinants. This has the immediate advantage of being safe. Less of one's neck is exposed. On the other hand I shall not merely be stating truisms and concluding the obvious. There will be enough neck showing to make it interesting.

The future availability of hydrocarbon raw materials depends on only two things: (1) the abundance of those materials in nature, and (2) the techniques of making those materials available. The two determinants of availability are, in short, natural abundance and technology.

Price Determinants

Price, however, depends on three things. The first is cost—that is, the cost of finding and producing the raw materials. This is a function of technology.

The second determinant of price is the supply-demand relationship. The price at which supply and demand balance can be either above or below the cost of making the material available. For example, under the tremendous upward push of unsatisfied demand in the postwar period, the price of natural gas has risen. This includes the price of gas that was already discovered and awaiting a market at the close of the war, the cost of which, therefore, could not possibly have changed since. Conversely, the enormous over-supply of oil caused the price of oil to go well below the cost of production. Obviously, however, price cannot remain below cost indefinitely.

The third determinant of price is government policy. The influence of policy on price is indirect through such things as the contribution of policy to inflation, through taxes (percentage depletion), through tariffs or quotas (residual oil), or through production controls (oil conservation regulations in several states). The influence of policy is direct in such instances as the regulation of natural gas price.

All of this with respect to future availability and price can thus be reduced to three things: natural abundance, technology and government policy.

At this point it is possible, and indeed necessary, to engage in the economist's favorite sport with price—to separate it into the two components which it exhibits over time. One component is the inflation component, which is the re-

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More Articles in Section Two

SECTION TWO of today's issue is devoted to the proceedings, editorial and pictorial, of the 50th Annual Convention of the INVESTMENT BANKERS ASSOCIATION of AMERICA and includes the following articles on the pages indicated:

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OBSERVATIONS...

BY A. WILFRED MAY

TOO BAD IT CAN'T
"GO PUBLIC"

Unfortunate indeed is it that the second alternative prescribed in the *Hot Issue* gag "Either go bankrupt or 'go public'" can't furnish the solution to the United Nations' current financial crisis. Our bankruptcy-threatened international organization, with a deficit of \$104 million in its special assessment account and with defaults totaling \$3.9 million in annual dues, cannot qualify for the common stock financing, razor-thin as the equity sometimes is, which suits the public's insatiable speculative appetite.

There is, of course little chance of failure to float the \$200,000,000 bond issue promulgated by the General Assembly, or of doubts that, as explained by Ambassador Stevenson, "this will relieve the [sic] immediate financial difficulties of the UN, and give us a breathing spell in which to devise a long-run solution." Set for subscription by member governments, central banks and public service foundation, but barring profit organizations (this prohibition seeming somewhat superfluous particularly in view of the issues prospective 2% interest rate); initial success seems assured by the quick tab-picking-up promises by Uncle Sam (assuming no Congressional obstruction) in the amount of \$100 million, along with the U. K. and West Germany.

But, it seems to us, bailing-out the defaulters, namely the Soviet bloc, France, Belgium, Portugal, South Africa, and most of the Arab states, at this stage carries implications far broader than the marketing or form of the bond issue.

Transferring the Defaults

Surely to be questioned is the servicing of the debt. Interest and amortization are to be provided out of the UN's regular budget. May not this very well bring about defaults on that proportion of their regular budget bill by those reneging on the assessments for operations of which they do not approve? Will the Soviets, the French and the others who are reneging on contributing to the Congo and Middle East costs, assent to being egged into responsibility for the annual servicing of the longer-term debt incurred thereby?

In connection with the stop-gap plans, creation of additional defaulting on the regular annual budget, the already existing proclivity toward arrears there must

be borne in mind. Seven countries, including Taiwan (free China) still owe \$701,271 for 1959. In arrears on their 1960 dues are 16 countries (Argentina, Bolivia, Belorussia, Taiwan, Colombia, Costa Rica, Cuba, Guatemala, Haiti, Honduras, Hungary, Morocco, Nicaragua, Paraguay, Uruguay, Yemen) with a total of \$3,241,855. For 1961, \$17,432,129 of the \$69,399,839 total obligations is outstanding.

The Angels

Not only have the United States, along with Britain and Germany, indicated substantial "underwriting" of the projected bond issue. The U. S. has voluntarily overpaid \$19.3 on its past 1960-1961 obligations for the Congo operation and \$1.8 million toward the Middle East project; and the U. K. has overpaid \$410,000 for the Middle East operation. Additionally, and particularly important, the United States has volunteered formal pledges for overpayments toward future expenses through June, 1962, or \$11 million for the Congo and \$2.3 million toward the Middle East operations.

Invitation to Free-Loading

Notwithstanding the prospective continuation of bail-out "angeling" by the U. S. and others, the use of long-term financing to get the "Dead-Beats" "off-the-hook" creates deep-seated drawbacks. In postponing settlement of, and glossing-over, the issue with the free-loaders, their behavior is being legitimized and the entrance gate is thrown open to future joiners of their fraternity. (Mitigation coming from the World Court's decision, expected at mid-year, on the validity of the members' special assessment debts, even if it results in a loss of delinquent's voting rights, can only be relatively minor).

ENLARGED
PERFORMANCE RECORD

As several readers have called to our attention, our citation in our column of Dec. 7, "On Behalf of Art Profits," of the comparative past performance record of art and riskless bond investment contained an important typographical error. The statement that "a riskless commitment of \$100,000" in U. S. Government bonds 30 years ago would, including compounding of the interest earned, today be worth some \$2,900,000

to the holder, should have stated the starting commitment as \$1,000,000.

At any rate, the more interesting basis for comparison is common stock performance, with allowance for reinvestment of dividends. To our previously shown record, comprehensive to eliminate hindsight, we would now add the shareholder's gain from capital appreciation and the yield from dividend payments, on Moody's 200 stocks.

To the present from the 1929 bull market top year, it was 380% (well over 400% if, as with art objects) "dividends had been reinvested"; from 1936 to date, the gain was 550% (600% if return had been withheld and reinvested); "postwar" 1946 to date it was 450% (approximately 475% if the dividends return were reinvested).

Performance of Plough-Back
Stocks

Life insurance stocks, because of the plough-back of current earnings, and extremely low dividend payments supply a good basis for "securities" and comparative performances with art objects.

To the present from 1941 Best's Life Insurance Stock Index has advanced by 3450%; postwar from the end of 1945 by 2060%; and during art's great bull market of the 1950's the insurance stocks have again held their own with a gain of 960%.

Murray Named
By Van Ingen

Morgan J. Murray has been elected an assistant vice President of B. J. Van Ingen & Co. Inc., 40 Wall Street, New York City, underwriters and distributors of State, Municipal and revenue bonds, it has been announced.

Mr. Murray joined the firm in 1950, and since 1951 has been associated with the Buying Department, specializing in negotiated bond underwritings and serving as financial consultant to municipalities. He is a member of the Municipal Forum of New York and the Investment Association of New York.



Morgan J. Murray

First Cleveland Branch

AKRON, Ohio—First Cleveland Corporation has opened a branch office at 948 Thorndale Drive under the management of Boyd D. Bonar.

First Cleveland Branch

FINDLAY, Ohio—First Cleveland Corporation has opened a branch office at 318 East McPherson Street under the direction of Thomas G. Woods.

A. W. Benkert Branch

BOSTON, Mass.—A. W. Benkert & Co., Inc. has opened a branch office at 50 State Street under the direction of James McCormick.

J. B. Coburn Branch

MIAMI, Fla.—J. B. Coburn Associates, Inc. has opened a branch office at 882 Northeast 79th Street under the management of Warren Gilbert.

Colorado Co. Office

BOULDER, Colo.—The Colorado Company has opened a branch office at 1315 Broadway under the management of Frank T. Milligan.

FROM WASHINGTON
...Ahead of the News

BY CARLISLE BARGERON

The United Nations and foreign aid will be two of the hottest subjects to be dealt with by the upcoming Congress which meets January 10. The United Nations is probably at its lowest point in the esteem of Congress. Sentiment is running strongly against its action in the Congo, with the United States paying for three-fourths of the operation and Russia and several other nations refusing to pay a cent. Several of the nations are refusing, also, to meet their share of the ordinary operating expenses of the tribunal, necessitating its having to issue bonds of \$200,000,000 which, in the feeling of members of Congress, the United States will have to pay.

Continued loans to Poland and Yugoslavia and the loan for the Volta Dam in pro-Communist Ghana have added to the disenchantment of foreign aid. Continued aid to India after its aggression against Goa will come in for considerable criticism. It will probably be the worst year for both the UN and foreign aid in Congress since they were launched.

President Kennedy, according to present indications, will present a balanced budget at the beginning of the session. It will call for about \$90 billion expenditures, with revenues about the same. Of this sum \$48 billion will be for the military. Mr. Kennedy will therefore win his bet with the Dallas newspaper publisher with whom he made a wager several months ago that he would present a balanced budget.

This does not mean that it will stay balanced. Several new items will be presented as the year moves on. For example, at the outset, he may ask for nearly a billion dollars in standby authority for a public works program to be used if unemployment does not drop below its present rate of 6.1%.

If his balanced budget includes an anticipated \$700 million increase in postal rates it will be just that much shy because Congress is not likely to authorize this increase. Too many members of House and Senate see this for exactly what it is, virtually a tax increase and as practically everybody uses the mails, a very widespread increase.

It is doubtful if Congress will pass much of the President's tax program. If anything gets through it will probably be the proposal

for an incentive tax plan to help business deal with plant and equipment obsolescence.

His efforts to tax out of business American firms operating abroad will probably go the same way as his tariff reduction program, that is down. Very few of his aides hope he will get his tariff program at this session but they believe that by introducing it and starting the fight, they can make progress in educating the public to support their position.

The only education bill that he is likely to get through will be one to grant aid to higher education. It is doubtful that the President's general aid to education bill will get out of the House Committee on Education and Labor.

His medical aid bill for the aged is likely to stay right where it is — in the House Ways and Means Committee. It is a highly controversial bill and Congress does not like to get into any controversy in an election year.

It is likely to be a disappointing session for Mr. Kennedy, and there will be much criticism of Speaker John McCormack in the House and more mourning for Sam Rayburn. The truth is that it is in the way the cards fall and they don't fall so well in this session. Mr. Kennedy was exceedingly fortunate in the results of the first session. It is not in the stars that the results will be as good this session. Beginning in May a lot of Congressmen and Senators will have to be away a lot of the time making primary fights.

First Buffalo Corp.

BUFFALO, N. Y.—The First Buffalo Corporation has been formed with offices in the Rand Building, to engage in a securities business. Officers are Roland Segal, president and secretary; and Herman P. Loonsk, vice-president and treasurer.

Godfrey, Hamilton Office

BRIDGEPORT, Conn.—Godfrey, Hamilton, Taylor & Co., Incorporated, has opened a branch office at 2355 East Main Street, under the direction of Roy Webber.

William Jennings Branch

YONKERS, N. Y.—William Jennings & Co., Inc. has opened a branch office at 6 Xavier Drive, Cross County Center under the direction of Bernard A. Rickles.

Japanese Securities

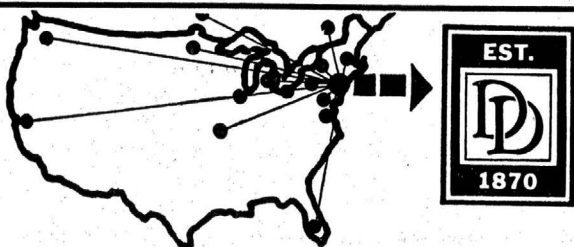
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Mortgage Market Financing And Real Estate Trends

By Arthur M. Weimer,* Dean, Graduate School of Business,
Indiana University, Bloomington, Indiana

Prediction of modest rise in 1962's house building assumes continued significant amount of apartment house construction and only slight expansion in single houses, and little upward pressure on interest rates. Increasing competition from other lending institutions is expected to keep S & L Associations' percentage of home financing at last year's figure. Any upward pressure on lending rates, in the face of increasing competition from banks and insurance companies for mortgages, is judged most likely to occur later rather than earlier in the year. Savings and loan executives are urged to upgrade their analysis from a narrow to a "total" concept of market conditions, to use more specialized personnel; to not underestimate the rise of multi-family and special purposes housing; and to devote more attention to marketing second-hand homes. Dean Weimer warns that a highly sophisticated management will be a must in the years ahead.

A year ago we were in the early stages of the mildest postwar recession to date. Recovery began early in 1961 and has continued to date with promise of further expansion in the months ahead.

Each of the postwar recessions has had some characteristics that were comparable with others. For the most part they have been relatively mild. The economic stabilizers have operated effectively and the recessions have been of rather short duration.

Each postwar recession also has had its own characteristics. Our experience in late 1960 and early 1961 was characterized by a modest decline in over-all economic activity largely due to inventory adjustments. The decline was not great enough to affect long-term money rates. In combination with technological developments, it produced some serious problems of unemployment.

The *Economist*, the widely read British publication, has characterized our current recovery as "well mannered." In many respects this is an apt description. Expansion has been orderly and at rates which have not put upward pressures on prices. Some of the problems of rapid expansion which characterized earlier postwar expansion periods have been avoided, at least so far.

At the present time it would appear that the recovery will continue to be well mannered. From some points of view it may be considered too well mannered, in that growth prospects are not such as to suggest a rapid reduction in the unemployment figures or to provide solutions for some of the problems of depressed areas.



Arthur M. Weimer

Outlook for 1962

The character of 1962 is apt to depend to considerable extent on the international situation. Economic developments have been overshadowed in recent months by the deterioration in international relations, as exemplified by the Berlin crisis and developments in southeast Asia. However, little can be said at this point in regard to potential international developments. Many of the decisions that will determine the character of the international scene will be made in the Kremlin and it is almost impossible to guess what these may portend for the future.

In the absence of better information, we may assume that conditions will continue to follow the patterns of recent months, recognizing, of course, that minor revisions of estimates of the international situation or slight miscalculations could easily bring major changes.

If we may assume an international situation not unlike that of recent months, it now appears that 1962 should be a relatively favorable year for businessmen consumers, farmers and other sectors of our economy. Expansion is likely to continue. The enlarged defense program will have increasing effects. There will be modest expansion in the business sector. Consumer expenditures undoubtedly will register some gains in the months ahead. Farmers may well have another good year.

At the present time, however, it does not appear that economic expansion will attain "boom" proportions. It is possible that we may see some acceleration of the forces of expansion toward the end of the year. The fall elections may have some influence in this direction. In general, the year as a whole now gives promise of being a relatively favorable period.

A period of gradual expansion has advantages in that we are not likely to see a resurgence of in-

flationary pressures. On the other hand, it has disadvantages since we are not likely to see major reductions in the unemployment figures. Some progress will be made. Further, we are coming to recognize increasingly that our unemployment problems have many social and technological implications rather than being solely a reflection of economic conditions. There are labor shortages in many highly skilled and technical lines. Unfortunately, many of those now unemployed will not be able to gain the skills and the training necessary to fill such jobs.

Specific Sectors

If this general outline of potential economic developments during the year ahead has validity, there are several implications for particular sectors of the economy that need to be considered.

Government programs will play a significant role in the economic developments of 1962. Expansion in defense and related programs is already taking place and will be paralleled by continuing activity in other public programs. The expansion of the defense program and the calling up of reserves has had and will continue to have some implications for the housing market. Many of the reserves will be reluctant to make house purchases, and indeed there may be a greater number of houses put on the market for sale than would have been the case otherwise.

An expansion of government programs, whether for defense or other purposes, has many implications for both fiscal and business policy. Taxes are likely to remain high. Government programs will have some impact in the money markets. Government financial policies must be evolved in terms of political realities at home and abroad and with due regard for the protection of our gold reserves.

The whole area of the relationships between government and business has been discussed widely in recent months. While there may be some problems in terms of government-business relationships in other fields, this is not likely to be the case in the savings and loan business. The policies evolved by the Federal Home Loan Bank Board under its new Chairman, Mr. McMurray, generally have the approval and support of the people in this business. The working relationships have never been better.

In the field of labor relations we have seen a relatively favorable pattern emerge as a result of the automobile settlements that have been achieved to date. Of major importance will be the labor negotiations in the steel industry. Whether various rumors regarding these developments are reliable or not, it would now appear that there is little danger of a prolonged strike or that there will be major difficulties in reaching a settlement. If this type of estimate is fairly widespread, we should see relatively little advanced stock piling of steel, although there may be some tendency in this direction, particularly where it is important to complete projects on schedule and where efforts will be made to avoid any interruptions in building programs. If uncertainties regarding the steel situation become widespread, there may be some inventory building and this would tend to generate somewhat more than the usual expansionary tendencies in the earlier months of the year. At the present time, it appears that we may avoid a repetition of the 1959 situation relative to the advance buying of steel.

Modest Rise in Home Building

Of major importance to all of us is the area of housing and home financing. House building in total seems to be scheduled for a modest rise. Major gains, however, are not anticipated.

In all probability, apartment house building will continue to be important, as it was in the current year. The single house market may expand only slightly.

Modest gains on an overall basis will result from fairly rapid gains in some localities and rather sluggish markets in others. There has been some rise in mortgage arrearages and delinquencies, with a wide variety of experience as between localities. I think bankers know how to deal with these problems.

Of those reporting to the U. S. Savings and Loan League's Committee on Trends and Economic Policies, nearly three out of four see little change in the volume of house building and only a limited number see prospects for significant expansion. Again there are significant local variations.

Investors in mortgages are likely to have continued opportunities to finance apartment house projects, housing resulting from urban renewal projects, and special types of programs, such as housing for the aged. I think they recognize this, but I believe it is important to emphasize the fact that all of these areas represent different types of business than the single family house field. They will need to exercise more than ordinary caution and rely to a greater extent than usual on experts and specialists in these areas.

The increase in the percentage of the home financing business done by the savings and loan institutions, while highly significant is not likely to be matched in the year ahead, particularly if there is increasing competition from other lending institutions.

Currently savings trends appear to be favorable. Consumers may step up their buying rates in the months ahead and this may bring some reduction in the flow of savings, but in general I would expect the continuation of a favorable volume of savings. In fact, I believe that increased consumer spending during the next few months would result in more jobs and greater incomes rather than less saving.

Adequate Mortgage Money Supply

I do not foresee shortages of mortgage money. If there are upward pressures on lending rates, they will be modest and are likely to come later rather than earlier in the year. Indeed, bankers may face increasing competition in mortgage markets. Current estimates do not indicate a rapid expansion in business expenditures

for plant and equipment. Consequently, banks and insurance companies may be taking more of an interest in the mortgage market than has been the case in recent months.

Thus, it would not appear that higher dividends would be needed in order to attract a greater volume of savings to handle the demands for home financing.

Not only do market forces suggest little upward pressure on rates, but the Kennedy Administration is strongly committed to economic growth and holds the position that favorable interest rates are necessary to economic growth. As part of the Administration, the Federal Home Loan Bank Board will reflect this point of view.

Implications for the Savings And Loan Business

What do these potential trends of development suggest for savings and loan managers during 1962 and the years ahead?

I have already made several suggestions. The possibility of increasing competition from other lenders is something with which many have had experience. I need not elaborate on the policies that will be required.

I have also indicated that there appears to be little reason for a revision of present dividend policies in the light of potential developments in the money and mortgage markets.

I have also suggested the importance of using expert advice for assistance in special fields, notably lending on apartment house projects, the financing of housing in urban renewal areas and projects related to housing for the aged. Increased use of expert appraisers, market analysts, land planners and others would appear to be indicated since these fields represent substantially different types of problems than those of the single family house field.

I think if I were to suggest one line of development deserving of special consideration, it would be that of greater emphasis on a market orientation to the business. By a market orientation I mean the whole set of viewpoints, attitudes and concepts which stress the development of major policies and decisions in the light of the total market situation in which a bank will be working. I recognize that this business, more than most financial institutions, has had a heavy market orientation throughout the postwar years. I think we

Continued on page 27

We take pleasure in announcing that

Thompson D. Berry II

and

Ronald W. A. Cooper

will be admitted to our firm as

General Partners on January 1, 1962

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FRANCIS T. WARD

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AND CONTINUE AS LIMITED PARTNERS

AND THAT

WILLIAM D. MULHOLLAND, JR.

WILLIAM H. SWORD

WILL BE ADMITTED
AS GENERAL PARTNERS OF THE FIRM

EFFECTIVE JANUARY 1, 1962

December 27, 1961

2 Wall Street, New York

TAX-EXEMPT BOND MARKET

BY DONALD D. MACKEY

As the calendar changes from 1961 to 1962 and the volume of new issue state and municipal financing is temporarily diminished in abeyance to the intervening holidays, the features as well as the problems of the tax-exempt bond industry generally come up for more or less serious comment.

The most interesting commentary, as we see it, concerns the volume of underwriting accomplished during 1961 in relationship to the prevailing market level. The *Bond Buyer* reports that a record new issue volume was handled during 1961, the total being approximately \$8.3 billion. According to the same authority the previous record high volume was in 1959 with a total of about \$7.7 billion. The 1960 volume was about \$7.2 billion.

Price Stability Remarkable

The 1961 volume itself is not of particular significance but the fact that this volume was underwritten and for the most part marketed within a narrow market framework is, to say the least, remarkable. A year ago (Dec. 28, 1960) the *Commercial and Financial Chronicle's* high grade 20-year bond Index averaged at a yield of 3.23%. The Index, as of Dec. 27, averages at a 3.292% yield. This would indicate that the market is lower by less than three-quarters of a point after having absorbed a record volume of bonds and following the year 1960 when the volume absorbed was less by over a billion dollars.

During the year 1961 the tax-exempt market fluctuated less than during any year in our memory. In terms of yield the high point was during the first week in July when our Index averaged 3.423% on both June 28 and on July 5. On Sept. 6 the average reached 3.415% after touching 3.35% on July 26. Frequently during the summer months, yields have been at their highest. The year's lowest average yield was touched on March 1, when it averaged out at about 3.20%.

To sum up this price fluctuation it would appear that as between the highest and lowest yield indexes, the tax-exempt market fluctuated less than 2½ points in terms of dollars. This is not to infer that individual issues did not fluctuate considerably more

than this at one time or another. Quality, maturity, and coupon might have influenced fluctuations in individual instances to a more exaggerated degree. However, on the basis of the *Chronicle's* Index, which is predicated upon actual offerings of selected high grade bonds, the market swings were abnormally small.

Not Much "Net" to Dealers

In further commentary on the market during 1961 it may be as validly reported, although the statistical background is less pragmatic, that dealer profits were relatively shortened. Although profit margins as set up in the bidding formulae were generally of traditional spread, the profits realized in the aggregate were considerably less than contemplated. Increased competition among dealers has prevailed during all of 1961 and the overpricing of new issues has been an incessant result.

A large proportion of the accomplished underwriting often quickly resulted in short profits and not infrequent losses. In a more or less trendless market framework, as 1961's has been, this sort of operation appears as inevitable. The dealers' aggressiveness and optimism under these circumstances is continuously offset by the buyers' shrewd willingness to pass up particular issues, or to bid the dealer down in line with his own price ideas. This situation certainly adds to the gaiety of the investors and to the activity of the business, but financial results from a dealer viewpoint have become relatively diminished.

1962 Yield Forecast

It would appear that the tax-exempt bond business will continue to be very competitive into 1962. It would also seem that new issue volume will keep pace with the needs of the future. Record new issue volume seems likely to be set in the year ahead as no important market impediments would appear in prospect. All are hopeful that economic growth will continue. This growth seems not likely, in the form of capital expansion, to demand relatively more from the financial community than has been demanded during 1961.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)-----	3½%	1978-1980	3.60%	3.45%
Connecticut (State)-----	3¾%	1980-1982	3.35%	3.20%
New Jersey Highway Auth., Gtd.	3%	1978-1980	3.35%	3.25%
New York (State)-----	3%	1978-1979	3.30%	3.15%
Pennsylvania (State)-----	3¾%	1974-1975	3.10%	3.00%
Vermont (State)-----	3½%	1978-1979	3.25%	3.10%
New Housing Auth. (N. Y., N. Y.)	3½%	1977-1980	3.35%	3.20%
Los Angeles, Calif.-----	3¾%	1978-1980	3.65%	3.50%
Baltimore, Md.-----	3¼%	1980	3.45%	3.30%
Cincinnati, Ohio-----	3½%	1980	3.40%	3.25%
New Orleans, La.-----	3¼%	1979	3.55%	3.40%
Chicago, Ill.-----	3¼%	1977	3.60%	3.45%
New York City, N. Y.-----	3%	1980	3.60%	3.55%

December 27, 1961 Index=3.292%

With the continued intelligent surveillance that has been exercised by the Federal Reserve it would seem to follow that next year's bond market would portend no new problems; perhaps more of the same barring conditions of warfare. We see, at this point, little valid reason to anticipate any more fluctuations in tax-exempt bond rates than has obtained during 1961. The increasing value of tax exemption, particularly to bank and institutional investors, and the breadth of this sphere, is an added stabilizing factor.

The inventory situation has improved dramatically during the past two weeks. On Dec. 27 the *Blue List* of state and municipal bonds totaled only \$333,728,399. As recently as Nov. 30 the total was \$504,540,000. This condition has been a large factor in the recently improved general market.

January Offerings Impressive

The new issue calendar covering the next six weeks is abnormally light for this time of year. Less than \$400,000,000 is currently advertised for sale at competitive bidding. This situation may soon change but in the meantime January's market seems certain to be a very competitive affair.

Early in January the new issue features include: \$25,000,000 Puerto Rico, general obligation bonds selling Jan. 3; \$25,000,000 Port of New York Authority revenue bonds selling Jan. 4 and \$30,000,000 East Bay Municipal Utility District, Calif., general obligation bonds selling Jan. 9.

Recent Awards

The list of new issues which have sold during the past week has been sparse of big names but four issues of note have sold and are worth commenting about. Tuesday, Dec. 26, saw the sale of \$3,225,000 Larimer County, Colo., Poudre School District (1963-1987) bonds to the group headed by Boettcher & Co. through negotiation. Other members of this group include Bosworth, Sullivan & Co., Don A. Chapin & Co., Coughlin & Co., Inc. and Peters, Writer & Christensen, Inc. Scaled to yield from 1.75% to 3.30% the issue attracted excellent investor demand with the press time balance being \$200,000.

Anaheim Union High School District, Calif., awarded \$1,700,000 bonds, due 1963-1982, to the syndicate headed by Bank of America N.T. & S.A. as 3¼s and 3½s. Other major members of this syndicate are Wells Fargo Bank American Trust Co., C. J. Devine & Co., Weeden & Co., The Northern Trust Co., Paine, Webber, Jackson & Curtis and Phelps, Fenn & Co. Reoffered to yield from 1.70% to 3.50% the present balance is \$1,015,000.

Wednesday, Dec. 27, witnessed the sale of \$2,500,000 Mahoning County, Ohio West Branch Reservoir bonds to the group headed by Halsey, Stuart & Co., Inc. Associated with Halsey, Stuart & Co., Inc. as major members of this group are Paine, Webber, Jackson & Curtis, Hornblower & Weeks and First of Michigan Corp. Scaled to yield from 1.80% in 1963 to 3.50% in 1982, about three-quarters of the bonds have been sold.

The final issue of the week involved \$1,685,000 City of Pittsfield, Mass. Water & Sewer bonds which were awarded to the Lehman Brothers syndicate on its high bid. Other major members of this syndicate include Kuhn, Loeb & Co., Shields & Co., F. I. duPont & Co. and Wm. E. Pollock & Co. Scaled to yield from 1.60% in 1962 to 3.25% in 1981, about one-quarter of the bonds have been spoken for.

Toll Road Issues Higher

The toll road and other revenue issues have improved in market tone during the last week or two

also. The *Smith, Barney & Co.* Turnpike Bond Yield Index averaged out at 3.86% on Dec. 21. On 4¼s which came to market last week at 99 are now 99½ bid, and was 3.90%. This represents close have sold as high as 100¼.

Larger Issues Scheduled For Sale

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

Dec. 28 (Thursday)				
Hartford County Metro. D., Conn.	3,200,000	1962-2001	2:00 p.m.	
Jan. 1 (Monday)				
Cypress-Fairbanks CISD, Texas	2,325,000			
Taylor Township Sch. Dist., Mich.	3,500,000			
Jan. 2 (Tuesday)				
Lauderdale Co. Sch. Dist., Miss.	1,400,000	1963-1987	10:00 a.m.	
Jan. 3 (Wednesday)				
Puerto Rico (Commonwealth of)	25,000,000	1962-1984	11:00 a.m.	
Jan. 4 (Thursday)				
Georgia State Office Bldg. Auth., Georgia	6,000,000			
Port of New York Authority, N. Y.	25,000,000	1991		
University of South Carolina	2,480,000	1964-2001	Noon	
Jan. 5 (Friday)				
Georgia Univ. Sys. Bldg. Auth., Ga.	6,170,000	1964-1991	11:00 a.m.	
Jan. 8 (Monday)				
Carroll College, Mont.	1,297,000	1963-2000	10:00 a.m.	
Flint, Mich.	6,950,000	1963-1991	3:00 p.m.	
Kenton City Sch. Dist., Ohio	1,678,000	1963-1982	Noon	
Riverside City Sch. Dist., Calif.	1,000,000	1963-1982	10:00 a.m.	
Jan. 9 (Tuesday)				
Benton & Linn Counties, Corvallis Sch. Dist 509J, Ore.	2,100,000	1963-1977	7:30 p.m.	
East Bay Mun. Util. Dist., Calif.	30,000,000	1963-1997	10:00 a.m.	
Montgomery County, Md.	13,150,000	1963-1987		
Roseville School District, Mich.	1,500,000	1963-1987	8:00 p.m.	
Terrebonne Par. Cons. SD #1, La.	2,000,000	1964-1987	10:00 a.m.	
Jan. 10 (Wednesday)				
Buckeye Valley Local S. D., Ohio	1,455,000	1963-1983	11:00 a.m.	
Lee County, Fla.	1,150,000	1964-1981	11:00 a.m.	
Minneapolis Special S. D. 1, Minn.	2,000,000	1965-1982	10:00 a.m.	
New Mexico (State of)	8,043,972		9:00 a.m.	
New York (State of)	33,000,000			
Pascagoula Mun. Sep. S. D., Miss.	2,000,000	1963-1987	11:00 a.m.	
Princeton Township, N. J.	1,050,000	1963-1992	8:00 p.m.	
San Jose, Calif.	20,000,000	1963-1982	11:00 a.m.	
Wynford Local Sch. Dist., Ohio	1,242,000	1963-1984	1:00 p.m.	
Jan. 11 (Thursday)				
Clark County, County S. D., Nev.	6,000,000	1963-1981		
Kimberly, Wis.	2,160,000	1963-1981	2:00 p.m.	
Port Clinton City Sch. Dist., Ohio	2,150,000	1963-1984	Noon	
Jan. 13 (Saturday)				
Carleton College, Minn.	1,295,000	1964-2001	8:30 p.m.	
Jan. 15 (Monday)				
Ascension-St. James Bridge & Ferry Authority, La.	30,750,000	2001	11:00 a.m.	
Manitowoc, Wis.	1,500,000	1963-1982	11:00 a.m.	
Worthington Exem. Village SD, O.	1,200,000	1963-1982	1:00 p.m.	
Jan. 16 (Tuesday)				
Niagara Falls, New York	1,950,000			
Oceanside-Carlsbad Junior College District, Calif.	3,500,000		10:30 a.m.	
Jan. 17 (Wednesday)				
Alpine School District, Utah	2,500,000	1964-1973		
Hempstead, New York	2,605,000			
Norwalk Local Sch. Dist., Ohio	1,345,000	1963-1984	1:00 p.m.	
Washoe County, Nev.	1,950,000			
Jan. 22 (Monday)				
Caldwell Parish, La.	1,975,000	1963-1982	9:00 a.m.	
Ector County, Texas	1,500,000			
Jan. 23 (Tuesday)				
Georgia Rural Roads Auth., Ga.	15,000,000			
Jan. 24 (Wednesday)				
Hempstead UFSD No. 7, N. Y.	1,270,000	1962-1976	1:30 p.m.	
Missoula, Mont.	1,700,000		8:00 p.m.	
Stepenson County, Freeport School District 145, Ore.	1,650,000	1963-1987	8:00 p.m.	
Jan. 25 (Thursday)				
Austin, Texas	2,000,000	1963-1987		
Bossier City, La.	3,775,000	1963-1992	10:00 a.m.	
Jefferson Parish Cons. Drainage District, La.	1,000,000	1963-1982	2:00 p.m.	
Rocky River City Sch. Dist., Ohio	2,250,000			
Jan. 29 (Monday)				
Pomona, Calif.	1,300,000	1963-1992	8:00 p.m.	
Jan. 30 (Tuesday)				
Waco, Texas	2,505,000		3:00 p.m.	
Feb. 1 (Thursday)				
Acadia Parish Sch. Dist., La.	2,900,000	1963-1992	10:00 a.m.	
Eastern New Mexico University	2,175,000	1963-2001	10:00 a.m.	
Madison, Wis.	1,000,000			
Feb. 5 (Monday)				
Tri-Cities Mun. Water Dist., Calif.	2,900,000		7:30 p.m.	
Feb. 6 (Tuesday)				
Columbus City Sch. Dist., Ohio	7,000,000	1963-1985	Noon	
Los Angeles Sch. Dist., Calif.	35,000,000			
New Jersey (State of)	45,000,000			
Two Rivers, Wis.	1,700,000			

January 1, 1962

We take pleasure in announcing
the admission of

CHARLES H. MASPERO

as a general partner in our firm.

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Business and Financial Forecast for Coming Year

By Roger W. Babson

There is hardly any significant facet of our economy, or likely new development or exit of developments turned sour, which escapes the prescient eyes of Mr. Babson in his annual forecast for the year ahead. Predicted, for example, is the slowing down of automatic factories because of their prohibitive costs, the growth of polymer chemicals and "epoxy" cements, the use of color in steels, cement and advertising to stimulate sales, the relative stability of bond prices and sufficiency of mortgage funds, and a push in stock prices as a result of mutual funds' popularity. Mr. Babson also notes the inflow of foreign investments here and weighs economic prospects of foreign lands wherein he is most bullish about Canada.

I am hopeful for 1962; it should be a better year than 1961. Industrial production will exceed that of 1961.

There will be neither a nuclear war nor total disarmament in 1962. Considerable progress may be made toward a ban on atomic weapons.

Retail trade will make new records during 1962. Increased newspaper advertising, especially in colors, will be a great boon to merchandising.

Commodity prices will act erratic during 1962. Agricultural prices will be held up by legislation, but many metals will sell for less.

The official cost-of-living figure will rise slightly in 1962, but there may be a scandal in Washington over how this figure is calculated or adjusted. The real increase in the cost-of-living will be due to increased wages demanded.

The only certain shortages during 1962 will be in land suitable for parking places and waterfront property readily accessible to building lots; also for automobile "graveyards" near cities which have been zoned.

The building of shelters will look silly before the end of 1962. Certainly the Federal Government will not underwrite the building of private shelters for individual families.

Land Value Rise as Homes Depreciate

Good real estate must rise in price as the population increases. Elementary mathematics determines the price of suburban real estate. While the land on which a house now stands should increase in value during 1962, the building itself depreciates from the moment when it is first occupied. A possible exception would be certain very attractive ranch houses painted in color.

Automobile production will be the most important statistical indicator during 1962. This applies to both the number of automobiles and their sales value. We now have no reliable figures for the latter.

We will gradually approach an average of two cars for every family. The life of automobiles should gradually increase. The percentage of automobiles annually destroyed will decrease in 1962.

Automobiles and gasoline will be, increasingly, sources for raising money by taxation. These means will be extended to include an additional assessment on the manufacturers of automobiles.

Cheering Business Tax News

Taxes, as a whole, will continue to increase in 1962 for every family. Business net taxes, however, will decrease in 1962, through the granting of depreciation refunds which can be done by Executive order. The manufacturer may greatly increase his deductions for past investments and new machinery, plant, and equipment. Douglas Dillon feels that such tax reductions will increase the purchase of new equipment, develop greater efficiency,

and result in a net improvement in the employment situation. This is good news for 1962.

With all the above changes, plus increased public improvements and longer vacation periods, families must save somehow and cut somewhere. I think it will begin in 1962 with clothing. This will gradually become cheaper and more attention will be paid to color.

The time is approaching when the weaving of cloth will be greatly curtailed. Clothes will be made like paper. Plastic coats are already on the market. These are produced by feeding the cellophane into a machine which cuts to desired sizes and bonds (not sews) the material into beautifully finished goods of different colors.

Prohibitive Costs of Automation

We will hear more about automation during 1962. But the cost of building automatic factories is so great that the change is coming slowly. Even electronics has been overemphasized.

There need be no unemployment among steel workers during 1962. But government unemployment figures will remain high. Foreign competition, due to low wages abroad, will be an important factor. Women will prefer to work in air-conditioned factories and have their home pantries filled with precooked foods.

Labor unrest will grow in extent and power. The Kennedy Administration is friendly to union leaders and their demands. There will be demands for more "fringes" in 1962. A steel strike is possible.

This means that with increased taxes, prices for retail products will be higher. This will be blamed on "inflation" of money; but it will be due to inflation of living standards.

The real value of the dollar will decline slightly during 1962, due to the decrease in the productivity of labor. The electronics industry will temporarily suffer in 1962 if atomic warfare is outlawed. But otherwise the electronics industry will increase for some years to come and hold up the dollar value. Watch polymer chemicals and "epoxy" cements.

Plenty of Mortgage Money

There will be enough money for mortgages insured by the Federal Housing Administration in 1962. Plenty of money will be available for mortgages guaranteed by the Veterans Administration, although this supply varies with different sections of the country. Interest rates on conventional loans not having any government guarantees will be a little higher. Real estate people will worry about the public's desire to build, rather than about their obtaining mortgage money.

The kilowatt hours of electricity produced in 1962 will exceed the total of any previous year. This is favorable to utility preferreds.

Steel production in 1962 will exceed this year's 100 million tons, but the increase will come from producing steel in colors.

Cement production will be about the same in 1962 as in 1961, but the industry's capacity to produce is increasing too rapidly in view of the demand. The cement manufacturers must give more attention to colors.

Expenditures for plant and equipment in 1962 will increase, supplemented by large appropriations for repainting factories and offices in many colors.

Newsprint production depends upon the number of newspapers and the amount of advertising sold. I forecast a decline in the amount of newsprint sold during 1962, but advertising receipts may increase through the better use of colors. This may result in the increased use of coated paper to better take color printing—with a 50% increase in advertising rates.

There will be some increases in color TV sales in 1962. In fact, I think the present TV market is far from being saturated.

First-class postage rates will not be increased during 1962. Hence, more money will be spent on direct mail selling. This should help job printers in 1962, as their present margin of profit is very small. Billboard advertising will increase during 1962, due to a new kind of paint.

Lumber will do well to hold its own in 1962 and much of it will be sold colored. Wall-to-wall carpeting will become even more popular, reducing the price of the best hardwood floors.

Exports will probably increase during 1962, but the surplus of trade in favor of the United States is constantly decreasing.

Sees Democratic Trend

President Kennedy is encouraged by the recent elections in New York, New Jersey, and Texas. This Democratic trend will continue during 1962, notwithstanding former President Eisenhower's campaign speeches.

President Kennedy will be more favorable to "big business" in 1962 only when he is able to use big business to increase employment. Profit margins will not improve during 1962, although most industries will do better in terms of gross and volume.

Bond prices will not change much during 1962, except in the case of "non-taxables." European

investors are buying American stocks and bonds feeling that their money is safer in United States industries and real estate. Even the first mortgage bonds of transcontinental railroads are being bought by Europeans. The manufacturers of West Germany are making huge profits through the use of new machinery and low wages. They are sending their money to the United States to be invested. They seem to prefer suburban real estate, shopping centers, and electric utilities. I hope they are not buying into too many "fly-by-night" new electronic companies.

Buying of Mutual Funds will continue to exceed selling in 1962. Considering that brokers make much more profit by selling Mutual Funds than by selling shares of individual stocks—and considering the thousands of salesmen selling Mutual Funds—this should help stock prices during 1962. Remember that the Mutual Funds operators must go to the New York Stock Exchange to purchase stock to support these Mutual Funds which salesmen are selling in the field.

The so-called "service industries"—including education, beauty parlors, travel, entertainment, and government positions—should prosper in 1962.

Among the fastest growing industries in 1962 will be the plastics and glass industries. These materials will gradually take the place of wood, stone, cement, and even some metals, except as these are colored. Plastics and glass will become more important building materials and perhaps be used much more for automobiles.

Some unexpected event or discovery will cause the Dow-Jones Industrial Average to sell much higher during the next few years. As an illustration of what one of these unexpected events will be, I mention the polymer developments in chemistry, including "DNA" and "RNA," which may provide the source of life and extend it—yes, perhaps restore it, in special cases.

Attractiveness of Canada

I am bullish on Canada for safe investments during 1962. Canada has a small population of only about 18,000,000, but it is rich in

natural resources and has a sound, progressive government. I do not expect a nuclear war to be started by Russia; but if it comes, Canada will be a good place to live and to have your money invested.

South and Central America also have great natural resources; but most of their countries are ruled by selfish dictators. I believe most of our southern neighbors will suffer from serious inflation during 1962 and become a great problem for the United States.

Although the countries of Europe could be the greatest sufferers in case of World War III, the people I meet in Europe fail to realize this. I forecast that they will look at the situation more realistically during 1962.

West Germany is very prosperous; East Germany is in terrible condition. Much unemployment exists in Italy, France, and even Great Britain. I advise against investing money in Europe during 1962.

I am uncertain how to advise about Africa. But it is very rich in natural resources—including gold, diamonds, and almost every metal—as well as having the greatest undeveloped waterpower in the world. Barclays Bank I am personally acquainted with and recommend. Both Barclays and the Standard Bank are owned in England and have a great many branches; the latter has over 350 branch offices in Africa. Readers who are interested in keeping in touch with Africa may secure free of charge the Standard Bank Monthly Review by writing the Standard Bank of South Africa, 10 Clement Lane, London, EC 4. The banking of Northern Africa is controlled by the French. I would advise against putting money into Northern Africa during 1962.

The final result of 1962—whether it will make us a stronger or a softer nation—spiritually, physically, and mentally—depends upon our parents, teachers, preachers, and newspaper publishers. These, and not Russia, hold the future of the United States in their hands.

This announcement is neither an offer to sell nor a solicitation of offers to buy any of these securities. The offering is made only by the Prospectus, copies of which may be obtained in any state from such dealers as may lawfully offer the securities in such state.

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December 22, 1961

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DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Canadian Oils — Review—James Richardson & Sons, Inc., 14 Wall Street, New York 5, N. Y. Also available is an analysis of **Moore Corporation Ltd.**

Capital Goods Industries and 1962 prospects — David L. Babson and Company, Inc., 89 Broad Street, Boston 10, Mass.

Electric Utility Stocks—Analysis — Bache & Co., 36 Wall St., New York 5, N. Y. Also available is a report on **Columbia Broadcasting.**

Favored Fourteen for '62 — Data on American Metal Climax, Cleveland Electric Illuminating, Cutler Hammer, Fedders Corp., First National Stores, Hammond Organ, Household Finance Corp., International Nickel Co., King-Seeley Thermos Co., National Distillers & Chemical, Parke-Davis Random House, St. Regis Paper, and Texas Instruments — Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available are reports on Cincinnati Milling Machine, El Paso Natural Gas Co., United Shoe Machinery Corp., Babcock & Wilcox, Borg Warner Corp., Cooper-Jarrett, Ryder System and Wisconsin Central.

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

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

Japanese Market — Review — Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are analyses of the Japanese Vinyl Chloride Industry, Telephone and Telegraph Industry, Ricoh Co., Ltd. and Nippon Musical Instruments Manufacturing Co., Ltd.

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

Over-the-Counter Index — Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 23-year period — National Quotation

Bureau, Inc., 46 Front Street, New York 4, N. Y.

Review and Forecast for 1962 — A look at the market—Schweickart & Co., 29 Broadway, New York 6, N. Y.

Steel — Survey — Shields & Co., 44 Wall St., New York 5, N. Y. Also available is a survey of **Lowe's Companies and Pauley Petroleum.**

Total Corporate Impact—Booklet outlining seven key corporate objectives and why it is basic to a company's acceptance and growth in today's economy — Albert Frank - Guenther Law, Inc., (Quentin Smith), 131 Cedar St., New York 6, N. Y.

Transfer Tax Rates—Booklet giving current Federal and State Stock Original Issue and Transfer Tax Rates—Registrar and Transfer Co., 50 Church St., New York 7, N. Y.

Trucking Industry—Memorandum — Courts & Co., 11 Marietta St., N. W., Atlanta 1, Ga.

U. S. Government Bonds—Memorandum—D. H. Blair & Co., 42 Broadway, New York 4, N. Y. Also available is a memorandum on **Fluor.**

Why Investors Look to California —Booklet describing investment opportunities for surplus funds—World Savings & Loan Association, 1926 Wilshire Blvd., Dept. 57-P, Los Angeles, Calif.

Air Products and Chemicals Inc. —Review—Vanden Broeck, Lieber & Co., 125 Maiden Lane, New York 38, N. Y. Also available is a review of **Southwest Gas Corp.**

Allegheny Ludlum Steel—Analysis—Evans & Co., Inc., 300 Park Avenue, New York 22, N. Y.

American Steel Foundries — Analysis — Colby & Co., Inc., 85 State Street, Boston, Mass. Also available is a report on **McKesson & Robbins.**

Automation Industries, Inc.—Report — Taylor, Bergen, Lynn & Lee, 1830 West Olympic Blvd., Los Angeles 6, Calif. Also available is a report on **Mobile Video Tapes Inc.**

Avco — Memorandum — Paine, Webber, Jackson & Curtis, 25 Broad St., New York 4, N. Y. Also available are memoranda on **North American Aviation, Consumer Power, Whirlpool, Atchison, Topeka & Santa Fe Railway and Bucyrus.**

Bauer Aluminum — Analysis—Parker, Ford and Company, Inc., Vaughn Building, Dallas 1, Texas

California Financial Corporation —Analysis—William R. Staats & Co., 640 So. Spring St., Los Angeles 14, Calif. Also available is an analysis of **Pabst Brewing.**

Casa Electronics—Report—Adams & Company, 5455 Wilshire Blvd., Los Angeles 36, Calif.

Castle & Cooke — Report—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is a list of stocks which should rally after Jan. 1.

Central Soya Company—Survey—Thomson & McKinnon, 2 Broadway, New York 4, N. Y.

Chain Belt Co.—Data—A. M. Kidder & Co., Inc., 1 Wall St., New York 5, N. Y. Also available are data on **Chicago Pneumatic Tool Co., Gardner-Denver and Reliance Electric & Engineering.**

Chemetron Corp. — Report—H. Hentz & Co., 72 Wall St., New York 5, N. Y.

Consumers Gas Company—Analysis—Royal Securities Corp., Ltd., 244 St. James Street, West, Montreal 1, Que., Canada. Also available are analyses of **Distillers Corporation - Seagrams Ltd. and Southam Co., Ltd.**

Denver Chicago Trucking—Memorandum—Charles A. Parcels & Co., Penobscot Bldg., Detroit 26, Mich.

Discount Stores, Inc.—Analysis—Bohmfolk & Co., Inc., 51 Broad St., New York 5, N. Y.

Dresser Industries—Memorandum—Uhlmann & Co., Inc., Board of Trade Bldg., Kansas City 5, Mo.

Electronics Capital Corp.—Memorandum—Birr & Co., Inc., 155 Sansome St., San Francisco 4, Calif.

Esquire Incorporated—Analysis—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Fritzi of California Manufacturing Corp.—Analysis—Schwabacher & Co., 100 Montgomery St., San Francisco 4, Calif.

Gamble Skogmo—Analysis—Robinson & Co., Inc., 15th and Chestnut Sts., Philadelphia 2, Pa.

Gibraltar Financial Corporation of California — Analysis — First California Co., Inc., 647 South Spring Street, Los Angeles 14, Calif.

Hud-on Pulp & Paper — Data—Boenning & Co., Alison Building, Philadelphia 3, Pa. Also available are data on **A. E. Staley, Rudd Melikian and United Merchants & Manufacturers.**

Ludlow Corp. — Memorandum—Kidder, Peabody & Co., 33 South Clark Street, Chicago 3, Ill.

Magnetic Controls Co. — Memorandum—C. D. Mahoney & Co., Baker Building, Minneapolis 2, Minn.

Micromatic Hone Corporation—Bulletin—De Witt Conklin Organization, Inc., 120 Broadway, New York 5, N. Y.

Miner Industries—Report—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y.

Murphy Corporation—Analytical brochure — Howard, Weil, Labouisse, Friedrichs & Co., 211 Carondelet St., New Orleans 12, La.

Narrow Fabric — Memorandum—Drexel & Co., 45 Wall St., New York 5, N. Y.

Niagara Mohawk Power Corp.—Analysis—W. E. Hutton & Co., 14 Wall St., New York 5, N. Y.

Ohio State Life Insurance Co.—Analysis—Sutro & Co., 9804 Wilshire Blvd., Beverly Hills, Calif.

Olin Mathieson — Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Outboard Marine—Report—Purcell & Co., 50 Broadway, New York 4, N. Y.

Pabst Brewing Co.—Data—In current issue of "Analysts' Notebook"—F. S. Moseley & Co., 50 Congress St., Boston 2, Mass. Also

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Commercial and Financial Chronicle

available are data on **Schenley Industries and Universal Consolidated Oil Co.**

Packard Instrument Co., Inc.—Analysis—A. G. Becker & Co., 60 Broadway, New York 4, N. Y.

Radio Corporation of America—J. A. Hogle & Co., 40 Wall St., New York 5, N. Y.

Rath Packing — Memorandum—Sincere & Co., 208 South La Salle St., Chicago 4, Ill. Also available is a memorandum on the **Airline Industry.**

Reeves Soundcraft—Chart Analysis—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y.

St. Clair Specialty Manufacturing Co. — Memorandum—Walston & Co., Inc., 201 South La Salle St., Chicago 4, Ill.

Seaboard Finance—Memorandum—Diamond, Steckler & Co., 37 Wall St., New York 5, N. Y.

Smith Corona Marchant—Analysis—Arthur D. Dalfen, Box 451, Wall Street Station, New York 5, N. Y.

Southwestern States Telephone Co.—Memorandum—Parker, Ford & Co., Vaughn Bldg., Dallas 1, Tex.

Standard Pressed Steel Co.—Analysis—Bioren & Co., 1424 Walnut St., Philadelphia 2, Pa.

Superback Vending — Memorandum—Cowen & Co., 45 Wall St., New York 5, N. Y.

Syntex Corporation — Report —Richard Ney and Associates, 242 North Canon Drive, Beverly Hills, Calif.

Thiokol Chemical Corporation—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y. Also available is a review of **Interstate Department Stores.**

Unilever Limited and N. V.—Review—Carl M. Loeb, Rhoades & Co., 42 Wall Street, New York 5, N. Y. Also available are reviews of **FMC Corp., and Crude Oil Industry** and a memorandum on **Amerada.**

Wallace Investments—Memorandum — Saunders, Stiver & Co., Terminal Tower Bldg., Cleveland 13, Ohio.

White Motor Company—Analysis —Hornblower & Weeks, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are data on **Union Bag-Camp Paper, Eastern States, Phelps Dodge, Glidden, National Standard, Arvin Industries, and Oils.**

R. C. Williams—Memorandum—Hardy & Co., 30 Broad St., New York 4, N. Y.

Zale's Jewelry Co.—Memorandum —Eppler, Guerin & Turner, Fidelity Union Hower, Dallas 1, Tex.

Zale's Jewelry Co., Inc.—Report—Bruns, Nordeman & Co., 115 Broadway, New York 6, N. Y. Also available are memoranda on **ITE Circuit Breaker and Standard**

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and

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Middle South Utilities, Inc.

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

A consideration of one of the nation's major suppliers of electricity, serving an area enjoying a rapid industrial growth rate.

While many investors have been combing the market for issues calculated to produce fat capital gains, and have been moving recently into such new areas as toy and savings and loan shares, they have been overlooking perhaps the steadiest movers on the upside in the entire list—the electric utilities. Several of these issues have more than doubled, in market price, in the past five years, and many have increased their dividends at least six times in the past decade. Some analysts, however, have been suggesting that leading utilities have now attained too exalted price/earnings ratios. Our own view is that, where a continuing rising trend in earning power, in rapidly growing service areas, is solidly in evidence, price/earnings ratios of 25 to 30 for utility equities are quite acceptable. A case in point would seem to be Middle South Utilities, Inc.

Attractive Territory

Middle South Utilities is a holding company serving through four operating subsidiaries a broad geographic area covering about 80,000 square miles in the states of Arkansas, Louisiana, and Mississippi. This region is rapidly converting from a primarily agricultural economy to an industrial one. Cotton remains important. Extensive timberlands (both hard- and softwood), which used to be confined to production of saw timber and fuel, have become increasingly valuable for industrial purposes. Millions of cords of small logs now feed the many pulp and paper mills which have located in the region in recent years; and timber supplies the base for expanding wall board, plywood and veneer production, and for textile mills producing acetate and rayon. All of these milling operations are, of course, heavy and increasing users of electricity.

Mineral resources are of great importance. The service area of Middle South Utilities ranks first nationally in the production of bauxite, second in production of natural gas and petroleum and fourth in salt. The development of these resources has resulted in the location in this dynamic region of major oil refining, aluminum processing, and chemical plants—all big and avid users of electric current.

Louisiana is blessed with a splendid water supply and low cost water transportation. Oil reserves of nearly five billion barrels are supplemented by stores of sulphur, salt, silica sand, lignite and iron ore.

Arkansas has experienced an outstanding postwar growth and is rapidly attracting new industrial installations. Mississippi now has over 2,800 oil wells, is the leading Southern timber state, has developed agricultural output in soybeans, rice, corn, cotton and cattle and vast undeveloped deposits of iron ore.

So we view here a territory of great attraction and promise—four million people in 1,800 communities served by a utility system which has steadily built up its generating capacity to accommodate a steep rise in demand, and has been most hospitable to new industries in its orbit.

At the time in the 1930s when many utility holding company systems were broken up, certain ones, whose subsidiaries served connected and integrated geographic regions, were permitted to continue, among them Middle South Utilities. Its operating subsidiaries include Arkansas Power

and Light, Louisiana Power and Light, Mississippi Power and Light and New Orleans Public Service companies. Together these units now have an electric production capacity of 3,347,000 kilowatts and will sell about 11 billion kilowatt hours this year.

Expanding Revenues

Operating revenues of the system have risen steadily from \$159.5 million in 1956 to \$214.6 million for 1960. In the same period residential use of electricity in the territory has increased 89.6% and use per residential customer, 64.5%. Middle South ranks among the fastest growing major electric companies with a growth rate in this five-year period of 7%, compounded annually. Ninety percent of its business is from electricity, 6% from gas and 4% from transit. By states, Middle South receives 50% of its annual revenues from Louisiana and importantly from New Orleans, the leading gulf port and one of the nation's major industrial and transportation centers. Arkansas contributes 32%, Mississippi 18% to the total income.

Capitalization

Middle South Utilities Inc. has a well-balanced financial structure: \$376.5 million in long-term debt, \$76.26 million in preferred stock, a minority interest of \$1.5 million and 16,750,000 shares of common listed on the New York Stock Exchange. In the five-year period 1956-60 the company has increased its per share net from \$1.09 in 1956 to \$1.50 in 1960. Dividends have been increased in every year, from 80 cents in 1956, to the current rate of \$1.06. There was a two-for-one stock split in 1960. The return on the common equity was 10.2% in 1960 against 9% in 1956.

Over this same five-year period, Middle South has laid out \$320 million in capital expansion and improvement, most of which was financed internally, with only \$125 million in new financing required. The 1961 construction budget was \$70.5 million; and the one for 1962, \$65 million.

Regulatory Climate

One of the important things to look at in any utility is the regulatory climate under which it operates. Both Louisiana Power and Light and Mississippi Power and Light are now earning 6% on over-all capitalization; and Arkansas Power, and New Orleans Public Service, only a little less. This would indicate fair treatment by Public Service Commissions, and creates the proper background, respecting earning power, for the heavy capital investment outlined above.

For 1961 we would expect a per share net of about \$1.55. On this basis Middle South Utilities common sells at 24 times earnings and holds forth the prospect of continued increases in cash dividend distribution. Moreover, 24 times earnings does not seem too high a price to pay for an equity growing at such pace, and serving so burgeoning a territory.

Something should be said about management here. In the industry, the company is highly regarded in this particular. The operating units are headed by relatively younger men (only one over 60), who have been identified, and grown up, with the system for most of their business lives. Together they have, on the record, done a splendid job in capacity expansion, cost controls, building up of industrial and residential sales, and the creation of a sound

and attractive financial structure.

So as you start planning for additions or changes in your investment portfolio for 1962, may we suggest that (1) you consider the electric utility shares as a worthy medium for some of your funds and (2) you get the full details about Middle South Utilities Inc. as an issue, not unattractive in today's market, and probably a rewarding one for long term holding?

R. D. White & Co. Admits Maspero

R. D. White & Co., 120 Broadway, New York City, specialists in New York State, general market, housing and revenue bonds, have announced that Charles H. Maspero has been admitted to general partnership in the organization. He is sales manager of the tax-exempt bond firm.

Mr. Maspero was previously with Hemphill, Noyes & Co. prior to joining R. D. White & Co. in 1955.



Charles H. Maspero

S. D. Fuller Co. Admits Two

Thompson D. Berry II and Ronald W. A. Cooper will be admitted as general partners of S. D. Fuller & Co., 26 Broadway, New York City, effective Jan. 1, 1962, it was announced by Stephen Dow Fuller, senior partner.

Mr. Berry, who has been associated with the buying and new business department, joined the firm in 1958.

Mr. Cooper has been Manager of institutional and retail sales and will become partner in charge of that department. He joined S. D. Fuller & Co. in 1959. Prior to that time Mr. Cooper was associated with W. E. Hutton & Co. in the sales department from 1946 to 1959.

Conroy Joining W. E. Hutton

CINCINNATI, Ohio—W. E. Hutton & Co., members of the New York Stock Exchange, announced that Thomas M. Conroy will join the firm on Jan. 2, 1962, and make his headquarters in the company's Cincinnati office, First National Bank Building.

Mr. Conroy was formerly Senior Vice-President and director of The Central Trust Company.

Named Director

Lawrence S. Warren, Vice-President of Reynolds & Co., Inc., has been elected a director of Strategic Materials Corp., it has been announced.

Mr. Warren, whose entire business life has been spent in the securities field, has been with Reynolds since 1943. Prior to joining Reynolds, he was Vice-President and Director of the firm of Rambo, Keen, Close & Kerner. He has also held positions with Battles & Co. and Halsey Stuart Co.

Joins McDonnell & Co.

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—James H. Quinn, Jr. is now with McDonnell & Co. Incorporated, Tower Building. He was previously with Lowell, Murphy & Co., Inc.

Morgan Stanley Partner Changes



Perry E. Hall Francis T. Ward W. D. Mulholland, Jr. William H. Sword

Perry E. Hall and Francis T. Ward will retire as General Partners of Morgan Stanley & Co. 2 Wall Street, New York City, effective Jan. 1, 1962, and will continue with the firm as limited partners. At the same time William D. Mulholland, Jr. and William H. Sword will be admitted as General Partners.

Mr. Hall, who was one of the original officers and directors of Morgan Stanley & Co., Incorporated when the firm was founded in 1935, has long been prominent in the investment field. He was graduated from Princeton University in 1917 and served in the field artillery in World War I as a Captain. In 1919 he joined the staff of Guaranty Trust Company of New York, transferred to Guaranty Company of New York in 1920 and became an Assistant Vice-President in 1925. He moved to J. P. Morgan & Co. as co-manager of the bond department in 1925 and to Drexel & Co. in 1930, becoming a Partner in 1931. Mr. Hall resigned from Drexel & Co. in 1935 to become a Vice-President of Morgan Stanley & Co., Incorporated when the firm was organized. When the Partnership of Morgan Stanley & Co. was formed in 1941, he became a General Partner.

He served as Executive Manager of the Victory Fund Committee of the Second Federal Reserve District in 1942 and 1943. He is a Trustee of Princeton University. He is a member of the Advisory Council and former Governor of the Bond Club of New York and a former Governor of the Investment Bankers Association of America and the National Association of Securities Dealers, Inc. He is a former Treasurer and Trustee of the Seeing Eye, Inc., a former Treasurer, Chairman of the finance committee and Director of the United Hospital Fund of New York, and a former member of the finance committee and director of the Beekman-Downtown Hospital.

Mr. Ward, a graduate of the University of Chicago, joined the Harris Trust and Savings Bank in 1915 and served in the U. S.

Army in 1917 and 1918 as a Captain. He joined the bond department of J. P. Morgan & Co. in 1920; was a co-manager from 1925 until 1935 when he joined Clark, Dodge & Co. as a General Partner. He was Vice-Chairman of the Victory Fund Committee in 1942 and 1943. He became a General Partner of Morgan Stanley & Co. in 1943.

Mr. Ward is a Director of the Scovill Manufacturing Company and the Yale and Towne Manufacturing Company, a former Governor of the New York Stock Exchange and the Investment Bankers Association of America, and a Past President of the Bond Club of New York.

Mr. Mulholland was in the United States Army from 1944 to 1946, was graduated from Harvard College in 1950 and the Harvard Business School in 1952. He joined the staff of Morgan Stanley & Co., in 1952.

Mr. Sword, who served in the United States Armed Services from 1942 to 1946, was graduated from Princeton University in 1948. He was a member of Princeton's administrative staff until 1954 when he became associated with Morgan Stanley & Co. He is a member of The Board of Pensions of the United Presbyterian Church in the United States of America.

Joins W. E. Hutton & Co.

MANSFIELD, Ohio—Theodore Uehling has become associated with W. E. Hutton & Co. Mr. Uehling was formerly with Central States Investment Co.

With Goldman, Sachs

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Lawrence F. Zant is now with Goldman, Sachs & Co. He was formerly with Smith, Barney & Co. in New York City.

Eastern Seaboard Secs.

Eastern Seaboard Securities Corporation is conducting a securities business from offices at 350 Fifth Avenue, New York City.

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

NEW ISSUE

December 28, 1961

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Capital Stock

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Price \$3.00 per Share

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Copies of the Prospectus may be obtained from the Undersigned in any State in which the Undersigned may legally offer these shares in compliance with the securities laws of such State.

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A National Fuels and Energy Study Is Essential

By Hon. Jennings Randolph,* U. S. Senator (D.-W. Va.)

Senator discusses various considerations he hopes will prevail in the course of the recently authorized Senate study of fuels and energy. Why such a study is needed and what should be studied make up Senator Randolph's brief for obtaining the facts to formulate a coherent and national policy on our fuel and energy uses. In stressing the importance of identifying and keeping the most efficient and economic regional fuel consumption and energy utilization patterns, Senator Randolph makes clear we no longer can afford wasteful and short-sighted fuel development through unbridled competition.

One cannot say that we now have a national fuels policy in any coherent or meaningful sense of that term, and my own crystal ball is a bit clouded concerning what the policy will be when one is formulated and implemented.

I am very pleased to report, however, that we are now initiating a national fuels and energy study under the direction of the Senate Committee on Interior and Insular Affairs. It was with full acknowledgement of the responsibility of the position that I received notice in September of 1960 of my appointment by the Vice-President as one of the three ex-officio members added to the committee for purposes of rounding out the study committee—the other two being Senators Norris Cotton of New Hampshire and Clair Engle of California. The Senate adoption of the Resolution authorizing this inquiry, which I introduced with 62 co-sponsors from both parties is the culmination of several years of bipartisan efforts.



Jennings Randolph

What Will Not Be Studied

This is an immensely complex subject, involving the fundamental base and the long-term development of the American economy, but before discussing the objectives of a national fuels and energy study, I would first state what they are not.

The purpose of the proposed study is not—either in my view or in that of any of the 62 co-sponsors—to lay the foundation for a policy which would establish an unjust advantage for the coal industry.

It is not for the purpose of "legislating away the freedom of choice" of the consumer.

Nor is it the intent of those who advocated the projected study to lay the foundations for a national fuels policy—"with the avowed objective of imposing end-use controls on fuels"—to use the language of one of the more articulate critics of the action.

The proposed national fuels and energy study has been most vigorously opposed by some spokesmen in the oil and natural gas industries, their strongest positive argument being that no shortage of fuels exists now, nor is one expected in the determinate future. In the language of Morgan J. Davis, president of Humble Oil and Refining Company when he testified before the Senate Interior and Insular Affairs Committee.

"It seems evident . . . that we are not confronted today with any present or immediately prospective shortage of liquid petroleum and natural gas. On the contrary, our productive capacity is at an alltime high. No crisis threatens with regard to supply. Our resources are such that, given the proper incentives, we should be able in the future to count on the

continued availability of adequate supplies.

"It is obvious to me, therefore, that there is little reason to undertake a study of the whole field of fuels and energy at this time. . . ."

Defends Study

The basic assumption of this statement, and also of the views of most of those who oppose the study, is that there is no need for such an inquiry unless a shortage of fuels exists. I suggest that this is a gross oversimplification of the problems confronting this country in relation to the fuels and energy industries, some of which have been created by the very fact of a fuels surplus. It should come as no novelty to a nation which has for years wrestled with the persistent problem of agricultural surpluses that an "economy of abundance" in fuel also can generate problems which require for their solution an overall national policy.

It has also been stated by the opponents of this inquiry—and I again quote Mr. Davis—that "We have always had a national policy applicable to fuels and energy as to all other commodities. This policy is based on encouraging and preserving a dynamic, competitive, private enterprise."

This is not a statement or description of a policy, but a commitment to an economic philosophy. I too share this commitment to a "dynamic, competitive, private enterprise" system, but after that is said there is a wide range of choice in determining the means and methods by which this system will best be "preserved and encouraged." And this is a question of policy formulation. There are indeed a host of specific policy questions—some of which I will mention—that are not addressed by the broad rhetorical and philosophic statement of Mr. Davis.

It is my contention, and that of many of my Senate colleagues, that the Congress does not at present have sufficient facts and knowledge of the fuels and energy industries to answer these questions or to enact the kind of legislation that would implement a national policy on fuels and energy.

Stated solely in terms of the quantity of our fossil fuel reserves, there is no need for another study. The proven reserves of oil and natural gas in the United States are estimated at 31.5 billion barrels of oil and about 265 trillion cubic feet of gas. In relation to production rate, this amounts to approximately 12 or 13 years of current production of oil and about 20 years of current production of natural gas.

These figures, however, refer only to reserves recoverable at present prices and under existing technology. They are, as one expert witness before the Senate hearings phrased it, "a working inventory of natural endowment of materials." The latter, that is, the total amount of probable reserves, is inferred from geological evidence. This is estimated by Samuel Schurr of Resources of the Future, Inc., to be on the order of 500 billion barrels of crude oil available for future recovery in the U. S. and roughly 1,200 trillion

cubic feet of natural gas. At the consumption rate projected for 1975 of 5.2 billion barrels of oil and approximately 20 trillion cubic feet of gas, these reserves would last 95 years respectively.

Based on the most recent estimates of the U. S. Geological Survey, the supply of coal is, for all practical considerations, virtually inexhaustible. Estimates place our total coal resources at approximately two trillion tons, of which the U. S. Geological Survey considers almost one trillion as recoverable—enough to last 2,000 years at current production rates.

Thus, as Mr. Schurr stated before the Senate Interior Committee, ". . . decisions concerning energy policy questions, such as those with which the Congress and the executive branch of the Government must deal, can be made in an atmosphere which is not charged with apprehension about the country's ability to meet its future energy demands." But I would emphasize that Mr. Schurr did not say that for this reason we need no consciously formulated overall policy.

Shift to Energy-Importing

Despite these tremendous reserves in all the fossil fuels, we have become "an energy-importing Nation"—to use the phrase of Secretary of the Interior Udall. That is, we import more fuel than we export. Now, I am not sufficiently versed in the financial and investment intricacies of the international oil industry to explain this phenomenon. But I do know that it has serious implications toward a national fuels policy—especially in view of the economic and political penetration by the Soviet-Sino bloc in those areas of the Middle East and Latin America which supply so much of the free world's oil.

Our position as an energy importing country must also be viewed in the light of the increasing demands for oil in the free world outside North America, and particularly in the underdeveloped nations. In a survey of world oil published in *The Economist*, August 19 of this year by Walter Levy, one of the leading international oil consultants, it is stated that

"Over the next fifteen years . . . oil consumption outside North America could mount at the rate of perhaps 7.5% per annum. Together with North American consumption this would mean free world oil requirements of around 2 billion tons a year by 1975, against about 900 million tons now."

With such fuel and energy demands as these, existing in an uncertain and threatening international climate, it is extremely short-sighted, to say the least, for us to foster an increasing dependency upon external sources of supply. Especially is this so when it contributes to a declining activity in domestic oil exploration. In a letter addressed to Secretary Udall, of which I was one of 27 Senate co-signers, we stated that the number of drilling rigs active in 1960 was at a 14-year low, with the trend continuing in 1961; the total wells drilled in 1960 were at an 8-year low; and as of the late spring of 1961 the number of wildcat wells drilled was 7% below that of 1960, which rate was 26% below the rate of 1956. This is the condition to which the "free play of economic forces" and our haphazard fuel marketing methods have brought the domestic oil exploration industry. I suggest that this is not a healthy state for an economy which is placing ever-increasing demands upon the fuel and energy industries.

According to the authoritative study of Samuel Schurr to which I have already referred, projections for the period from 1955 to 1975 indicate that we will witness an increase in bituminous consumption from 431 million tons to 754 million tons, or 74.9%;

in crude oil, from 2,774 million barrels to 5,154 million barrels, or 85.8%; in natural gas, from 9,614 billion cubic feet to 19,881 billion cubic feet, or 195.8%; and from all sources the consumption of electricity is estimated to increase from 633 billion kwh to 1,966 billion kwh—for an increase of more than 210%.

Can't Grow Like Topsy

In an overmore complex and interdependent economy we cannot allow the fundamental base of our economy—the fuels and energy industries—to grow like Topsy, without regard for the relationships among the various segments of the economy.

Since the mid-19th Century America has undergone two almost complete transformations of our energy base, first, from wood to coal, and more recently, from coal to oil and natural gas. The first transformation, achieved in a decentralized and predominantly agrarian economy, was conducted with relatively little dislocation in our economy. This cannot be said for the transition from coal to oil and natural gas. The chronic unemployment in many areas of the coal producing states of West Virginia, Pennsylvania and Kentucky, among others, and the financial distress of our coal hauling railroads are but two of the problems created by a technological transition for which we were ill-prepared by the absence of a national fuels policy.

I most assuredly do not imply that such a policy would impede technological development, or that it would seek to impose restrictions on energy consumption in one region in order to promote the fuel production of another region. Rather, the value of a national fuels and energy policy, in this context, is that it would enable us to see the direction our economy is taking and to make the necessary economic and social adjustments.

We will, in the next four decades, witness a further transformation of our energy base with the introduction of nuclear power. Philip Sporn, President of American Electric Power Co., has made an intensive study of our energy requirements for this period, and estimates that by the year 200, we will have an energy demand equivalent to 4,000 million tons of coal, of which 40% will probably be converted to electricity, and some 50% of this amount will be generated by nuclear power. Thus, although our principal source of energy then will continue to be the fossil fuels, nuclear power will supply approximately 20% of the total, or almost half the amount of our total energy production today.

The complex pattern of private, public and co-operative ownership in the electrical power generating industry, and the development of the most efficient regional and national balance of energy sources in the coming decades demand nothing less than a national policy on fuels and energy. The impelling need for a national fuels and energy policy has been indicated, and yet in none of this discussion have I referred to the impact of technological developments within the fossil fuel industries themselves—factors which also have important implications for such a policy.

Technological Impact

Some of the most important of these developments were initiated by the Synthetic Liquid Fuels Act of 1944, of which I was the co-sponsor, as a member of the House of Representatives, with Senator Joseph O'Mahoney. In response to the heavy wartime demands for liquid fuels, and the interdiction of much of our supply by the Nazi submarines, Congress enacted this legislation to authorize the Bureau of Mines to conduct an extensive research and development program to establish methods for the production of oil from coal and shale. Despite the

fact that a well-advanced but pre-commercial technology had already been achieved in oil production from both coal and shale, the early Eisenhower Administration made the shortsighted and—in the words of former Senator O'Mahoney, when he spoke to me of it recently—the "tragic decision" to discontinue this program. Under a national fuels and energy policy, it would be my hope that these projects would be reappraised and that Federal effort would be exerted in extending research and development in these fields in concert with the overall perspective of our energy base.

Another technological advance of great potential significance lies in the gasification of coal. In January of last year, Fred A. Otto, manager of the Belle plant of E. I. du Pont de Nemours & Co. in West Virginia, stated that the day will come when West Virginia will be piping gas back to Texas. With the eventual depletion of natural gas fields, Mr. Otto envisages the piping of gas produced from coal, which he claims could be made a much cleaner and more volatile fuel than the natural gas.

These are but a few of the areas of research that might be greatly advanced by a vigorous and positively oriented national fuels and energy policy. And I am confident that one with technological training in this field could offer many more exciting prospects.

Regional Utilization Patterns

Another aspect, and perhaps one of the most politically sensitive features of a national policy, is the need to implement the conception of regional patterns of fuels and energy utilization. In the April 10, 1961 issue of *Electrical World* there is a concise regional survey indicating the consumption ratio of oil, gas and coal by the electrical utilities in the nine geographic regions. It seems to me that a national fuels and energy policy would seek to achieve the most efficient and equitable balance among and within the regions while still not infringing upon the freedom of choice of the consumer.

I have in mind, for example, the sometimes limited provincialism of those from coal producing states who would deny electrical generating equipment to the Hanford reactor plant in the power-needy state of Washington because it would "compete with coal." The Pacific Coast is a gas and oil and hydropower region, and it is absurd and wasteful to deny electrical power generating facilities to the Hanford plant on the grounds of some presumed competition with coal.

These are but some of the considerations which I hope will be held in view in conducting the Senate study of fuels and energy. It would be my further hope that this study will provide the foundation for a national policy—which will place the national interest over that of any section of the country or segment of the fuels and energy industries—which will place the Federal effort behind neglected areas of research and development—which will give adequate consideration to energy deficient regions—which will provide equitable incentives to insure the adequacy of energy supplies now and in the future—which will maintain a proper balance between small and large producers—which will assure the optimum utilization of advances in transmission and generating technology by electric energy systems and subsequent low-cost energy to the consumer—and finally I would hope that we will adopt a national fuels and energy policy that will cause our children and grandchildren to be grateful for the prudent and farsighted stewardship of their elders in dealing with the vast resources of this bountiful land.

Report on Inspection Trip Abroad

A report will be issued shortly by the Senate Committee on Pub-

lic Works concerning industrial and hydroelectric power developments in Norway and Sweden.

This report is based on inspection trip findings of a delegation of members and staff assistants of the Public Works Committee during the July 4th recess period. I was privileged to participate.

Our trip to the Scandinavian countries was arranged primarily because the natural conditions in Scandinavia are very similar to those of the State of Alaska.

The Committee on Public Works has authorized a study of a hydroelectric power project at the Rampart Canyon site on the Yukon River in Alaska.

Alaska, Norway, and Sweden each has large hydroelectric power potentialities. We found that Norway and Sweden have proceeded at a high rate in the development of hydroelectric power. But we know that such development in Alaska has lagged.

In our letter of transmittal of the report on our findings in Norway and Sweden, we pointed out to the Chairman of the Public Works Committee, Senator Dennis Chavez of New Mexico, that Norwegian and Swedish water-power constitutes one of the greatest natural resources of those countries. In fact, their water-power is the foundation of their industrial activity. It has enabled both countries to exploit their vast timber and fishery resources, and to expand their industrial production, primarily in the fields of electrochemical and electrometallurgical processing and electrification of railways.

Waterpower in the Scandinavian countries likewise has enabled them to procure, at a reasonable cost, large amounts of electric energy for lighting and cooking, and to an increasing degree for space heating, and to provide relief in the daily work in the homes and on the farms through the use of labor-saving machines.

Of course it is apparent that what I am saying about the development of hydroelectric energy in Scandinavia can be said with respect to the use of our water-power resources in the Pacific Northwest of our own country. And it can be said about the important combination of water-power and steampower to produce large quantities of electricity in the TVA area.

Coal and Electricity

Being a Senator representing a coal producing State, I point with equal emphasis to the vast supply of electric energy produced in the East and the heartland of America from steam power developed through the burning of coal under power plant boilers.

The slogan, "Coal by Wire," meaning electric power generated from steam through the burning of coal in giant boilers, is really meaningful; and it is much more than a mere slogan. It is a fact—an accomplishment—and a very vital one to the coal industry in this country.

Speaking as a Senator from a State in the Appalachian region, I point out that our region has made vast contributions to the national defense and to the industrial and economic growth of America. We will remain alert and progressive. We will not oppose progress, but we will resist efforts to deny us our fair share of the utilization of and markets for our rich heritage of natural resource fuels.

Earlier this year the West Virginia Public Service Commission approved an application filed by the Virginia Electric and Power Company to build a one-million kilowatt steam electric generating station on Stony River in Grant County, West Virginia. It will open up a new coal producing area, will develop a new lake which will have utility in connection with the power generation

and, at the same time, will prove to be a real tourist attraction.

During the recent Scandinavian visit with my colleagues of the Senate Public Works Committee, I remarked to a number of Swedish and Norwegian officials and industry representatives about this unique arrangement whereby a utility in one state has been authorized to construct generating facilities in our State for transmission to others. They were singularly impressed and expressed a keen interest in this application of "coal by wire."

But whatever the fuel and energy source from which electricity is developed and marketed, we know that there is still much pioneering and researching underway in the United States and throughout the world in this vital field of activity. Even in this generation, and especially within the past decade, we have seen vast improvement in the efficiency of electricity production. International competition is developing in the methodology of electric power transmission, especially in long lines transmission.

In our Scandinavian visit, we were particularly impressed by the progress in those countries in the construction of underground power facilities for economical and defense reasons; the transmission of power at high voltages over long distances; and the underwater transmission of electric energy.

*An address by Sen. Randolph before the Fifth Electrical World Electric Heating Conference, New York City.

Named Director

William J. Hammerslough, a partner of Lehman Brothers, has



W. J. Hammerslough

been elected a director of Edison Brothers Stores, Inc., (St. Louis, Mo.), it was announced by Harry Edison, Chairman of the Board, and Irving Edison, President.

Elected Director

James E. Madden, director and vice-president of Schroder Rockefeller & Co. Incorporated, New York City investment banking firm, has been elected a director of Piggly Wiggly Southern Inc., supermarket grocery chain with headquarters in Vidalia, Ga.

Form Diversified Church Financing

(Special to THE FINANCIAL CHRONICLE)

GARDEN GROVE, Calif.—Diversified Church Financing and Building Service is engaging in a securities business from offices at 12112 Brookhurst. Partners are Charles L. McClain, W. Caswell Bryant and Gabriel R. Guedj.

Continental Income Branch

ROCHESTER, N. Y.—Continental Income Planning, Inc. has opened a branch office in the Sibley Towers Building under the direction of Amiel J. Mokhiber.

With Schmidt, Sharp

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Kenneth E. Stephens has become associated with Schmidt, Sharp, McCabe & Co., Inc., 1717 Stout Street. He was formerly cashier for A. L. Greenberg & Company.

Smith, Barney Sponsors Program

Smith, Barney & Co., members of the New York Stock Exchange and other exchanges, is sponsoring a special New Year's night musical program on WQXR and the QXR network of eleven stations. The program, "A Musical Review of 1961," will be from 8:05 to 10:00 p.m. (EST) on Monday. Smith, Barney regularly sponsors "Music Magazine," an hour-long Monday night show on WQXR, and is expanding the program to two hours on New Year's night.

In "A Musical Review of 1961" the distinguished conductor Erich Leinsdorf and WQXR Music Director Abram Chasins will discuss the musical milestones of the year and illustrate their opinions with appropriate music. A climax to the Musical Review will be the first performance in New York of the Agnus Dei of Schubert's Mass. The recording, made in Berlin and as yet un-released, features a chorus made up of East and West Germans. The basis for its performance on this program stems from the discussion of Liszt as an innovator, and Erich Leinsdorf's complaint that major musical organizations do not pay enough attention to choral works of the masters.

NYSE Members to Vote on Bldg. Plan

The Board of Governors of the New York Stock Exchange has approved and forwarded to the membership for a vote an amendment to the Exchange's Constitution that would be required to implement a financing plan for new Stock Exchange building facilities.

The amendment—involving increases in members' dues and initiation fees and allocation of money accumulated in the membership (seat) retirement fund—would make it possible for the Exchange to begin raising part of a \$29 million cash fund to be accumulated over a five-year period for initial financing of new facilities. The financing plan was proposed last month by a special committee of Exchange members and allied members and unanimously endorsed by the Board of Governors.

The Exchange's 1,366 members will ballot on the amendment by mail and in person from today through 3:30 p.m. Jan. 4. The change would:

Raise the Constitutional limitation on annual membership dues from \$1,000 to \$1,500, and the initiation fee paid by a person becoming a member from the present \$4,000 to \$7,500.

Credit the Membership Retirement Account started by the Exchange in 1953 to the capital investment account of the Exchange on termination of the present membership retirement program on March 31, 1963, and delete references to the program from the Constitution after that.

The last change in annual membership dues was a downward revision in 1942. Initiation fees have been unchanged since 1920.

The amounts involved in the proposed Constitutional amendment would make it possible to raise about \$7.6 million of the proposed \$29 million cash fund. If the amendment is approved, the balance of the fund would come from an appropriation from Exchange surplus (\$5,500,000); sale of present properties (approximately \$10,000,000); appropriations from annual revenues (approximately \$4,650,000); and additional charges to members for floor facilities and registration fees (\$1,660,000). The difference between the cash fund and the total cost of a new building proj-

ect, estimated at between \$50 million and \$78 million, would be financed.

With William R. Staats

(Special to THE FINANCIAL CHRONICLE)

BURLINGAME, Calif.—John R. Hedelund has become associated with William R. Staats & Co. Mr. Hedelund was formerly local manager for Hooker & Fay, Inc.

Joins Kleiner, Bell

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Samuel Swimmer has become associated with Kleiner, Bell & Co., 315 South Beverly Drive. Mr. Swimmer has recently been with Walston & Co., Inc. In the past he conducted his own investment business in Beverly Hills.

Henry, Franc Co. To Admit Two

ST. LOUIS, Mo.—Henry, Franc & Co., 308 North Eighth Street, members of the New York and Midwest Stock Exchanges, on Jan. 1, will admit Terry Franc and Paul Pollock to partnership. Mr. Franc is in the firm's trading department.

Form Aries-Neidich Assoc.

YONKERS, N. Y.—Aries-Neidich Associates has been formed with offices at 1710 Central Park Avenue to engage in a securities business. Partners are Ernest J. Aries and Henry K. Neidich.

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Money Alone Cannot Assure A Nation's Economic Growth

By Robert L. Garner,* Former President, International Finance Corporation; President of the Japan Fund

Noted world financial official's valedictory address contains for the most part his personal, penetrating views on the underdeveloped countries' responsibility for failing to progress. After explaining the IFC's new departure into equity financing, and the admitted responsibility on the part of richer countries to help their poorer neighbors, Mr. Garner asks that the facts realistically be faced as to the extent to which the poorer countries' poverty is their own fault. The stubborn core of the problem is said not to be geography, natural resources or even capital but to be the differences in people—their thinking and methods, ideas and habits. And so long as they operate to mitigate against progress, "large injections of capital . . . can cause more harm than good" and foreign aid becomes an excuse for not bringing about the domestic condition for development. Mr. Garner is not opposed to aid but to sentimentally injecting more than can be properly used. Going by his experiences, he lays down certain requirements essential to economic growth for both recipient and assistive countries, and private business.

The past year has been an important one for IFC. The amount of new investments was somewhat lower than in the previous year, although in the past few months we have made the largest commitments for any similar period.

But I consider more important several new developments. We have made the first sales of entire investments out of portfolio, in line with our basic purpose to help enterprises get started and then sell to private investors—thus revolving our funds. The three sales were on terms providing a satisfactory profit.

We have recently made commitments to provide equity-type capital to two private financial institutions in Colombia. This will enable them to expand their investment activities over a broadening range of local enterprises—chiefly smaller and medium size concerns, which it is impractical for IFC to finance directly.

Another quite different operation is a commitment of \$3 million in a \$72 million petrochemical complex in Argentina. Organized and largely financed by a group of important United States industrial companies and American and European investment institutions, IFC was invited to provide the small balance of funds needed to conclude the transaction.

These variations from the corporation's usual type of investment and to the flexibility with which it seeks to supply the diverse needs of private business.

We have during recent months completed two studies, in Iran covering the potentials for enterprises in the chemical field and in Venezuela in meat packing. We shall seek potential sponsors and be prepared to assist in financing if sound projects can be worked out.

Allowing IFC to Invest in Equities

Probably the year's most significant event for IFC is the change in its Charter permitting investment in equities.

After four years of experience, I proposed this change at the annual meeting last year. By Sept. 1 the change was authorized by the required number of member countries, with no adverse votes.

The purpose of this change is to enable the corporation better to provide various types of investment funds, and in easily understood and simplified form.



Robert L. Garner

Our experience indicates the greatest need of the type of customers with which we deal is for equity capital. It has always been the seed corn for development of private business in the industrialized countries, with borrowed funds as a secondary supplement. Only in recent years and in the developing areas has the practice grown to place main reliance on borrowing. This is largely due to the fact that most public financing agencies supply only loan funds, and at low rates.

Thus businessmen are encouraged to launch enterprises with excessive debt, often of short term and heavily in foreign currencies. This frequently leads to trouble.

My 40 years of financial and business experience makes me an advocate of prudent financial structures. I, therefore, see great importance in IFC's new right to provide and stimulate the flow of equity capital.

Many are well aware of my strong convictions against public ownership of business. However, IFC intends to be merely an interim instrument for holding shares, pending the opportunity to sell them to private investors, which it has the mandate to do. The corporation will continue to follow the policy of not participating in the management of enterprises in which it invests, and it undertakes to forego the ordinary voting rights of private shareholders.

One of the most important activities made possible by this Charter change will be IFC's ability to assist in spreading share ownership in the developing countries. By underwriting or providing stand-by commitments it can provide facilities, often lacking, for the growth of capital markets. The ability to draw capital from large numbers of people is a necessary element for sustained growth of modern business. It is the basis of people's capitalism.

All in all, I believe that this year's developments give promise for increasing activity and usefulness for the corporation.

Personal Credo on Foreign Aid

It is, I believe, accepted practice that in turning over command one is entitled to a valedictory. Mine shall be some personal comments on this business of economic development. And now I speak as an individual, not in my role as an official of an international organization. Since I have spent years working in this field, it is not necessary to assert my belief in its importance, nor my sincere interest in the developing countries. I trust, therefore, that you to whom I speak may bear in mind the saying, "Let not him who is my friend speak only in soft words to tell me of pleasant dreams."

We need to keep in mind two significant developments in the postwar world.

First, the spreading realization that no nation can today walk alone;

Second, that for the first time those countries which have achieved a more abundant life have accepted responsibility to assist their poorer neighbors to improve their economic lot.

Thus the less developed countries have the unique opportunity to draw on the fruits of centuries of experience, organization and technology in economic progress. They have the goodwill and support of the powerful free nations.

But I am troubled by the extent to which there is growing up the insidious consequences of too great reliance on foreign aid. Everyone repeats the platitudes that each country must be primarily responsible for its future and that others can only supplement its own efforts. Nevertheless, there are too many instances where the obvious attitude is that the chief responsibility of a government is to secure the maximum help from abroad, with lesser responsibility to mobilize its own resources, and to take action so that all resources are most effectively applied, and that internal conditions which hinder development are improved.

Probably the most important economic problem in the world is how the great areas with low productivity and standards of living can move steadily toward the levels achieved in North America and Western Europe.

If, working together, the richer and poorer countries are to make substantial progress to this end, it will require an honest facing of the facts. We certainly need to understand why certain countries have achieved a high degree of economic development and others have not. If we fail to understand the problem, how can we hope to solve it?

Why Nations Presumably Are Underdeveloped

Let us briefly examine some of the frequently cited causes of underdevelopment.

It is often claimed that geography and natural resources are determining. They are of course important, and extreme conditions may inhibit any worth-while economic activity—such as in the polar regions or utter deserts. But resources lie inert and have no economic worth except as people bring them into use.

It is easy to attribute the progress of the United States to its wide expanse and abundant physical resources. However, other areas—in Latin America, Africa, Asia—have comparable natural wealth, but most of it is still untouched.

On the other hand, there are countries in Western Europe with limited fertile land and meager mineral deposits, yet they have achieved high levels of economic life.

There appears to be only limited relation between resources and development.

Perhaps most often lack of capital is blamed. Let us take a look at this. In the first place, there is in most developing countries more potential capital than is admitted. But large amounts are kept outside, because of political instability and depreciating currency at home. Or it is invested in often unproductive land, low priority buildings, or otherwise hoarded. From the standpoint of development it is sterile.

The wide acceptance of the assumption that lack of development is primarily due to shortage of capital has led the United States and other richer countries to provide billions in loans and grants. Over the postwar period immense sums have been made available to the developing areas. Some of these funds have been well ap-

plied and have produced sound results, others have not. However, to most of the recipient countries the amounts are never sufficient. In my opinion they never can be, because money alone accomplishes nothing. It is only a tool, and what it produces depends not on how much, but on how it is used. If it is applied to uneconomic purposes, or if good projects are poorly planned and executed, the results will be minus, not plus. The effective spending of large funds requires experience, competence, honesty and organization. Lacking any of these factors, large injections of capital into developing countries can cause more harm than good. The test of how much additional capital is required for development is how much a country can effectively apply within any given period, not how much others are willing to supply.

It is popular in many quarters to charge colonialism with lack of development in territories which have been dependent. This argument seems less persuasive when we observe that a number of countries which have been their own masters for long periods are no further advanced.

The Difference Is People

I am, therefore, forced to the conclusion that economic development or lack of it is primarily due to differences in people—in their attitudes, customs, traditions and the consequent differences in their political, social and religious institutions.

Therefore, if the countries which are lagging are to join in the procession of economic progress their people must change some of their thinking and some of their methods. This is the stubborn core of the problem, the most important factor regulating the pace of growth—how fast will people adapt. A bulldozer can move most things, but not ideas and habits.

It is no service to truth and realism to avoid the fact that much effort and the sacrifice of some of the accustomed ways are the inevitable price of advancement.

Modern machines and the way of life which they demand can produce unlimited goods and services, but only for those who accept the required disciplines. Such disciplines are harshly imposed by the ruling powers in communist countries. In free societies they must be voluntarily assumed by individuals.

I am sympathetic with those who prefer the old ways and the simpler life. But too many wish for the best of both worlds. It won't work—only frustration and failure can result from seeking the fruits without being willing to pay the price of admission to modern economic society.

Out of my experience I have arrived at a few simple requirements for any country to make its way up the economic ladder. Simple to state, most difficult to achieve.

What Nations Must Do to Achieve Economic Growth

The first requirement is a reasonable degree of consistent law and order—government which can govern. Each country must work out its own acceptable process by which it governs itself. But without a degree of continuity in political life, consistent economic growth is not possible. Public policies sway with every change in the winds; economic programs do not get off the ground; private investment is frustrated.

Next, I would put the requirement of reasonably honest and effective public administration. There is no denying that in many countries graft and corruption in public office lay a heavy tribute on resources which should go into development. Of course, the less developed countries have no monopoly on public corruption.

But its toll is more destructive in poorer countries than in richer societies. This is a problem which is entirely up to the leaders and people of each country.

However, honesty alone is not sufficient. Administration needs to be effective, and more and more individual competence and adequate organization are required as an economy grows and becomes more complex. I have found that in dealing with public officials, the most prevalent obstacle to getting things done is the lack of experience, of training and of ability to make prompt decisions. More attention to training and organization is widely needed.

I can seldom refrain from commenting on the importance of financial stability to steady economic progress. There are many prominent supporters of inflation who claim that it is a necessary adjunct of growth some assert that it creates development.

But I have taken a close look at inflation in quite a few countries. I have seen it upset governments; take the bread out of the mouths of workers, the old, the helpless; undermine the operations of business. So I continue to class it as a dangerous fever, which gives the patient a temporary spurt but quickly saps his strength.

Careful Planning Essential

Next, I would emphasize the importance of developing in broad terms a pattern of economic growth, a sensible plan of balance among agriculture, industry, transport, power, communications, with such provision for housing, education and medical services as resources permit. From my experience, this type of basic program, setting out general and related objectives, is more practical than attempts to specify in detail and to direct all spheres of economic activity.

However the plans are made, they will reveal needs so great that there must be a selection of priorities. Of course it is also essential that the country seek to increase its own internal revenues. Many tax systems need overhauling to remove inequities and evasions, and to improve collections. However, if development is to be encouraged and not hampered, it is important to avoid taxation which hinders investment. The best chance for long-term growth in revenues is through increased productivity and national income.

Most countries have in their history experienced some form of feudal society, with wealth and power in the hands of a few. The most advanced countries have moved out of it; in many others it still prevails. This is one of the things which must disappear if there is to be economic progress in the modern sense. It can disappear under the guns of violent revolution, with the lives and property of those who have the most being forfeit. But the mass of people have never found quick prosperity through expropriation—through dividing up an inadequate pie. Grabbing the possessions of a few does not really help the many.

But revolutions are likely to come unless those who have the wealth and power are prepared to cooperate in working out means whereby productivity can be increased and its benefits more widely distributed. If they would look forward they should realize that there is greater opportunity and prosperity for those with superior ability and for capital in a growing economy with widely spread benefits than in a less productive society made up of a few rich and many poor.

So I put high on the list of public policy positive efforts to see that the benefits of growth be spread widely among more and more people—through jobs, ownership, opportunity.

I have some definite ideas as to the means of getting greater

productivity, which is the essence of modern economic life, and providing for wide distribution of its benefits, which is both economically and politically imperative in free societies.

Obviously there is need for governments to provide the basic facilities and services. To do this in adequate measure will strain their human and financial resources. It seems sensible, therefore, to give the greatest scope to private initiative and capital in all fields which are not necessarily in the public sector.

There is convincing proof that this is the most assured method of getting development. The most productive economies which have brought the highest standards of living to the most people have been those which have permitted private initiative to control the widest range of activities. This system has worked in the United States, which began as a wilderness; it has worked in Europe and Japan, with the long established societies.

Over the past 14 years I have visited some 50 countries most of them in earlier stages of development. The most substantial progress I have observed has come from the private sector, where it has been provided with basic facilities and a political and administrative climate in which it could exercise its talents.

Public Ownership Uneconomic

In most instances of public ownership and operation of industry which I have observed, the results have been uneconomic. Too often political considerations determine the type of enterprise, and size and location of plants. In instances where the facts are available, the publicly owned plants have generally cost more to build and many of them operate at losses, which have to be made up from public funds. At least certain countries, having burned their fingers, are abandoning or selling out to private interests some of these economic liabilities. Others, however, continue to experiment.

It is of course true that the role of government in economic affairs must vary according to the conditions in different countries. Much more is required in the way of planning, stimulation, incentives and financial participation where industrial development is in an early stage and where there is a scarcity of entrepreneurs, management experience and organized source of capital.

Under such conditions, government has two alternatives in dealing with private enterprise. If it sincerely wishes to use its productive potential it can give support and finance on terms which do not repel private investment nor stifle private control and management. On the other hand, it can demand such rights and lay such restrictions that enterprise cannot operate on an economic basis. Frequently businessmen cannot get a clear answer to government intentions, often because the government will not adopt a clear-cut policy. So long as the uncertainty exists, it constitutes an obstacle to private investment.

Decisions as to the degree of government ownership and control are not always made on the basis of economics or political theory. Even limited experience in dealing with officials in some countries reveals that they are largely influenced by what will give them the greatest personal power and rewards. The greater the control in government hands, the more personally lucrative can be the exercise of such control.

I am convinced that increased productivity can best be assured by a combination of government and private investment and operation, each in its most appropriate sphere. The functions which only government can perform demand its full efforts and human and financial resources. There-

fore, if we seek the maximum production and development, private initiative, management and capital should be called upon and given the opportunity to extend their activities most widely.

Spreading Productivity Benefits

If productivity can be increased, how then can the benefits best be widely distributed?

We know that the doctrine of socialism says by public ownership of the means of production, through the instrument of government (which the socialists will operate) everyone will be allotted his proper and abundant share. It is an idea which has appealed to many, since the days of Thomas More's Utopia. Up to now it has never worked, because it has never produced the abundance. (It is interesting to note that Utopia—from the Greek—means "no place.")

Then there are the supporters of the ultimate Welfare State, who propose that government (which likewise they intend to control) take the maximum amount from all who work and who own property and spread it around as they deem most fitting.

Some wise man has said "there is no such thing as a free lunch." Someone must pay the bill, so the question remains whether people pay their own bills to the maximum extent, or have government take and distribute as much as possible.

I would propose to the developing countries a somewhat different approach in order to spread benefits more widely.

Reliance on the Individual

First, I would concentrate on how most effectively to encourage individual initiative and the flow of private capital into productive use. One specific means would be through revision of taxation to give incentives to production and investment and lay heavier taxes on unproductive assets.

I would make it attractive to both local and foreign capital to expand existing enterprises and to start new ones, providing more jobs, more goods, and wider opportunities for ownership of business. I would give incentives to larger companies to sell some of their shares to the general public.

I would work out means by which more farmers could purchase land and get assistance in improving their production and marketing. I would provide credit facilities so that the working man could build or buy a house and pay for it out of his earnings. This approach would, I believe, begin to build up a middle class of men of property, with opportunities for individuals to progress as far as their abilities warrant.

This is my prescription for building a productive economy and spreading widely its benefits.

Businessmen's Responsibilities

I have touched upon some of the things which governments need to do to promote development, including making full use of the productivity of private initiative and capital.

There are, however, equally great responsibilities which private business needs to assume.

The time has come when no longer can businessmen afford to concentrate exclusively on their individual enterprises and to ignore their role in promoting the broad interests of their countries. They should see this as a matter of self-interest, because in the long run the success of all private business rests upon the progress and stability of the community in which it operates.

Furthermore, they should realize that the institution of private enterprise is under deadly attack, not only from avowed communism, but from advocates of all degrees of socialism and state control. Their propaganda is clever, organized and persistent. Business

generally has not effectively taken up the challenge. It has, by default, allowed itself to be put on the defensive. Unless it awakes to the present danger and determines to pay the price and make the fight to preserve and expand its system, its productive contribution may be lost to the world, and bring about total change in our society.

As we have pointed out in our annual report, there are some particular aspects of responsibility for foreign businessmen operating in the developing countries. They need to make special efforts to associate themselves with the local communities—first through maximum use of local resources and people, with positive efforts to provide training and opportunity for advancement to senior positions. It is becoming increasingly apparent that there are mutual advantages in joint ventures with local enterprises, or in sharing ownership with local investors, including, where practical, offering of shares to the public. And on a broader front, foreign business interests are in position to set the example and stimulate their local counterparts in supporting education, technical and business training, and other constructive community activities.

And finally they can demonstrate and make known the benefits which they and all good private business contribute to economic growth.

Hits Intergovernmental Financing

There is one other major aspect of development to which I wish to refer.

Following World War II the interest of the more advanced countries in giving financial assistance to the less developed areas was evidenced in two directions—first, through bilateral financing, initially by the United States and more recently by Western Europe, as it rebuilt its own economy; and second, through international agencies, starting with the World Bank and the Monetary Fund, to which have been added IFC, IDA and recently the Inter-American Development Bank. In addition there have been the informal association of the Colombo Plan and consortiums for India and Pakistan.

I have observed over these 14 years both types of operation. It might have been said before that my personal interest would naturally prejudice me in favor of the international approach. But now that within a few weeks I shall retire, I have no selfish interest to serve. I now can speak objectively and I shall state my convictions.

The first is that government-to-government financial aid cannot successfully be used to gain and hold political advantages for the country supplying the funds. Rather than making friends, bilateral financing between sovereign countries tends to create antagonisms and distrust. I have observed that within the non-communist world the nations most friendly to each other are those between which there has been little or no intergovernmental financing. Contrariwise, the more one government has loaned or granted the greater probability of suspicions and antagonisms. I believe the record gives support to my observations.

Also, there are inherent difficulties in arranging and administering development financing between governments. Officials and legislative bodies in committing the funds to their citizens have a responsibility that they be used honestly and effectively. Taxpayers are properly critical of abuses and waste. But however reasonable, recipient countries are inclined to consider conditions attached to aid as infringements on their sovereignty. And it is no salve to their sensitivity to have large numbers of foreign government representatives stationed in

their borders to supervise the use of funds.

Furthermore, it is often impossible to disassociate a government's financial transactions from political motives, so that truly economic objectives may be subordinated.

And finally, there are obstacles to long-range action both in the providing and recipient countries. Commitments on both sides are necessarily subject to political changes and legislative actions. Qualified personnel are difficult to recruit due to uncertain tenure.

In my own country, the annual debates on foreign aid appropriations are familiar to many of you. It is becoming apparent that the American people are more and more questioning and critical—not, I believe, of the mutuality of interests with the developing countries and the objectives of aid, but as to methods and results.

Because of the fundamental difficulties it is doubtful that large government-to-government financing can ever be handled effectively and with mutual satisfaction.

Promising Alternative

I believe there is a promising alternative in the record of the World Bank.

With substantial capital contributed by all of its 60-odd member countries, each in proportion to its resources, it has been able to approach the job of promoting sound economic development—free of the strains of political pressure and without the suspicion of political domination. It has been able to insist on more stringent economic and technical criteria than are generally proposed by agencies of individual governments. It supervises more carefully the application of its funds. Yet this firm insistence on performance has created a minimum of resentment.

The Bank has established a reputation for competence, objectivity, impartiality and honesty. It has an international staff. It has gained the respect of its member countries, both the more and

less advanced, and of the business and financial communities of the world. Its bonds are prime investments, so that it attracts the funds of prudent private institutions to supplement its government capital. Few informed people would argue with the statement that the lending of the Bank has produced results superior to most government-to-government transactions.

When it appeared that there was need for an additional type of credit for the more hard-pressed countries, and for a broader range of purpose, the Bank was given the operation of the IDA Fund.

Thus the proven instrument exists into which could be concentrated major intergovernmental financing. If the countries which have funds to devote to promoting development of the poorer areas would channel them through the World Bank, rather than in bilateral credits, the result would be more and better development, and better relations between nations.

In proposing the World Bank as the major instrument for development financing of public projects, I also agree that regional institutions, such as the Inter-American Bank, may play a similar role. As they demonstrate that they have established standards of competence, integrity and freedom from political influence, comparable to those of the World Bank, they can likewise perform constructive service in their areas and be equally deserving of support.

It appears obvious that the United Nations, or other associations which are organized on a political rather than economic basis, do not fit the specifications I have outlined.

And in the field of fiscal and financial order, both in individual countries and internationally, I believe that the value of an international organization has likewise been demonstrated. The International Monetary Fund—born at

Continued on page 25

This is not an Offer

TO THE HOLDERS OF

Republic of El Salvador

Customs First Lien 8% Sinking Fund Gold Bonds, Series A,

Dated July 1, 1923, Due July 1, 1948;

7% Sinking Fund Gold Bonds, Series C,

Dated July 1, 1923, Due July 1, 1957; and

Certificates of Deferred Interest (Scrip Certificates) issued with respect to Bonds of Series C,

and

Convertible Certificates for 3% External Sinking Fund Dollar Bonds, Due January 1, 1976.

NOTICE OF EXTENSION

The time within which the Offer, dated April 26, 1946, to exchange the above Bonds and the appurtenant coupons for Republic of El Salvador 4%, 3½% and 3% External Sinking Fund Dollar Bonds, due January 1, 1976, and to pay Certificates of Deferred Interest (Scrip Certificates) in cash at 15% of their face amount, may be accepted, is hereby extended from January 1, 1962 to January 1, 1963.

The period for exchange of Convertible Certificates for 3% External Sinking Fund Dollar Bonds of the Republic, due January 1, 1976, in multiples of \$100 principal amount, has also been extended from July 1, 1963 to July 1, 1964.

Copies of the Offer may be obtained upon application to The First National City Bank of New York, Corporate Trust Division, 2 Broadway, New York 15, New York, the New York Agent of the Fiscal Agent, Banco Central de Reserva de El Salvador, San Salvador, El Salvador, C. A.

REPUBLIC OF EL SALVADOR

By JOSE MENDOZA,

Minister of Finance and Public Credit

December 28, 1961

N.B.—After June 30, 1954, no additional 4% External Sinking Fund Dollar Bonds, due January 1, 1976, were issued pursuant to the Offer dated April 26, 1946 as extended. However, holders of Republic of El Salvador Customs First Lien 8% Sinking Fund Gold Bond Series "A" which matured on July 1, 1948 who surrender such Bonds in acceptance of said Offer after June 30, 1954 will receive in lieu of said 4% External Sinking Fund Dollar Bonds, a cash distribution equal to the principal amount thereof plus accrued interest on such amount from January 1, 1946 to July 1, 1954 at the rate of 4% per annum.

The Power to Tax Is The Power to Destroy

By W. Arthur Grotz,* President, Western Maryland Railway,
Baltimore, Maryland

A plea for tax fairness and not forgiveness contains figures spelling out financial plight of the railroad industry and the need for tax changes at various levels including rapid Federal amortization. Mr. Grotz delineates the extent to which rails are running out of cash and are in an increasingly critical position. Some of the observations made are: end of 1959 working capital was 2½ times the present (May, 1961) \$315 million, and the present killing tax burden occurs when increasing subsidized competition has reduced rails' revenue by capturing either more profitable business or by compelling rate reduction even in the face of rising labor and material costs.

The crisis many railroads are facing is not a crisis of capacity, or of equipment, or of service. It is not a crisis of organization, of mergers, of labor rules, of marketing, or of public relations, although all of these are important. It is a financial crisis. The railroad industry has been steadily running out of cash and some of the companies are in an increasingly critical position.



W. Arthur Grotz

It is true that the financial crisis affects every aspect of the railroads' operations, maintenance, and service, but it is to the financial crisis that it is extremely important that we immediately address ourselves. It is for this reason that taxation, which is the government's way of exerting demands upon the dangerously reduced working capital of railroads, is a vital topic. I shall discuss taxation and, insofar as it relates to taxation, I shall discuss allowances for depreciation.

Perilous Working Capital Condition

I shall limit the very few figures I shall use to those which dramatize the crisis. Working capital of the railroads at the end of the last available month, which was May 1961, amounted to \$315 million. This figure excludes materials and supplies from the assets and long term debt due within one year from the liabilities. This is the worst showing since the end of 1939, when current liabilities included an enormous amount of defaulted obligations. As late as Dec. 31, 1959, the corresponding figure was \$788 million, or 2½ times as great. The devastating attrition of working funds undoubtedly carried right on after May. Since some of the railroads still have substantial working capital, it is obvious that a number of others have working capital deficits.

Tax Payments Made

In the light of this perilous working capital position, it is appropriate that we examine the tax payments by the railroads. In 1960 the Class I Railroads paid Federal income taxes of \$204,263,000, state taxes of \$400,359,000, and the Railroad Retirement and Unemployment Insurance Taxes of \$394,177,000. After all of this, their combined net income was only \$444,657,153.

For the five-year period 1956 through 1960 the corresponding figures were \$1,425,200,000 Federal income taxes, \$2,008,562,000 states taxes, and \$1,759,613,000 Railroad Retirement and Unemployment Insurance Taxes.

We are concerned not only because of the amount of these taxes but also, as I shall develop later, their fairness and the fact that under present laws their total will

greatly increase in the immediate future. It is, therefore, of importance to the railroads, as well as to the national interest, that ways be developed quickly at all levels of government to ease the impact of taxes upon the weakened finances of the railroads. It is in this context that I shall discuss depreciation, shorter lives for depreciation purposes, construction reserves and non-discriminatory state taxes.

Explains Depreciation Havoc

First, let me explain the use of the term depreciation. In a recent official railroad paper appeared the words "for capital expenditures the railroads are heavily dependent upon depreciation." These words make no sense. You can't spend depreciation. Depreciation is a fact of life, whether we like it or not. It is the process of wearing out and it is in itself wholly undesirable, although it must be recognized in industry, just as it is recognized in the wearing out of your automobile or your electric razor. If there were no depreciation, the railroads would not have to replace things. The railroads do not want depreciation. What they do want is the financial relief which greater allowances by the Internal Revenue Service of expense deductions for the amount attributed to depreciation will produce, because this reduces income taxes. The railroads are interested in shorter lives for depreciable equipment, not because they want the new equipment to wear out faster or expect it to be of such inferior construction that it will wear out faster, but because reduced income tax payments will release cash for improvements, which they believe to be of greater national interest than the deferred taxes.

Depreciation I have characterized as the wearing out process. Akin to it is depletion, which is the exhaustion of a resource, and obsolescence, which is occasioned by technological or style changes, or by sociological or political changes, or indeed by the Federal subsidization of competitive transport, such as the construction of waterways, highways and airways. All three are commonly thought of as depreciation.

It is of great interest to the public, to commerce and to national defense to encourage the railroads to spend some \$20 billion at the rate of \$2 billion a year for new equipment and the modernization of their facilities. It is, therefore, particularly unfortunate that the advantages in tax deferment of the accelerated depreciation granted during and immediately after the Korean War are expiring this year and that hereafter the payment of deferred taxes must be added to the burdensome amounts due normally for taxes.

Tax Deferment

The figures previously given as to the payments of taxes reflected the advantages of accelerated amortization. During the five-year period 1956 through 1960, in which the railroads paid

\$1,425,200,000 in Federal income taxes, they deferred \$525,513,000 of Federal income taxes by reason of accelerated amortization. For the entire period since accelerated amortization was authorized in 1950, the tax deferment was some \$1.2 billion. Obviously, this tax deferment constituted an important source of working capital of the railroads and provided funds for their improvement programs.

The authorizations for accelerated amortization following the Korean War expired with the fulfillment of orders placed for equipment prior to Jan. 1, 1956. Consequently all of the benefit of tax deferment has been realized. We now come upon the time when the railroads must not only pay the normal taxes but must in addition repay the amount of taxes which were deferred because of the accelerated amortization. The result will be a further pinch in railroad net earnings and in cash flow of perhaps \$50,000,000 a year. The full impact will not be felt until 1962 because some projects or equipment covered by rapid amortization certificates were not completed until late 1956 or early 1957.

The failure of the government to extend the rapid amortization beyond Dec. 31, 1955, is exerting tremendous financial pressure upon the railroads. In the case of Western Maryland Railway, tax payments for years ahead will be increased by some \$2,700,000, as compared with 1956, assuming the same levels of income. This immense burden comes at a time when the increasing competition of subsidized transportation has reduced the revenue of the railroads by diverting more and more of the profitable business or by compelling the railroads to reduce rates. It comes at a period also when costs of both labor and materials have been rising and when the weakened credit of the railroads forces them to pay higher interest rates on borrowed money.

Categories of Tax Relief

These pressures threaten the solvency, the service, and even the safety of railroad transportation. These pressures give urgency to a need for basic reconsideration by government of the impact of taxes on the railroads. The plea for tax relief of the railroads has been repeatedly stated, as follows:

- (1) Allowance by Internal Revenue Service of greater deductions for depreciation based upon a. Reduction in maximum useful life of depreciable railroad property, taking into consideration functional and economic obsolescence, as well as depreciation or simple wearing out.
- b. Recognition of the inflated replacement price structure.
- (2) Encouragement of investment in transport equipment and facilities by construction reserve funds or otherwise.
- (3) Freedom from Federal income taxes on savings derived by tax concessions of states or municipalities.
- (4) Repeal of passenger transportation tax.

The categories of Federal tax relief which I have just listed are, as I said, those which have been repeatedly urged by the railroad industry. They have great force and soundness. But permit me to suggest the possibility of radically different approaches. I give them to you not as something to go out and try to sell at this time but rather as something to think about seriously.

Two Approaches

The first radical approach derives from the fact that the railroad investors and managements need a powerful stimulant for \$2 billion a year. We should take a serious look at the depletion allowance in the extractive indus-

tries, in the case of petroleum 27½% of the sale price of the product (not of the cost of the well). This allowance was justified originally and has been sustained because of the importance in the national interest of encouraging exploration for and the development of natural resources. The national interest in preserving the railroads as a key to national transportation can hardly be less than its interest in finding new oil wells. The offering of a tax incentive for railroad investment cannot be less important than a tax incentive for oil well drillers.

A second radical approach is that an attraction for capital investment in strategic industries dedicated to the public service, such as the railroads, might well be afforded by providing that Federal taxes on the income of such industries should (1) not be applicable to income which provides less than a modest stated return on the value of property or (2) be applicable at a lower rate to income less than a stated return. Such a provision need not be class legislation but could be broad enough to provide for any industry which qualifies. It is extraordinary, it is radical, but so is the disease of the railroad industry.

I do not plead for tax forgiveness. I do not wish that the railroads do less than their fair share. But I do seriously question whether a public service enterprise, operated on the common carrier principles and owning its own rights of way, can forever pay the same rate of taxes on its 2% or 3% rate of return as do companies in less restricted industries earning far greater returns and still expect to justify very large capital expenditures.

State Taxes

I must not conclude these remarks without briefly discussing state taxes, which were \$400,000,000 in 1960 and five times that much for the five-year period. In the aggregate they far exceed Federal income taxes. The question of their fairness is extremely important and is likely to be lost sight of because of the multiplicity of taxing jurisdictions. Congress should enact legislation designed to prevent discriminatory taxes against railroad property on the ground that it constitutes a burden of interstate commerce. In this connection, I would like to quote briefly from an article written by the President of the Burlington Railroad which appeared in *Railway Age* of June 27, 1960. Because of limitations of time, I can only pick out several paragraphs.

"Property taxes. The railroad pays roughly ten times as much per dollar of freight revenue, as its competitors: Railroads 5.03 cents; truck, 0.45 cents; barge, 0.51 cents.

"Maintenance of Way and Structures. The railroad pays more than twelve times the average truck payment, and more than twenty times the average barge payment for such expenses. Railroad, 12.65 cents; truck, 0.96 cents; barge, 0.58 cents.

"If truck payments for license fees, fuel taxes, etc., are included in this category — on the theory that they are used for road maintenance — the railroad still pays more than one and one-half times the truck average, and the barge comparisons remain unchanged. Railroad, 12.65 cents; truck, 7.25 cents; barge, 0.58 cents.

"Finally, if we consider all taxes and all maintenance of way and structures (including truck license fees, fuel taxes, etc.), the railroad pays more than three times as much as the truck average, and more than five times the barge average. Railroad, 32.58 cents; truck, 9.77 cents; barge, 6.34 cents.

"These differences in treatment

explain why much of the country's freight traffic growth is going to other forms of transportation while rail freight volume remains stationary, or declines. In addition, these differences in treatment suggest that, with equitable treatment, railroads could provide better service at lower cost to their patrons, and at no cost to the taxpayer."

By way of Summary, the railroad problem is financial. The railroads have run out of working capital. Taxes are very large. The deferment of more than a billion dollars of Federal income taxes during the last decade temporarily enriched working capital. Not only has this source of deferment expired but it is now necessary to repay the amounts deferred at a time when subsidized competition and the business cycle have greatly eroded railroad earning power. Bold action must be taken and an area in which government can more readily take bold action is in connection with taxes on railroads. Its objective should be, first, to preserve railroad transportation, and, second, and hardly less important, to create strong tax incentives for capital expenditures — incentives, of the order, but not necessarily of the nature, of the 12½% depletion allowance in the petroleum industry.

Chief Justice John Marshall was wise indeed when he said "The power to tax is the power to destroy." The converse is also true, the power to abate taxation is the power to create.

*An address by Mr. Grotz before the Community Relations Committee of the Pittsburgh Railroads, Pittsburgh, Pa.

Maass, Nerney To Form NYSE Firm

BEVERLY HILLS, Calif.—Maass, Nerney & Co. will be formed as of Jan. 4, with offices at 9860 Wilshire Blvd. The firm will be a member of the New York Stock Exchange. Partners will be Herbert H. Maass, Jr., who will acquire an Exchange membership, and Patrick W. Nerney, general partners; and Alfred S. Bloomingdale, Frank W. Clark, Jr., Judith A. Gross, David May, II, Wilbur D. May, Nathan M. Ohrbach, and Richard A. Shepard, limited partners.

Camp Chemical Stock Offered

The initial public sale of the capital stock of Camp Chemical Co., Inc., is being made with the offering of 110,000 shares at \$3 per share by Russell & Saxe, Inc. and Lederman & Co., N. Y.

Net proceeds from the financing will initially be added to working capital of the company and used for general corporate purposes. It is intended to use the proceeds ultimately for the expansion of company sales and to finance anticipated additional inventories and accounts receivables.

The Brooklyn, N. Y. company and its subsidiaries manufacture and distribute sewage chemicals, household chemicals and sanitation chemicals for home, commercial and industrial use. They also make specialty sanitation chemicals for resort hotels and children's camps. One of the major operations of the company is the manufacture and sale of sewage treatment chemicals for use in connection with septic tanks and cesspools. For the resort division of the company, and in some cases for the dealer trade, the company manufactures approximately 176 different chemical products under the Camp name in various sizes, such as insecticides, bleaches, dish washing powders, floor waxes, deodorants and others.

Long-Term Projections—Problems, Methods, Results

By Dr. William C. Freund,* Associate Professor of Finance, New York University's Graduate School of Business Administration.

New York economist takes exception to what he considers are too overly optimistic National Industrial Conference Board and National Planning Association projections of \$810 and \$817 respectively for 1970. Dr. Freund foresees a \$700 billion GNP ten years hence, in 1980 dollars based on a 2½% productivity rate and a 5% rate of unemployment. He doubts circumstances favorable to economic growth in the 1950's will prevail in the 1960's but does agree we could achieve the higher growth rate if we "deliberately and consciously shaped our national policies to that end." Dr. Freund praises three representative projections made a decade ago for 1950 and parenthetically notes this agreement should dispel the notion that economists never agree.

Almost 100 years ago, in August of 1867, Mr. J. N. Boyd, then editor of the *Fairmont Gazette* of West Virginia, tried to predict certain events 100 years hence. Since the hundred year period has almost expired, we can now judge the accuracy of these projections. Unlike some forecasters, I am sure Mr. Boyd will not mind our reviewing his predictions. Wrote Mr. Boyd:



Wm. C. Freund

- (1) "Every child will be in easy reach of a school house."
- (2) "Color of the skin and sex will not distinguish voters."
- (3) "Handsome and accomplished women will occupy seats in the legislature and state department."
- (4) "Trains will pass Fairmont, West Virginia, 12 times each day."
- (5) "Letter postage will be one cent instead of three." (I cannot be sure whether Mr. Boyd had real or current dollars in mind).
- (6) "The national debt will be paid."
- (7) "Women will propose marriage."
- (8) "There will be no Methodists, Presbyterians, or Baptists—all will be one denomination."
- (9) "Women will eschew hoops, long dresses, waterfalls, palpitators and other false and senseless things generally."

Now for those statisticians who may want to compute Mr. Boyd's standard error or estimate. I should tell you that Fairmont does not have a dozen railroad trains passing each day, and that few women in the past hundred years have entirely eschewed all "false and senseless things."

Man always seeks to look ahead. Certainly, this is among his most distinguishing characteristics. Thus, I think many forecasts are prepared and consumed because of an innate curiosity, a basic desire to "know" the shape of things to come.

Growing Need for Projections

In preparing long-term economic projections (and I think the qualifying adjective "long-term" is redundant if we confine our use of the word "projection" to long-term prophecies and reserve the word "forecasts" for short-term expectations), most economists seek to do more than to satisfy idle curiosity. Business must plan ahead. Every business decision is predicated on some assumption about the future, whether right or wrong, whether explicit or implicit. Capital expenditure budgets, for example, must be drawn on the basis of sales estimates, which in turn depend, either directly or indirectly, on the outlook for the national economy. And with the lead time between

research and marketing becoming ever longer, the need for economic projections is becoming a more vital ingredient of business decisions.

The preparation of economic projections and their interpretation for company policies has become the responsibility of most business economists. As a result, the publication of GNP projections has been flourishing. Especially last year, with the beginning of the new decade, a plethora of GNP estimates appeared. These published in the more popular public organs, and often preceded by such adjectives as "soaring, sizzling or striking," often served merely to satisfy the public appetite for optimistic prognostications. However, many solid studies appeared such as the National Planning Association's "Long-Range Projections for Economic Growth," the Joint Economic Committee's "The Potential Economic Growth in the United States," and the National Industrial Conference Board's "Economic Growth in the 1960's, Prerequisites, Potentials, Problems."

My aim is to review the performance of several economic projections prepared a decade ago, not solely because of curiosity about how well these have turned out but because by examining past projections we may be able to improve on those currently being made. Specifically, my purpose is to analyze the assumptions on which three economic projections made in the early 1950's were predicated—three projections which I consider sufficiently typical to be taken as representative of the bulk of prognostications made a decade ago. Secondly, based upon the analysis of past projections, I would like to review critically the assumptions going into the current crop of economic projections to 1970. Because of my paper's limitations, I will have to confine my comments to projections of aggregate GNP.

Basic Assumptions

All GNP projections depend in the final analysis on three very basic assumptions:

- (1) The size of the employed labor force.
- (2) The rise in productivity.
- (3) The average length of the workweek.

Some models are very intricate with separate assumptions about productivity and manhours in individual industries while others follow a more simplified aggregative approach. Among the latter was the projection of the economist who in a public address in 1957 predicted that "if the employed labor force increases around 11% by 1965 and 30% by 1975; if hours worked per year decline about 5% by 1965 and 12% by 1975; and if output per man-hour expands approximately 23% by 1965 and 60% by 1970—then we can expect total output to be about 30% larger in 1965 and 75% greater in 1975." Whichever the approach, detailed or aggregative, all models can be abstracted to

yield the three basic assumptions of productivity, labor force and hours worked. In the three models up for review, I have condensed all the assumptions into these key variables, although in the original the detail was much greater.

Just as an aside, let me say that I do not believe much, if anything, is gained by using elaborate models or by substituting a computer for a slide rule. The margin of error in a ten year projection is obviously large, and relatively minor percentage differences in the assumptions, when compounded over ten years, produce substantial differences in aggregate output. I think little is added, for instance, by separating the output of the non-private labor force into federal government employees, state and local government employees, and the armed forces. Such refinements appear minute compared to the assumption about productivity growth, which, if varied by only ¼% produces a \$50 billion change in GNP.

How well have the economic projections of the early 1950's actually turned out?

Before we can compare the assumptions and results of the three projections I have selected with actual events, we must recognize that these projections were designed to extrapolate trend, not to forecast the cycle. Thus it would be unfair to compare the cyclical value of GNP for 1960 with the

projection of trend about which it was expected cyclical fluctuations would occur. Obviously, the recession of 1960 caused the economy to fall below its normal trend. I have come prepared therefore with a 1960 estimate of full employment GNP to use as a yardstick in this post mortem of economic projections.

In preparing this retrospective full employment GNP estimate for 1960, I have assumed, as did most forecasters in the 1950s, an unemployment rate of 4% (compared with an actual of 5.6%). A few simple multiplications as shown in Table I produced the full employment estimate of \$530 billion, which, as you can see, is \$27 billion higher than the actual cyclical value of \$503.2 billion.

The three economic projections of nearly a decade ago came remarkably close to this \$530 billion trend value.

The National Planning Association in its 1952 report "The American Economy in 1960" projected a GNP of \$425 billion, "or an increase of about 29% above the 1951 GNP of \$329 billion."

Converting this estimate into 1960 prices produces a GNP figure of \$506.5 billion. (By the way, there has been no revision by the Department of Commerce in the 1951 GNP figure of \$329 billion since the NPA prepared its projection so that we need not ad-

just for any data revision in the base year GNP). The NPA's prediction of \$506.5 billion is roughly \$25 billion too low, not an intolerably large error for most practical problems of business planning. As a percent of the actual full employment GNP, the error is 4%.

What accounts for the NPA's underestimate? Examining the three major assumptions about employment, productivity and hours worked reveals that the chief source of error was in the NPA's projection of civilian employment. Table II compares the NPA projection with my full employment estimate for 1960.

Note particularly the accuracy of the total labor force projection. This should give encouragement to all the demographers in the audience. What the NPA did not and could not be expected to anticipate was the reduction in the size of our armed forces to 2.5 million. The total labor force estimate is 400,000 below the actual, and civilian employment was 1.4 million too low.

The result of this underestimate of our effective working force was to reduce the projected level of GNP. Of course, to some extent, this underestimate of the private product was offset by the overestimate of the size of our armed forces and their contribution to the government sector of

Continued on page 26

DON'T MISS IT!

The 1962

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THE COMMERCIAL AND FINANCIAL CHRONICLE

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The State of TRADE and INDUSTRY

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

A sharp upturn in retail sales in October, eight months after the recession trough, brings forth renewed optimism on the future trend for consumer spending on goods, states the December issue of *Barometer of Business* published by the Harris Trust and Savings Bank of Chicago.

During the first seven months of the business recovery retail sales increased less than 2%, but the gain in the one month of October was an additional 2½%, points out the publication.

However, this belated pickup in retail sales is typical of business recoveries. In the three previous postwar expansion periods the number of months required for retail sales to increase 4½% from the level at the time of the business cycle trough was: 1949-50—five months; 1954—four months; 1958—eight months.

During the last six months the slow recovery in consumer spending has been alarming to many business analysts, states business summary. While personal income increased \$20.6 billion, or 5%, between September, 1960, and September, 1961, retail sales were unchanged.

This poor performance in sales at the retail level was reflected in the reluctance of the public to add to its debt, indicates the Harris Bank. Total consumer credit rose only \$800 million, or 1½% be-

tween September, 1960, and September, 1961.

Moreover, during the first nine months of 1961, while incomes were increasing with the recovery in the economy, consumers were on balance paying off more installment debt than they were taking on in additional credit. The burden of consumer debt relative to income is thus lower today than it was a year ago.

Total consumer spending has been more buoyant this year than the figures on retail sales, largely goods, would suggest, specifies the *Barometer of Business*. Expenditures on consumer services increased steadily through the recent recession, and have advanced at the annual rate of \$10 billion, or 7%, during the recovery phase of the business cycle.

It has thus been the reluctance of individuals to increase their spending on goods as incomes rose which led to phrases such as "consumer saturation" and "overstocked with goods," reports the monthly periodical.

The principal factor influencing variation in retail purchases is the sale of automobiles, points out the Harris Bank. Roughly three-fourths of the September-October gain in retail sales was accounted for by higher automobile purchases.

In the 1958-59 expansion 48% of the \$1.8 billion improvement in retail sales between April, 1958, and October, 1959, was a result of higher sales by automotive dealers.

DIVIDEND NOTICES


CLEVITE

CORPORATION
CLEVELAND 10, OHIO

is paying a dividend of 35 cents a common share on December 28. This is the company's 158th consecutive quarterly dividend.

DIVIDEND INCREASED

This payment represents an increase in our dividend, which has been 30 cents a share, and brings the total for 1961 to \$1.25 a share.



**THE FIRST REPUBLIC
CORPORATION
OF AMERICA**

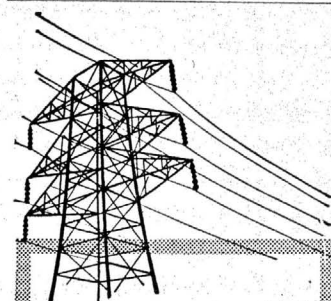
**7TH CONSECUTIVE
MONTHLY DIVIDEND**

The Board of Directors has declared a cash dividend of nine cents (9¢) per share on the Class A Stock to Shareholders of Record at the close of business, December 31, 1961, payable on January 20, 1962.

Ira Sands
Chairman of the Board

375 FIFTH AVENUE
NEW YORK 16, N.Y.
A PUBLICLY OWNED REAL ESTATE COMPANY

DIVIDEND NOTICE



Southern California Edison Company

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

COMMON STOCK
Dividend No. 208
65 cents per share;
**PREFERENCE STOCK,
4 48% CONVERTIBLE SERIES**
Dividend No. 59
28 cents per share;
**PREFERENCE STOCK,
4 56% CONVERTIBLE SERIES**
Dividend No. 55
28½ cents per share.

The above dividends are payable January 31, 1962 to stockholders of record January 3. Checks will be mailed from the Company's office in Los Angeles, January 30.

P. C. HALE, Treasurer

December 21, 1961



Bank Clearings Were 5.6% Above The Corresponding Week Last Year

Bank clearings last week showed an increase compared with a year ago. Preliminary figures compiled by the *Chronicle* based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Dec. 23, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 5.6% above those of the corresponding week last year. Our preliminary totals stand at \$34,105,550,374 against \$32,285,750,542 for the same week in 1960. Our comparative summary for the leading money centers for the week follows:

Week End.	(000s omitted)		
Dec. 23—	1961	1960	%
New York---	\$19,312,048	\$18,541,802	+ 4.2
Chicago ---	1,535,074	1,334,799	+ 15.0
Philadelphia	1,318,000	1,175,000	+ 12.2
Boston ----	914,203	902,542	+ 1.3

1962 Steel Production Should Exceed 110 Million Tons, Says "Iron Age"

Total steel production in 1962 should exceed 110 million tons, *The Iron Age* predicts in a year-end forecast.

Well over half the total will be poured in a first-half surge, which could account for 65 million tons of steel ingots poured in the first six months of the year, the magazine says.

The high total for the first six months will be brought about by hedging against a possible steel strike after the contract between steel companies and the United Steelworkers of America expires on June 30.

Commenting on the possibility of a strike *The Iron Age* says only something that is not now present in the labor picture could avert a strike. The magazine says most of the factors present in the 1959 negotiations are still present, and little has been done to ease the pressures that caused the strike in 1959.

In fact, union demands for job security have strengthened, and this shapes up as the key factor in negotiations. The steel companies, hard-pressed on the cost front from competition within the industry, from foreign steel, and from other materials, are not likely to settle for any package that means large wage-cost increases.

Strike hedging is not the only factor behind the expected first-

Continued on page 28

DIVIDEND NOTICES

WOODALL INDUSTRIES INC.

Resumes Payment of Dividend

At a meeting of the Directors of Woodall Industries Inc. held today in Detroit a quarterly dividend of 30¢ per share on the Common Stock was declared payable January 15, 1962, to stockholders of record January 2, 1962.

M. E. GRIFFIN,
Secretary-Treasurer

CANADIAN PACIFIC RAILWAY COMPANY

Dividend Notice

—oOo—

At a meeting of the Board of Directors held today a final dividend of seventy-five cents per share on the Ordinary Capital Stock was declared in respect of the year 1961, payable in Canadian funds on February 28, 1962, to shareholders of record at 3:30 p.m. on January 5, 1962.

By order of the Board.

T. F. TURNER,
Secretary

Montreal, December 11, 1961.

The Merger of Imperial Chemical and Courtaulds

By Paul Einzig

British indifference to "bigness" and monopoly was stirred last week, according to Dr. Einzig, by the news, and the way it was announced, of Imperial Chemical Industries' proposal to take over Courtaulds. One of the surprising reactions is the Socialist opposition since "it is much simpler to nationalize one gigantic enterprise than a number of firms in the same industry." Brief comments are made on the merits and demerits of the takeover bid.

LONDON, England — The announcement of the takeover bid made by Imperial Chemical Industries for the control of Courtaulds caused considerable surprise and gave rise to heated controversy. The first reaction of most people is that since the combined resources of the two industrial giants will approach the figure of \$3,000 million, and since between them they control over nine-tenths of the production of manmade fibres in the United Kingdom, the transaction would be contrary to public policy. Opinions disagree whether under existing legislation it could be prevented effectively, especially as the Monopolies Commission can only make recommendations without being able to enforce them. It has been suggested that, if necessary, the government should introduce new legislation in order to prevent it.

Main Argument

The main argument in favor of the proposal is that it would increase the efficiency of fibre production and would enable Britain to compete more effectively with continental producers if and when it should join the Common Market. Whether or not this claim is justified depends on the extent to which cost of production could be reduced. The only indication to that effect is the likelihood that the two firms would pool their research facilities. I. C. I. is believed to intend to embark on a line of research in respect of which Courtaulds has already reached an advanced stage so that the amalgamation would obviate the necessity for duplicating expenditure. Courtauld's new £1,000,000 laboratory would certainly be useful to the new combine.

It does not seem certain, however, that the amalgamation would lead to considerable economy with manpower in general. This at any rate appears from the statement made by I. C. I. according to which the merger would not result in large-scale redundancy. This may mean that the extent to which saving of manpower could be effected through an elimination of duplicated services is not sufficient to warrant the amalgamation from the point of view of efficiency. Or it may mean that, although large numbers of employees would become superfluous, the management of I. C. I. is not prepared to incur the displeasure of the trade unions by dismissing the redundant workers.

This latter possibility raises considerations of great importance. It has become the deplorable practice of industrial employees in Britain to hoard and featherbed employees who have become superfluous and who ought to be released. Yet there is an acute shortage of manpower and it would be to the public interest if all redundant workers were to be made available to firms who need them. Amidst existing conditions of employment the hardships involved would not be excessive and the firms concerned could well afford to pay the redundant personnel reasonable compensation for their loss of earnings until they find some other suitable employment. Such compensation would cost a great deal less than the continued em-

ployment of workers who are not really necessary. It is because of the reluctance of industrialists to release redundant labor that inflationary wage demands can be pressed home successfully.

A Matter of Some Concern

Another aspect which is giving concern is that I. C. I., which is already the biggest industrial firm in the United Kingdom, may be getting too big and too powerful. Indeed it has been remarked in joke that after the absorption of Courtaulds I. C. I. should change its name to "U. K. Ltd."

When during the late 'twenties I. C. I., under the chairmanship of the first Lord Melchett built its new headquarters at Millbank within sight of the Houses of Parliament, it was suggested that the impressive size of that building symbolized the supremacy of big business over Parliament. Since then the I. C. I. building has been greatly enlarged, and so has its power. Nor is Courtaulds likely to be the last of its acquisitions. Although in Britain there are no such strong feelings against monopolies as in the U. S., the proposed transaction has greatly strengthened anti-monopolistic sentiments.

Oddly enough much of the opposition to the proposed transaction comes from the Socialist side. Yet from the Socialist point of view amalgamations should be welcomed because, after the next Socialist victory at a general election, it would facilitate the task of nationalization. It is much simpler to nationalize one gigantic enterprise than a number of firms in the same industry.

Criticizes the Announcement Method

Apart altogether from the intrinsic merits or demerits of the proposed transaction, there is criticism of the way in which I. C. I. chose to announce it. The management of Courtaulds deemed it necessary to protest in public against the premature publication of the offer. Considering that, should the takeover bid be successful, the fate of the board and the executive of Courtaulds would be in the hands of the I. C. I., they must indeed have felt very strongly about it to voice their criticism in public. To be engaged in negotiations and, in the middle of them, to make a public announcement without informing the other party concerned, is certainly open to criticism in spite of the mysterious leak which occurred on the morning of the announcement. That move certainly augurs badly for harmonious relationship between the managements of the two firms if the takeover bid should come off. Yet the success of an amalgamation depends to some extent on the harmonious co-operation between the participants.

Hamlin Co. Opens

NEWARK, N. J.—Hamlin Company has opened offices at 1060 Broad Street, to engage in a securities business. Partners are Louis W. Hamerman, Victor D. Lindeman, general partners; and Charles E. Hamerman, limited partner. Louis W. Hamerman was formerly with Ira Haupt & Co. and Lubetkin, Regan & Kennedy.

THE MARKET . . . AND YOU

BY WALLACE STREETE

The confusing cross-currents that have been persisting in the stock market for some half a dozen weeks continued to cloud the market's future course this week. The more obvious shift was by the staid utility group where selling made some of the issues definite casualties on occasion.

Utilities had been the bright spot most of the year, even when other sections were reactionary. Then, too, some of the funds were heavily committed to some of the better-class ones. Where there was popularity the yields had dwindled to where they could not compete on a return basis with the interest rate that the banks will offer as the new year begins.

All that was needed to induce selling—and it came along more or less inevitably—were some sell recommendations from the larger brokerage houses and the investment advisers. And two-point losses per session started dotting the list of what, supposedly, are the items that by tradition move narrowly.

It made for a limp windup to what was a stirring year for the utilities. They had forged ahead to where their average seemed poised to exceed the rail one which would be a novel switch. At the high, in fact, the 135.09 reading was comfortably ahead of the year's low for the rail average of 131.06. The utility index had closed last year at 100.02.

Despite the late selling, the average was in no mood to retreat drastically and still held a comfortable gain on the year. In fact, only a small dip on the year's first trading session showed it in minus ground for the year. With the exception of this single day, it has been in plus territory ever since.

D-J in Retrospect

That pattern is also the one shown during 1961 by the industrial average which closed the previous year at 615.89. It was down slightly on the first session and rebounded without ever showing in minus ground for the year afterward. By Nov. 15 the Dow industrial average was up to 734.34. And, as in the utilities, that was pretty much the end of the run. The index did nudge to 734.91 in mid-December but it was no rousing performance nor was there any follow-through to it. And no disposition in the waning sessions to try to better the mark.

One of the notable performances of the year, tribute to the interest shown by a large section of the public in stocks this year, was that volume exceeded the billion-share level for the second time in history.

The only other time trading hit the billion level was in 1929 and with the drying up of year-end transactions, and no sign of a spirited year-end rally, in the final sessions, the 1.1 billion total of that hectic year still stands as the record. The important difference is that a generation ago the total of shares listed only reached the billion mark for the first time while today total listings come to better than seven billion.

The year was definitely one of fads, the electronics dominating the early portion of the year and carving out wide price swings. They also bumped into a correction before the year was out. Texas Instruments had closed 1960 at 180 and ran up to 206 before the play was over. It was a drastic correction for this item as it was swept back to 95 at the year's low.

Year's Wonder Issue

International Business Machines was solidly planted on the records as one of the wonder issues of the year. The existing shares of this

high-flyer had ended 1960 at 593 which at the time represented a gain of 154 points on that year for them. They soared to 733 by May when they were split on a 3-for-2 basis. Despite that automatic markdown in their price, the new shares were above 600 again well before the end of year when they, too, ran out of steam as the cleaning-up caught up with them.

Foods had their day in the limelight along with stores stocks, foods, bowling issues, drugs and photo items as investment demand rotated through the likely groups.

Oils were laggard more or less throughout the year with the exception of some of the merger items such as Honolulu Oil which sold out its assets and was delisted as it liquidated before the year was quite complete. It won't be around for the final bell, consequently.

Amerada, which had been the long-time post-War II favorite with institutional and professional fund managers, was one of the few that managed to stir up fanfare at times. The interest in it erupted in the year's late week. It nearly doubled from its 1961 low to the high. By comparison, such a favorite as Standard Oil (New Jersey) held for the entire year in a range of around a dozen points and Socony's 1961 range was only a bit wider.

Rails were laggard throughout but that has been their role for several years now. The last show of popularity for them dates back to 1956 when, by most of the rail averages around, they had a fling that for a time looked like they were getting in position to better their 1929 peak which the industrial section had done far earlier. But they never carried through to the peak level and have been drab ever since.

The Unilever Dilemma

The unusual item in the year's late trading was the twin-issue Unilever. Shares of both Unilever, Ltd., the British company, and Unilever, N. V., the Dutch sister-company were admitted to trading on Dec. 12 and at the start proceeded to roll up some thoroughly respectable volume figures. In less than two weeks the British shares' turnover was nudging the two-million line which is good work for some issues for an entire year. Trading in the Dutch shares was far slower but they gave volume a full measure of support in heading for the half million turnover mark by the year's end.

After the initial play—the British shares' first four days of trading accounted for better than 1½ million of their volume—the excitement died down and the wide price swings were gone as they settled down to more mundane trading.

Both issues had their followers and it was largely a case of debating the relative merits of one of the two. Many of the market students had expected the Dutch shares to be the trading favorites since the dividends from this half of what is basically a single operation are not taxed at the heavy British rate which is 38.75%.

But analyzing the two companies isn't quite that simple. For a high-bracket American investor the British shares offer a measure of tax relief for the withheld tax and a lower tax liability on the smaller payment from the British half. Then the tax withholding affects the dividend yield which for the British shares is a below-average 1.5% while that on the Dutch shares runs 2.2%.

Some of the popularity for the British shares also stemmed from

their lower market price since the analysts had pretty much concluded that the market price for the British shares should run about 6/10ths of that for the Dutch shares. And there were times when the British ones were available for almost half as much as the Dutch ones, to add to their popularity as the "undervalued" ones in this twin operation.

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

Harriman Ripley Names Officials

Harriman Ripley & Co. Incorporated, 63 Wall Street, New York City, underwriters and distributors of investment securities, has



James M. O'Neil Philip W. Carow, Jr.

announced the election of Philip W. Carow, Jr. as a Vice-President, James M. O'Neil as Assistant Vice-President, and Miss Florence T. Bush, as Assistant Secretary, the first woman officer in the history of the firm.

Mr. Carow has been a member of the company's sales organization since October, 1945 and was recently named head of the Syndicate Department.

Mr. O'Neil has been a member of the Buying Department since 1956.

Miss Bush joined Harriman Ripley & Co. Incorporated in August, 1944 and is a member of the Personnel Division.

Oz Publishing Stock Offered

Laren Co., 26 Broadway, New York City, and associates are offering publicly 140,000 common shares of Oz Publishing Corp., at \$3 per share. Net proceeds will be used by the company for the payment of debt, purchase of automation equipment, modernization of shipping facilities, addition of a new greeting card line and for working capital.

The company of 156 Fifth Ave., N. Y., is engaged in the design, production and sale of contemporary and conventional greeting cards. Authorized stock consists of 700,000 20¢ par common shares, of which 540,000 will be outstanding upon the completion of this financing.

Montgomery Savs. Center

SAN FRANCISCO, Calif. — Montgomery Savings Center has been formed with offices at 117 Montgomery Street to engage in a securities business. Officers are Joseph B. Morris, President; James L. Brown, Vice-President; and C. A. Morris, Secretary-Treasurer.

Joins Mason Brothers

(Special to THE FINANCIAL CHRONICLE)

OAKLAND, Calif. — John F. Dolan has joined the staff of Mason Bros., First Western Building, members of the Pacific Coast Stock Exchange. He was formerly with Francis I. du Pont & Co. and Harris, Upham & Co.

BANK AND INSURANCE STOCKS: This Week — Insurance Stocks

THE CONNECTICUT GEN'L-AETNA INSURANCE AFFILIATION

On Jan. 3, stockholders of the Connecticut General Life Insurance Company will vote at a special meeting to approve or disapprove an exchange of shares plan with Aetna Insurance Company. The expected affirmative vote of the stockholders will be another major step in Connecticut's General's long endeavor to affiliate its life operations with those of a fire and casualty insurance organization. The final step will be the acceptance of the exchange offer by holders of at least 80% of the Aetna Insurance stock prior to Feb. 5, 1962.

Connecticut General first attempted to acquire a controlling interest in a fire and casualty insurance company in 1955 but its proposed affiliation with National Fire Insurance Company was blocked by the New York Department of Insurance, which threatened not to renew Connecticut General's license in that state. The denial was based upon the grounds that the merger would be in violation of investment regulations as well as violating the state law by putting a life insurance company in the position of actively engaging in the fire and casualty business. Out-of-state life companies must comply in substance with the New York insurance laws in order to be permitted to write business there.

Connecticut General, because of the importance of the State of New York to its life insurance operations, decided to drop its proposed affiliation with National Fire, which has since gone under the control of Continental Casualty. However, the company continued its battle in the courts with little apparent success. Both the State Supreme Court and the Appellate Division of the Supreme Court ruled with the State Superintendent of Insurance against the proposal of permitting an out-of-state life insurance company to acquire a controlling interest in a fire and casualty company. This negative view was also shared by the State Attorney General.

Therefore, it was somewhat of a surprise when on June 1, 1961 the New York Court of Appeals, the highest court in the state, on a 4-3 basis reversed the findings of the lower courts in ruling that an out-of-state life company could acquire a controlling interest in a fire and casualty insurance company without endangering its right to do business in New York.

It now appears that the way is cleared for Connecticut General to reach its long-sought goal. On Dec. 15, Insurance Commissioner Premo of Connecticut approved the proposal for the exchange of stock with Aetna Insurance. It is unlikely that any future action will prevent or disrupt the affiliation. The proposal appears to be safe from state or Federal anti-trust action or preventive legislation in New York State, particularly in view of the Aetna

Life and Travelers licensed insurance activities in the state for a number of years.

The Connecticut General-Aetna Life affiliation appears to be a favorable one. Both companies have established reputations in their particular fields and association will permit them to provide complete insurance protection to their policy holders. The affiliation should improve the competitive positions of both companies in providing the necessary flexibility to meet changing market conditions in the insurance field. This is particularly true in the areas of package policies and the continuing trend towards "one-stop buying" of insurance which has broadened from the supermarket concept into so many fields.

The terms of the exchange are described by Commissioner Premo as "fair and reasonable." Connecticut General will exchange 1.2 shares of its \$5 par capital stock, after the present \$10 par value stock is split two-for-one, for each share of capital stock of Aetna. The exchange ratio was arrived at by negotiation between the Directors and principal officers of the two companies on the basis of reflecting consideration of underwriting results, investments, capital funds, earning power, net asset values, reserves, past growth and future prospects, market prices of the two stocks, current dividend rates and the benefits to be derived from the association. Aetna will continue to operate as a separate company after the proposed exchange.

The Board of Directors of Connecticut General has voted a 20 cents quarterly dividend to be paid in April 1962. This reflects an increase in the company's dividend rate adjusting for the proposed 2-1 split. Aetna Insurance stockholders will thus receive an annual dividend of 96 cents as compared with the \$3 paid by the company in 1961. While the reduction in dividend income may be a material disadvantage to the merger in certain cases, it is believed to be adequately compensated for by the sharp rise in market value of the Aetna stock after the news of the proposed merger was released and the advantages to be obtained by Aetna's affiliation with a strong life insurance organization.

The Connecticut General-Aetna Insurance affiliation is obviously a major step in the trend within the insurance industry to "all-line underwriting." The past five years have seen a number of major fire and casualty groups entering the life field either through acquisition or the formation of their own life insurance organization. Now the competitive pressure is likely to be put on the fire and casualty underwriters as more life insurance concerns enter their field.

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MUTUAL FUNDS

BY JOSEPH C. POTTER

New Year's Resolutions

In this hour of feverish crystal-ball activity, which is supposed to reveal all for the year, or even the decade, ahead, it takes little clairvoyance to envisage marketplace dabblers reaching in 1962 for new hot issues that swiftly turn cold, acting on rumors that have no basis in fact and investing, then investigating.

Right now, these folks, like people everywhere, are busy making New Year's resolutions. But marketplace dabblers, again like people everywhere, tend to forget or forego promises to themselves along about the second week in January, or even earlier, usually at recurring cost in mental anguish and hard-earned money.

The promises that people, in and out of Wall Street, are more likely to keep are those made to others. A mutual fund man made one the other day and it is to be hoped that not only he will keep his promise, but that others will be encouraged to adopt the underlying philosophy. Said Murray Aronson, Vice-President of the new Cambridge Growth Fund and its sponsor, Cambridge Financial Corp.:

"One of the things we promised ourselves when we started Cambridge Growth Fund was to be completely frank about share redemptions. We intend to tell both our shareholders and the general public about them at the end of each reporting period."

As Mr. Aronson sees it, the redemption ratio is a subject many fund underwriters prefer not to

mention, even when it is "gratifyingly low." People just don't like to emphasize the negative.

"Consistently low redemptions can be as revealing as, consistently high share purchases of successful mutual fund salesmanship," Mr. Murray comments. "Substantial sales figures indicate that a fund has either broad distribution, particularly astute sales representation, or both. Low redemptions suggest that the same fund is being sold responsibly as well. They mean that most of its shareholders have been thoroughly inculcated with the idea that mutual funds are long-term investments, that the performance figures of any given quarter are by no means indicative of future prospects."

Properly sold, as Murray says, investors are not likely to surrender fund holdings before attaining their objectives, unless the fund itself fails to measure up.

He advances an interesting view: A fund can be victimized by high redemptions as an indirect result of its own interim investment success, Murray explains:

"What happens is that, either through faulty salesmanship or general misunderstanding, prospective investors get the idea that the fund is a 'hot issue.' They lose sight of the traditionally long-term nature of fund investing."

The disenchanted can be quick to redeem their shares. Murray says that to sell any fund as a "hot stock" is to engage in "unwitting misrepresentation." And that's about the nicest thing you can say of such a fund representative.

Redemptions, as he points out, often are prompted by the fact that the stockholder has indeed satisfied his investment objective—college for the youngster, retirement for himself. He adds:

"Redemptions made for such reasons are eminently valid and very positive, rather than negative, in their motivation. The redeeming fund should be proud of them since they clearly indicate the fund has done a good job of helping the investor achieve his investment goals."

For this reason, he suggests, many funds are missing "a golden opportunity" by treating such action as if it didn't exist or by burying the fact in small print somewhere in the financial statement. As for his fund, he promises to give redemptions "their rightful place in our reports." He also intends, periodically, to analyze for shareholders why redemptions were "especially high or unusually low."

As everyone who writes or reads financial news or analysis knows only too well, the general public has a terrible time with such things as the balance sheet, the income accounts and other material that go into a report. It is an established fact that peo-

ple will throw the thing away unless the report is readable to lay folks—even entertaining. Major corporations learned this long ago, which helps to explain why reports to stockholders nowadays are slick jobs done by public relations-minded people, who don't overlook the pertinent facts either.

Mutual fund reporting has come a long way in the last few years, but there is still no dearth of companies which make it difficult for the public to get the facts. Murray Aronson has touched on only one phase of a problem that lends itself to an easy solution.

The Funds Report

Carriers & General Corp. announced that over 89% of assets at Nov. 30 were in common stocks, with the largest commitments in utilities, chemicals, drugs and petroleum issues.

Cash sales of \$1,305,861 for November, top sales of any November in **Imperial Financial Services, Inc.'s** 12-year history, Albert M. Sheldon Jr., IFSI President, announced.

Comparing month-by-month sales for the past several years, Sheldon said that sales for November, 1961, exceed November, 1960, sales by \$125,847.

Imperial Financial Services Inc.'s total cash sales from January through November, 1961, were \$14,024,739, an increase of 86% over the same 11-month period in 1960 when they were \$7,552,188.

Total sales of \$181,442,020 produced in the six weeks from Oct. 30 to Dec. 12, by **Investors Diversified Services**, national sales force topped all previous records achieved during the annual autumn sales campaign, and passed by \$44,442,000 this year's national goal of \$137,000,000. Last year's campaign produced total sales of \$141,904,657.

Gross dollar volume in cash sales of shares in the five mutual funds for which IDS provides investment services, amounted to \$65,254,373 for the six weeks, a gain of more than \$28½ million over comparable sales last year. The maturity value of the ISA face amount investment certificates sold during the campaign totaled \$51,312,170.

Insurance sold by **Investors Syndicate Life Insurance & Annuity Co.**, a subsidiary of IDS, totaled \$64,875,477, up \$17,198,110 over sales of policies in the 1960 autumn campaign.

Keystone Low-Priced Bank Fund B-3 and **Keystone Lower-Priced Common Stock Fund S-4** have declared regular distributions from Net Investment Income of 46 cents and four cents, respectively. Both distributions are payable on Jan. 15 to holders of record Dec. 31.

Nucleonics, Chemistry & Electronics Shares, one of the Templeton, Damroth group of mutual funds, reported record sales for its fiscal year, ended Nov. 30, 1961. Plan and share sales for the period amounted to \$18,337,500 for a 39% increase over the preceding year.

LETTER TO THE EDITOR:

Future Price of Silver Once Demonetization Occurs

Commentator concurs with President Kennedy's proposal to demonetize silver. He finds its usefulness compared to gold for monetary purposes does not warrant even its status as bi-metallic backing for our currency. Mr. Shull predicts the Treasury will not be in the market for silver bullion for many years, and avers it is entirely conceivable that the time may not be far off when producers will regard 91¢ per ounce of silver as an attractive price.

Editor, *Commercial and Financial Chronicle*:

An interesting development currently in the news is the report that the Kennedy administration plans to discontinue the practice

of backing our smaller denominations of paper money with silver, and replace all of those "Silver Certificates" with Federal Reserve Notes. Also, according to the report, the Treasury has suspended any further sales of silver from its reserves, which it had been doing over the years at the Federally pegged price of 91 cents an ounce. This action on the part of the Government immediately resulted in a quick rise in the market price of silver, carrying it to a high of about \$1.00 an ounce before the market quieted down. [Ed. Note: Prices stayed at \$1.04¾ during the week of December 20, 1961.]

It appears that the 91¢ price set by the Government has been regarded as too low by the silver producers, resulting in their withholding their silver from the market and increased demands on the Government for supplies from its reserves. According to the press

and largest annual sales in its history.

William G. Damroth, T.D. President, saw in the sales increase "an expression of confidence on the part of middle-income families in the future growth and prosperity of the country especially in the scientific industries. That is because most of the gain was recorded in sales of contractual plans to men and women willing and able to pledge a portion of their earnings monthly for investment in a professionally-managed, diversified list of science-oriented companies."

Texas Fund reports it has reached "a major milestone" with net assets passing the \$50,000,000 mark. It also announced that assets per share rose from \$11.73 on Aug. 31 to \$12.65 on Nov. 30.

Vance, Sanders & Co., Inc. increased its sales and earnings for the fiscal year ending Oct. 31, the Boston-based company reported.

Total sales of the five mutual funds offered to the public under Vance, Sanders sponsorship amounted to \$193,788,050 for the fiscal year. This compares with sales of \$176,236,065 last year and represents an increase of 10%.

Net income after taxes and all charges amounted to \$1,024,508, equal to \$1.21 a share. This represents an increase of 48% over the per share earnings figure of 81 cents a year ago on net income of \$651,885. The increase allowed the firm's directors to declare an extra dividend of 25 cents per share in addition to the regular dividend of 70 cents per share.

report the mining interests feel that "silver belongs in back of paper currency because it increases the money's value." That view is open to question, and will be dealt with later herein.

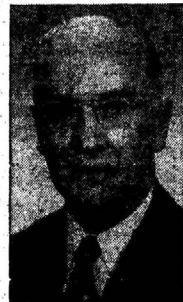
Sees No Need for Bi-Metallic Backing

On the other hand it is stated that Treasury officials feel that silver has become more of a metal commodity, and should take its place as such along with copper, lead and the other common metals. This would appear to be a reasonable view on the part of the Treasury officials; for there is no need for bi-metallic backing for our currency—all we need is a properly functioning gold standard, and that will perform the service better and more adequately than silver. We need a gold standard whereby the Government guarantees that every dollar of our currency—whether it be silver, copper and nickel coins, or paper money—shall carry a value of 1/35th of a fine ounce of gold per dollar, and so maintained by the restoration of the sound principle of redeemability, on demand, of all types of currency at that fixed value. Following are facts to keep in mind:


There are 371.25 grains of pure silver in our Silver Dollar; and, since there are 480 grains per troy ounce, it becomes apparent that even at \$1.00 per ounce for silver there is only 77.3¢ worth of silver in a Silver Dollar. But since a silver dollar represents a value of one dollar in our currency system, the 371.25 grains of silver needed to coin a Silver Dollar thereby takes on the value of 480 grains of silver bullion—thus resulting in a value of \$1.29 for one ounce of silver in the form of silver coin. The interrelationship of gold to silver, therefore, becomes 27 to 1, as against the well-known 16 to 1 relationship that existed from 1837 to 1933. To illustrate the point, \$35 per ounce for gold, divided by \$1.29 per ounce for silver, results in the quotient of approximately 27. And since the market price of silver would need to rise above \$1.29 an ounce in order to be equivalent to the value of one gold dollar, and since there is little likelihood that silver will ever closely approach that level, it cannot be sustained that "silver belongs in back of paper currency because it increases the money's value."

With the Treasury's discontinuing the sale of silver, and utilizing its current sizable stockpile of silver for replenishing its needs for silver coinage, it is unlikely that the Treasury will be in the market for silver bullion for many years. Therefore the silver producers will have to look chiefly to the industrial users of silver as a market for this metal—the same as is true of users of lead, zinc, aluminum and the like. And it is entirely conceivable that the time may not be far off when silver producers will regard the old 91¢ per ounce as an attractive price for their product.

FREDERICK G. SHULL
2009 Chapel Street
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NEWS ABOUT BANKS AND BANKERS

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

Daniel P. Davison, Roderick M. MacDougall, Edgerton G. North, Jr., and Gilbert W. Workman have been elected Vice-Presidents of **Morgan Guaranty Trust Company of New York**, it was announced Dec. 26 by Henry C. Alexander, Chairman of the Board. All were formerly Assistant Vice-Presidents.

Mr. Davison, assigned to the general banking division, joined J. P. Morgan & Co. Incorporated in 1955. He became Secretary of the Morgan Bank in 1957 and held that position in Morgan Guaranty until his assignment to general banking as an Assistant Vice-President in September of this year.

Mr. MacDougall, also in general banking, joined **Guaranty Trust Company of New York** in 1951 and became an Assistant Vice-President in 1958. Mr. North, assigned to the corporate research division, was employed by Morgan in 1950 and became an Assistant Vice-President in 1958.

Mr. Workman is in the bank's "City" office in London, where he was employed by Guaranty Trust in 1929. He has been an Assistant Vice-President since 1959.

Election of six Assistant Vice-Presidents also was announced. They are Jacob M. Cath, William E. Herrlich, Richard A. M. C. Johnson, Charles E. Phillips, all in the corporate research division; William E. Ellison and John G. Thompson, in the municipal bond department.

William F. Downey, William F. Enos, Hans C. Vitzthum, and Donald D. Wrisley were elected Assistant Treasurers in the international banking division. Robert Y. Garrett, William H. Miller, and Russell S. Reynolds, Jr., were elected Assistant Treasurers in general banking. Louis R. Modave was elected an Assistant Secretary in the Brussels office, and Arthur N. Thorne an Assistant Secretary in London.

First National City Bank, New York, announced the appointment of John E. Thilly and Alfred M. Vinton as Senior Vice-Presidents. Mr. Thilly is in charge of staff administration for the bank's Metropolitan Division and Mr. Vinton supervises the bank's activities in the East-Caribbean area. Both were formerly Vice-Presidents.

Appointed as Vice-Presidents were: Alfred W. Ambbs, National Division; Waldon J. Hennessy, Automation Planning; De Witt Horner, Bond Administration; Homer C. Lathrop, Jr., National Division; Donald M. Lovett, Metropolitan Division; Harold M. Mills, Metropolitan Division; John J. Reynolds, Personal Credit Department; Leslie C. Riggs, Personnel Administration; Gerald E. Sherrod, National Division; Charles O. Stapley, National Division. All were formerly Assistant Vice-Presidents.

George Thiel was appointed Resident Vice-President and continues in charge of the bank's Paris office. He was formerly Manager.

John P. Landolt, John B. Mall and Allan R. Trimmer have been appointed Assistant Secretaries of **Chemical Bank New York Trust Company, New York**, Chairman Harold H. Helm announced Dec. 27, 1961.

Irving Trust Company, New York, announces the promotion of Alexander S. Cunningham and Louis L. Seaman from Assistant Vice-President to Vice-President.

Both men are engaged in lending and business development activities in the bank's branch offices. Mr. Cunningham is at the 39th Street and Madison Avenue office and Mr. Seaman at the 42nd Street and Park Avenue office.

At the same time the following were appointed Assistant Vice-Presidents: Paul D. Bordwell, William H. Cowie, Jr., Thomas E. Darrow, David J. Dowd, John W. Downey, Arthur E. Fuller, Robert G. Hildreth, Jr., Donald E. Lee, Arthur V. C. Marshall, Jon J. McFadden, John C. Sutherland and Robert T. Williams.

Thomas J. Cahill has been promoted to Vice-President of the **Chase Manhattan Bank, New York**, David Rockefeller, President, announced yesterday. Mr. Cahill, who joined the bank in 1928, is in the corporate securities order division of the investments and financial planning department. Appointed an Assistant Treasurer in 1947, he was promoted to Assistant Vice-President in 1952.

The bank also announced the promotion to Assistant Vice-President of Gordon F. Ahalt, William G. Gridley, Jr., Kenneth T. Hoeck, Jr., and Mahlendorff Howitt, all in the United States department, and of Leo S. Martinuzzi, Jr., international department.

Named Assistant Treasurers were William R. Hinchman, Jr., Donald K. Miller, and David F. Springsteen, of the United States department. Donald A. Baldyga was appointed Accounting Officer and John D. Emerson, Petroleum Economist.

Landon K. Thorne, Jr., has been elected Vice-President of **Bankers Trust Company, New York** and has also been named Managing Director of the bank's two overseas investment companies: Bankers International Corporation and Bankers International Financing Company, Inc. The announcement was made Dec. 27 by William H. Moore, Chairman of the Board.

The Emigrant Industrial Savings Bank, New York, has announced the appointment of Robert A. Gay as a Director.

The West Side Savings Bank, New York, announced Dec. 20 the election of Edward Maher as a Director.

Frederick J. Freese has been elected Senior Vice-President of the **Bronx Savings Bank, Bronx, N. Y.**, it was announced Dec. 20. Mr. Freese, presently a Vice-President of the **Chase Manhattan Bank, New York**, will assume his new position on Jan. 1. He succeeds Owen A. Locke, who will retire after 25 years with the bank.

James MacGeorge, an Assistant Vice-President of **The Dime Savings Bank of Brooklyn, N. Y.** and Manager of its Bensonhurst branch office, Dec. 26 observed the 35th anniversary of his employment by the bank.

Starting as a signature clerk on Dec. 26, 1926, Mr. MacGeorge has moved up steadily through various positions in The Dime's main office and its Bensonhurst branch.

He became chief clerk in the main office in downtown Brooklyn in 1950 and served as chief supervisor there from 1952 to 1955 when he was appointed Assistant Manager of the Bensonhurst office.

On June 23, 1959, he attained

officer rank when he was named an Assistant Secretary and promoted to the post of Manager of the Bensonhurst branch. On March 18, 1960, Mr. MacGeorge was elected as Assistant Vice-President of the bank while continuing as Bensonhurst Manager.

The Dime Savings Bank of Brooklyn, N. Y., Dec. 20, announced the election of Joseph T. Sharkey as Chairman and Ray W. Kline, as President.

Mr. Kline, a Trustee of the bank for the last 10 years, will succeed Theodore A. Malmberg, who is retiring as President after a 40-year association with the bank.

Paul F. Ely was elected President of the **Brooklyn Savings Bank, Brooklyn, N. Y.**, succeeding George J. Bender, who resigned. Mr. Ely is a Vice-President of **Manufacturers Hanover Trust Co., New York**, from which he has resigned.

Mr. Bender, 55 years old, joined the bank in 1945 and has been a Trustee since 1953 and President since 1957.

Paul W. Connelly, President, **Fulton Savings Bank, Kings County, Brooklyn, N. Y.**, announced the promotion of Timothy A. Murphy from Assistant Secretary to Assistant Vice President.

Mr. Murphy, who joined the bank in 1934, has been associated with mortgage operations.

Thomas H. Quinn has been named Vice-Chairman of the Board of the **Valley National Bank of Long Island, Valley Stream, N. Y.** and Joseph P. Enright has been elected Administrative Vice-President, and Nelson C. Osborn, Jr., has been elected a Senior Vice-President.

Troy J. Baydala has been elected a Vice-President of the **Franklin National Bank, Franklin Square, New York**.

The Board of Directors of the **State Street Bank and Trust Company, Boston, Mass.**, promoted Edward P. Roberts and Henry C. Schultz, Jr. to Vice-Presidents.

W. Myron Weed, President of the **Citizens' Savings Bank, Stamford, Conn.** died Dec. 21 at the age of 70.

Mr. Weed joined the bank in 1916 as a bookkeeper-teller and rose to the Presidency in 1949. He was also a Director of the **Fairfield County Trust Company**.

S. Lawrence Hedges has been elected a Vice-President of the **First New Haven National Bank, New Haven, Conn.**

Edward Groth, 78, President of the **Commercial Trust Co. of New Jersey, Jersey City, N. J.**, until his retirement in 1959, died Dec. 17.

Mr. Groth had served the Commercial Trust Co. in various posts since 1902.

The National State Bank of Newark, N. J. announced Dec. 22 the appointment of three new Vice-Presidents. They are: Carmen R. DeSantis, D. Kenneth Sias and George W. Pultz.

John C. Barbour, Chairman and chief Executive Officer of the **New Jersey Bank and Trust Company, Passaic, N. J.** announced Dec. 22 that he will retire next Jan. 18. Norman Brassler and Edward H. Roden, now Executive Vice-Presidents, have been elected Chairman and President, respectively.

William G. Foulke, 49, Executive Vice-President of the **Provident Tradesmens Bank and Trust Com-**

pany of Philadelphia, Pa. was elected to the Board of Directors.

The Wilmington Trust Co., Wilmington, Del. elected H. Franklin Baker, Charles E. Bichy and Henry van der Goes Vice-Presidents.

State-Planters Bank of Commerce & Trusts, Richmond, Va. elected Rawley F. Daniel a Vice-President, of marketing division, succeeding Charles E. Moore, Jr., who returns to commercial lending and customer service at the main office.

Comptroller of the Currency James J. Saxon, Dec. 19, declared **The First National Bank of Maud, Maud, Okla.**, insolvent and appointed the Federal Deposit Insurance Corporation as Receiver. This action was taken due to the disclosure, during an examination, of apparent irregularities in sufficient amount to render the institution insolvent. The deposits of the bank are insured by the Federal Deposit Insurance Corporation to a maximum of \$10,000 for each depositor.

First American National Bank, Nashville, Tenn. elected Howell H. Campbell, Jr., and Franklin M. Jarman, Directors.

Albert Harrington Cox, Jr., has been elected an Assistant Vice-President of the **Republic National Bank of Dallas, Texas** and will serve the Bank as associate economist.

John N. Hunt has been elected Senior Vice-President of the **Texas National Bank, Houston, Texas**.

Formal recommendation by the Board of Directors of **First City National Bank, Houston, Texas** to the stockholders to increase capital and surplus accounts of the Bank by \$2,500,000 each was voted Dec. 21.

Stockholders will consider the recommendations and vote on them at the stockholders' meeting of Jan. 16.

According to J. A. Elkins, Sr., Senior Chairman of the Board, the capital will be increased from \$27,500,000 to \$30,000,000 by the distribution of 250,000 shares to present shareholders, subject to approval at the annual meeting of stockholders Jan. 16.

At the same time, the surplus account will be increased from \$27,500,000 to \$30,000,000 by transferring \$2,500,000 from undivided profits.

United California Bank, San Francisco, Calif. elected Dwight M. Cochran a Director.

Union Bank, Los Angeles, Calif. has announced the appointment of H. Warner Griggs, as Vice-President in charge of correspondent bank relations.

Mr. Griggs formerly held the post of Vice-President at **Northern City National Bank, and Duluth National Bank**, both in Duluth, Minn.

Plans to merge the **Dallas City Bank, Dallas, Ore.** with the **First National Bank of Oregon, Portland, Ore.**, were announced Dec. 21 by Ralph J. Voss, First National Bank President, and Ralph E. Williams, President of the Dallas bank.

The proposed merger is subject to the approval of the Comptroller of the Currency in Washington, D. C., and shareholders of each bank.

The Dallas bank listed deposit figures of \$5,102,496 and resources of \$5,548,718 in its Sept. 27, report to the comptroller.

First National reported deposits of \$895,752,179 and resources

amounting to \$1,005,662,031 in the bank's Sept. 27, report.

Adolph D. Schmidt, Jr., has been elected a Director of the **Seattle-First National Bank, Seattle, Wash.**

The Canadian Imperial Bank of Commerce, Toronto, Canada announced the appointment of Basil E. Langfeldt as Assistant General Manager at the Bank's regional office in Calgary, Alberta.

The Bank of Bermuda, Ltd., Hamilton, Bermuda, has appointed Jason Gould as its representative in North America. His headquarters will be in New York.

The election of Dr. Samuel Schweizer as Chairman of the Board and Chief Executive Officer of **Swiss Bank Corporation, Basle, Switzerland**, with an American agency at 15 Nassau Street, N. Y. C., was announced Dec. 20. He succeeds the late Dr. Rodolphe Speich.

Dr. Schweizer became an officer in 1934. He rose through the ranks, was named Manager of the bank's Basle office, and was elected as a member of the General Management of the bank in 1952.

Announcement also was made of the election of Dr. Edgar F. Paltzer, agent for the bank at the New York office, and Theodore E. Seiler, the bank's Resident Representative in South America, to the General Management with headquarters in Basle. Dr. Paltzer's experience in banking covers Basle and London from 1928 through 1938, and from July, 1939 he has served Swiss Bank in New York in various capacities, being named agent of the New York office in 1947.

Mr. Seiler had been headquartered in New York for almost six years and in 1953 he became the bank's Resident Representative in South America. He established and has supervised branches in Rio de Janeiro and Sao Paulo, Brazil; Lima, Peru, and Buenos Aires, Argentina.

Named Director

Component Specialties, Inc. has announced the election of Israel Rubinstein to the Board of Directors of the company.



Israel Rubinstein

Mr. Rubinstein is Vice-President of Fund Planning, Inc. Component Specialties is engaged in the large scale importation and distribution of electronic components which are sold to manufacturers and retail stores throughout the United States by the company directly and through jobbers.

Hunley Joins Bosworth, Sullivan
(Special to THE FINANCIAL CHRONICLE)
DENVER, Colo.—Charles H. Hunley has become associated with Bosworth, Sullivan & Company, Inc., 660 17th Street, members of the New York and Midwest Stock Exchanges. Mr. Hunley has recently been with Currier & Carlson Incorporated. Prior thereto he was in the research department of Lowell, Murphy & Co., Inc.

Hunley Joins Bosworth, Sullivan

Tsolainos to Admit
Theodore. Tsolainos & Co., 44 Wall Street, New York City, members of the New York Stock Exchange, on Jan. 1 will admit Victor G. Falbo to Partnership.

Study of Investment Banking Industry Underway

Grant of \$150,000 by IBA will finance project being conducted by the Wharton School of Finance and Commerce. IBA Research Committee, under Chairmanship of Ralph F. Leach, to function in a consulting capacity. Proposed scope and objectives of study are designed to make available initial authoritative data on central role played by securities underwriting industry in nation's economy.

Investment bankers of the nation are now in the process of providing basic information on their industry and on the new issue market for the large scale research program being conducted by the Wharton School of Finance and Commerce, University of Pennsylvania, under a \$150,000 grant by the Investment Bankers Association of America.

Publication of timely and significant findings is expected before the end of 1962 with the issuance of the first of a series of studies growing out of the project, according to a report made on November 28, to delegates at the Annual Convention by Ralph F. Leach, Vice President and Treasurer, Morgan Guaranty Trust Company, New York, Chairman of the IBA Research Committee.

"Through the new issue market is channeled the major flow of savings by which business and industry is financed with private capital," stated George A. Newton, retiring IBA President, pointing out that "in spite of the central role this market plays in the nation's economy no full scale authoritative study exists. The new study is intended to fill this gap." Mr. Newton is a Managing Partner of G. H. Walker & Co., St. Louis.

This industry analysis is especially timely in the light of the recent publicity and attention given to the security markets by the financial community itself, by the press and by governmental agencies. Over three years have been devoted to developing the scope of this project and other details. Questionnaires for distribution to the investment bankers reflect the careful and comprehensive plans made in preparation for the fact-gathering.

With the exception of the U. S. Government security market (which has been studied recently elsewhere) the study will examine closely all the major sectors of the new issue market, including corporate, municipal and foreign securities. It will investigate the relative importance of each type of security activity; characteristics of new issue transactions, including the nature of the customers and the size and price structure of the transactions; interrelationships of manager, underwriting groups, selling groups and issuer; economic structure and financial characteristics of the investment banking industry, etc.

A central feature of the study will consist of a compilation of current information supplied by the investment banking industry which will serve as a basic factual background of its structure and operation. To collect the data, questionnaires are being sent to all members of the IBA and to a cross section of non-members.

Co-Directors of the study are Willis J. Winn, Dean of the Wharton School and Professor of Finance, and Irwin Friend, Professor of Economics and Finance, Wharton School. Other members of the Wharton staff assisting with the project are:

Arleigh P. Hess, Jr., Associate Professor of Economics.
James R. Longstreet, Lecturer in Finance.
Morris Mendelson, Associate Professor of Finance.
Ervin Miller, Associate Professor of Finance.

Serving as liaison between the Association and the Wharton project staff and acting in a consulting capacity, is an advisory com-

mittee under the Chairmanship of Ralph F. Leach of Morgan Guaranty Trust Co., New York City. Other members of the Committee:

William M. Adams
Braun, Bosworth and Company
Detroit, Mich.

Amyas Ames
Kidder, Peabody and Company
New York, N. Y.

W. Yost Fulton
Fulton, Reid and Company
Cleveland, Ohio

Murray Hanson
Investment Bankers Association
Washington, D. C.

George A. Newton (Ex-officio)
President of IBA
G. H. Walker and Company
St. Louis, Mo.

Thomas M. Johnson (Ex-officio)
Vice-President of IBA
The Johnson, Lane, Space Corporation, Savannah, Ga.

* * *

Nature and Scope of Projected Study

Some indications of the breadth and objectives of the study which, as previously noted, will be made under the co-direction of Messrs. Willis J. Winn and Irwin Friend, is evidenced in the following announcement on behalf of the Wharton School of Finance and Commerce:

It is proposed that the Wharton School conduct a comprehensive study of investment banking and the new issues market—an area in which there are glaring gaps in our basic information. While there have been several comprehensive studies of the money market and of the market for outstanding security issues, there has been no corresponding study of the market for new issues through this is the basic market for the provision of long-term capital in our economy. The proposed study would parallel in many respects the earlier study of the over-the-counter markets in outstanding securities carried out by the Wharton School several years ago.

The proposed study by the Wharton School would embrace every area related to the new issues market. To the extent possible, it is intended to cover not only the issues of U. S. corporations, but also foreign, U. S. Government and state and local issues handled by domestic investment banking firms, and not only the recent period, but representative periods in the past. However, the emphasis will be on corporate and municipal issues and on recent developments.

The methodology would be similar to that employed in the over-the-counter markets study. Large scale sampling techniques would be employed, involving the customary questionnaires, follow-up interviews, etc. The basic sample would probably consist of 100% coverage of the U. S. members of the Investment Bankers Association of America plus a representative sample of 20% of other firms engaged in various aspects of the securities business. It would also be desirable to draw small samples of issuers of securities and, probably, institutional purchasers. More precise determination of the nature of the samples would be made after

consultation with representatives of the I.B.A. and other interested parties. It is possible, indeed, that in order to reach the desired coverage and yet be realistic in terms of what might reasonably be expected of different types and sizes of respondents, more than one variant of a given questionnaire may be employed. Also, while much of the study will require information for more than a single period, it probably will be possible to cover only one year—which might be 1960—in a completely comprehensive fashion. This year would serve as the base for comparison with earlier periods as well as for any similar compilations in the future.

Questionnaire techniques would give us our data for the present and very recent past. For restricted comparisons with periods in the more distant past which are possible, we would draw heavily on data already available, e.g., in the S. E. C. materials, in the volumes developed for the recent anti-trust suits, etc.

The end result would be a comprehensive body of new and definitive statistical information, a searching, interpretive analysis of the data, a description of situations not readily amenable to statistical treatment, and an interpretative analysis of situations so described.

The following indicates the intended scope of the study:

A. Alternative Avenues for the Issuance of New Securities—An Overall View.

Here would be treated in a comprehensive quantitative as well as qualitative manner, the several broad methods whereby new securities may be put in the hands of the public. First, direct public issues (i. e., sold without any use of investment banking facilities, be it financial or managerial) would be examined and analyzed with respect to characteristics of issuers, issues, customers and transactions. We would be interested in such matters as size and industry of the issuer, general type of securities and special features attaching to them, size and financial importance of issues (both to the issuer and to financial markets), the nature of the purchasers (e.g., institutional versus individual), size of transactions, method of payment by the customer, selling methods of issuers and the extent of use of "rights" offerings. Historical trends would be examined, although emphasis will be on the present. The quantitative importance of this area would be considered along with the reasons for its use and its significance for investment banking and the future of securities issuance. In this connection stress here (and throughout the study) would be placed not only on aggregate statistics, but also on measures showing the nature, extent, and frequency of departures from what might be regarded as "norms."

Direct placements would receive careful attention, with an analysis, to the extent relevant, along lines similar to that for direct public issues. In addition, the role played by investment bankers would be examined. The great growth of non-banking financial institutions in this area is of special interest, including not only life insurance companies, but also pension funds (both private and public), investment companies and other financial organizations. The types of agreements made by each, the types of securities in which each is interested, and the implications of all this for corporation (and public) finance and investment banking would be considered. Quantitatively at least, term loans will be considered as a form of direct placement for the purposes of this analysis.

Main Area of Interest

Turning now to our principal area of interest, new public issues sold with the use of the financial and/or managerial services of the investment banking industry, we would initially make an over-all survey of investment banking, including a brief history of the industry in the U. S. with emphasis on evolutionary characteristics. The subsequent analysis generally would proceed along the lines indicated in the preceding paragraphs, where applicable. Thus we would again be interested in the characteristics of issuers, issues, customers, and transactions, including size and industry of the issuer, size and financial importance of issues to both issuer and the financial markets, general and special features of the securities, the nature of the purchasers and the characteristics of their purchases. We would consider the types of commitments to issuers, whether outright purchase, a best efforts basis, or a stand-by underwriting, etc. We would consider the relative importance of "rights" versus "non-rights" offerings and of issues sold at competitive bidding versus those sold on a negotiated basis.

We would also be interested in the characteristics of the investment banking firms in relation to characteristics of issuers, issues, and customers. In all this, as indicated above, we would place stress continuously, not only on aggregate statistics, but also on measures showing the character and importance of departures from the "average."

We would be interested in assessing the importance of new issues in the total financing of firms. This would involve an examination of internally-generated funds and at least a brief look at the volume of bank credit, particularly with respect to its substitutability for new issues of securities. It would also involve a careful study of the extent and characteristics of lease and lease-back financing in recent years as well as other developments competitive with new issues.

Finally, despite our obvious principal interest in new issues, it will be necessary, for the sake of completeness, to pay at least brief attention to secondary offerings of securities—their importance and the significance of investment banking machinery for their success.

This section may also include some international comparisons.

B. Organization of the Investment Banking Industry.

Here we would study the industry from a large number of points of view. We would examine the numbers of firms which actually participate in floating new issues, the relative importance of firms within the group, the extent to which there are new firms, the legal forms of organization of firms, and relevant historical trends. We would want measures of concentration of volume within the industry, especially in terms of classes of securities, currently and in the past. This, in turn, implies an analysis of specialization within the industry by the many forms which specialization may take. This includes such items as marketing region, class of security, quality of security, industry of the issuer, level of securities marketing (retail, wholesale, etc.) and type of transaction (e.g., promotion and facilitation of mergers). The other side of the coin here is the non-specialized firm: its significance vis-a-vis firms variously specialized. In connection with specialization, the role of the large commercial banks in issues of state and local securities might receive special attention.

To Analyze Syndication

Syndication and its historical trends would be examined closely.

Here we are interested in such matters as the organizational structure of, and distribution of functions within syndicates, types of agreements and commitments, the roles of type, quality, and size of issue, criteria for the selection of members of syndicates, and criteria for allotting securities among participants.

We would also wish to consider the nature of sales efforts made by investment banking firms. This would involve the relationships between a firm and its public customers. It would include the criteria for the allotment of securities to customers when demand appears to exceed supply at offering prices. It would also involve the compensation to salesmen and any device for facilitating sales (e.g., in arranging switches from old securities to new offerings).

Among other matters of interest here are the character and extent of diversification of firms within the industry into areas related to investment banking, and the role of industry associations.

C. The Finances of the Investment Banking Industry.

At the outset, we would want a picture of the capital of the industry and measures of its dispersion and concentration. This would require a balance sheet picture of the industry and its sub-groups, with a clear picture of assets and liabilities. It would be necessary for this purpose, to the extent possible, to eliminate the estimated portions of assets and liabilities relating to activities of investment houses other than the issuance of new securities (and secondary offerings).

Measures of the relative profitability of the industry would be sought and this again would require isolation and separation of activities not relating to new (and secondary) offerings. An analysis of relevant income and expenses would be made. It would be necessary to determine on the income side, such items as margins between buying and selling prices for new issues and secondary offerings by type of offering, stand-by fees, managerial fees in the origination of issues, fees for advisory services, fees for handling direct placements, profits from "special deals" (e.g., sponsorship of mergers), interest and dividend income, profits from support operations in securities floated, etc. On the expense side would be such items as salaries, fees for technical, legal, research, and related services; selling and sales promotion expenses; interest expenses; governmental taxes and fees; losses in support operations of securities floated; other losses; miscellaneous general and administrative expenses; etc. From all this, we would expect to obtain a picture of the rates of return on capital invested in the investment banking business.

A flow of funds analysis would be utilized. Our purpose here would be to give a complete picture of the gross sources and uses of funds within the industry and to determine costs of funds analyzed by source.

An analysis of operating margins would be made in terms of costs to the issuer by class and quality of security, and by size of issue and issuer. An analysis of unpaid services to issuers would be necessary.

We would also examine the types of compensation granted for the flotation of securities. Of obvious significance would be a picture of non-cash methods, e.g., securities and options to purchase securities. We would want to know their quantitative importance, their association with any specific characteristics of securities, issuer, or investment banker, and their implications for corporate financing.

Finally an attempt will be made to determine the impor-

tance to investment banking firms of the income derived from sources other than flotation of securities.

D. New Issues, Investment Banking and the Behavior of Securities Markets.

We plan to analyze the impact of processes associated with the flotation of new securities on the functioning of the securities markets. We are interested in those markets both before, during and after security flotations. We would be concerned with such matters as price and inventory effects for various types of securities under varying economic and financial conditions. Pricing policies and procedures would be examined generally, including those under competitive bidding, and the significance of underwriter support of the market during offering periods would be appraised. All of this, in turn, we would hope to relate to the profitability picture discussed above. Where relevant, "rights" issues would be separated from "non-rights" issues in order to appraise the significance of this feature.

Impact of Direct Placements

The implications of direct placements for the behavior of security prices are of interest here. Likewise the implications of direct placements and of the rapid growth of non-banking financial institutions for the direction of the flow of savings must be examined. To illustrate, it may be that these developments will lead to relative shortages of securities available to individuals and, in turn, to an accelerating shift to savings through institutional intermediaries.

Policies relating to handling of unsold securities and to after-issue markets in general are clearly important as a market force. Important are the nature of syndicate arrangements, support policies, and financing methods. In all this, the historical picture and evolutionary trends should prove most interesting. Of particular significance would be the continuing role of investment firms in making markets for securities which they have sponsored.

Some time must be devoted to direct public issues, i.e., to those offered by issuers directly to the public. This will give a basis for a comparative picture.

Finally, an examination of the impact of monetary policy on the flotation of securities would be of much interest in this as well as other connections. It has been obvious that central bank actions (and inactions) have affected the risks, costs, and inventory policies of investment bankers; the costs to the issuer; the characteristics of securities issued; the timing of issues; the attitudes of security customers; the choices between alternative sources of funds for potential issuers, etc. Indeed, monetary policy in part requires for its effectiveness certain types of impacts upon the behavior of the new issues market. It should be noted that the Commission on Money and Credit, which is currently making a large-scale study of the behavior of our monetary system, has apparently not been able to obtain from the investment banking industry the basic information needed for comprehensive analysis, though obviously the C. M. C.'s recommendation might be expected to affect significantly the industry's operation. This will leave a gap which we would hope, to fill in some degree.

E. Problem Areas in the Issuance of New Securities.

Up to this point (items A through D) we have discussed items which would probably be indispensable in a study of the new issues market and investment banking. We now turn to items of great importance for a well-

rounded, comprehensive picture, and for a broad understanding of the role of investment banking in our rapidly changing economy. The extent of actual coverage, however, would be dependent upon the adequacy of resources.

Here vast scope is obviously offered to the analyst. We indicate here some of the important items. The existing regulation of security flotations merits an appraisal, its strengths and weaknesses to be made clear. For example, the question of the character of advertising and publicity needs review, especially in connection with small issues. Likewise the question of exemptions from registration needs examination, including both the small issue and the large direct placement. In part we would be appraising how well the S. E. C. has done its job. Comparisons with foreign practice and with former periods in our history might be helpful here. Trends in the character and effectiveness of state regulation would also be significant.

Some analysis should be made of the implications of diversification of activities in investment banking firms. For example, how are potential conflicts of interest handled involving the public customer, the issuer, the investment banking firm, and at times even other organizations such as investment companies that may be related to the investment banking firm in some manner? There are many neat questions to be considered here, both in the interests of the public and the investment banking industry.

A number of problems involving the relationships of investment bankers and corporate issuers ought to be explored. Compensation methods offer an obvious case in point. Related here is the question of competition among investment bankers for corporate business and the ease of access by business to investment banker facilities, including small business.

To Reevaluate Competitive Bidding

Competitive bidding should be reassayed. Its effectiveness and shortcomings in practice should be analyzed and its over-all merits scrutinized.

The adequacy of the financial base and methods of financing the investment banking industry should be appraised. Here we are concerned both with the adequacy at the individual firm level and with resources of the industry as a whole.

Innovation in the industry is of importance. This includes both the organization of the industry and the functioning of individual firms. It includes the machinery for the distribution of securities and the tailoring of the characteristics of securities.

Finally, we would attempt an appraisal of the over-all effectiveness of the investment banking industry and of other channels of distributing new securities in the light of appropriate economic criteria.

Named Director

Heribald Naerger, Executive Vice-President of Bayerische Vereinsbank, Munich, Germany, has been elected to the board of directors of Nelson Fund, Inc. Besides being a member of the board of Nelson, Mr. Naerger is director of Eurinvest S. A., Luxembourg (an open-end investment fund), and Commonwealth & European Investment Trust, Luxembourg (a closed-end investment fund).

Joins Hutton Staff

ATLANTA, Ga.—Thomas J. Rubel has joined the staff of E. F. Hutton & Co., 2 Pryor St., Southwest. He was formerly with Walston & Co., Inc.

Fourth Generation Golf & Tennis Scores at IBA Convention Tourneys

When Charles E. Schafer, III, stepped onto the New York Stock Exchange trading floor Dec. 22 he was the fourth generation of the Schafer family to be an Exchange member. His great-grandfather, Samuel Schafer, member of the investment banking firm of Schafer Brothers, became an Exchange member in 1860. His grandfather, Charles E. Schafer, I, was an Exchange member until his death in 1917. Father of the newest Exchange member, Charles E., II, specialist and a member of Somers, Schafer & Collins, 120 Broadway, became an Exchange member Jan. 9, 1936, after a long career in the Street, where he started as a runner.

The Schafer family joins the Henderson family as a fourth generation Exchange family. In its 170 year history the Stock Exchange boasts of only two four generation families.

Bache & Co. Appoints

BEVERLY HILLS, Calif.—Sam J. Smith, West Coast Partner of Bache & Co., has announced the appointment of Fred Carr of the Beverly Hills office of Bache & Co., 445 North Roxbury Drive, as Research Representative.

Mr. Carr joined Bache & Co. three years ago as a Registered Representative and was appointed as Southern California Representative to the financial analysts Society in 1960. Previous to this, Mr. Carr was an Estate Counselor for Penn Mutual Life Insurance Company for four years after returning from service with the United States Army.

Cambridge to Distribute Life Ins. Investors Fund

Cambridge Financial Corp., 161 William Street, New York City, has been named the wholesale distributor for Life Insurance Investors, Inc., in eight Eastern states and Washington, D. C.

Cambridge Financial Corp. is investment-adviser and principal underwriter for Cambridge Growth Fund, a mutual fund invested primarily in growth securities.

Murray Aronson, Executive Vice-President of Cambridge Financial, will direct dealer relations.

Named Treasurer of Fund

DENVER, Colo.—James H. Reddish, First Assistant Treasurer of Financial Industrial Fund, Inc., has been named Treasurer of the open-end investment company, it has been announced.

D. M. Benson Co. Formed

D. M. Benson & Co., Inc. has been formed with offices at 25 Broad Street, New York City, to engage in a securities business. Mordecai D. Katz is a Principal.

Form First Western

MINNEAPOLIS, Minn.—First Western Corporation is engaging in a securities business from offices in the First National Bank Building. Ellsworth L. Johnson is a Principal.

L. H. Houston Co. Opens

FT. WAYNE, Ind.—Lionel H. Houston has formed L. H. Houston & Co. with offices in the Lincoln Bank Tower to conduct a securities business.

Form Schneider Corp.

Walter J. Schneider Securities Corporation has opened offices at 67 West 44th Street, New York City, to engage in a securities business. Officers are Walter J. Schneider, President, and Harry Bogatch, Secretary and Treasurer.

Fourth Generation Golf & Tennis Scores at IBA Convention Tourneys

GOLF WINNERS

Alden H. Little—18 Holes—Low Net

- 1st. Mr. Dean S. Woodman, Merrill Lynch, Pierce, Fenner & Smith Incorporated, New York.
- 2nd. Mr. William C. Richardson, Birr & Co., Inc., San Francisco.

Senior Tournament—18 Holes—Low Gross

- 1st. Mr. Gilbert Hattier, Jr., Hattier & Sanford, New Orleans, La.
- 2nd. Mr. F. H. MacDonald, H. O. Peet & Co., Kansas City, Mo.

Men—18 Hole Tournament

- 1st. Low Gross—Kenneth F. Higgins, Kinsley & Adams, Worcester, Mass.
- 2nd. Low Gross—Mason B. Starring, Jr., A. C. Allyn & Co., N. Y.
- 1st. Low Net—Herbert Anderson, Distributors Group, Incorporated, New York.
- 2nd. Norman Davis, Walston & Co., Inc., Denver.

Mixed Foursomes

- 1st. (2)—Low Gross—Mr. & Mrs. V. Theodore Low, Bear Stearns & Co., New York.
- 2nd. (2)—Low Gross—Mr. & Mrs. R. Burton Parker, Kay, Richards & Co., Pittsburgh.
- 1st. (2)—Low Net—Mr. & Mrs. Eugene Cassell, C. F. Cassell & Co., Charlottesville, Va.
- 2nd. (2)—Low Net—Mr. & Mrs. Howard Finney, Jr., Bear, Stearns & Co., New York.

Men—18 Hole Tournament

- 1st. Low Gross—Mason B. Starring, III, Dominick & Dominick, New York.
- 2nd. Low Gross—Thomas Lynch, III, Moore, Leonard & Lynch, Pittsburgh.
- 1st. Low Net—Gordon B. Duval, J. C. Bradford & Co., N. Y.
- 2nd. Low Net—W. Linton Nelson, Delaware Management Company, Philadelphia.

Men—18 Hole Tournament

- 1st. Low Gross—Thomas Cafone, W. E. Hutton & Co., New York.
- 2nd. Low Gross—Andrew Marckwald, Discount Corporation of New York.
- 1st. Low Net—Renouf Russell, F. S. Moseley & Co., Boston.
- 2nd. Low Net—James Conlin, Hayden, Stone & Co., New York.

Women's Kickers

- Winner—Mrs. Arthur Rand, Minneapolis (Woodard-Elwood Company).

Women—18 Hole Tournament

- 1st. Low Gross—Mrs. Robert E. Christie, New York (Dillon, Read & Co.).
- 2nd. Low Gross—Mrs. Charles Cady, Columbus, Miss. (Cady & Company).
- 1st. Low Net—Mrs. Charles Parcells, Detroit, Mich. (Charles A. Parcells & Co.).
- 2nd. Low Net—Mrs. Scott Cluett, New York (Harriman Ripley & Co., Incorporated).

Women—18 Hole Tournament

- 1st. Low Gross—Mrs. John Ahearn, Boston (State Street Bank & Trust Company).
- 2nd. Low Gross—Mrs. Evans Morgan, New York (Manufacturers Hanover Trust Company).
- 1st. Low Net—Mrs. G. A. Alexis, N. Y. (Walston & Co., Inc.)
- 2nd. Low Net—Mrs. Robert Johnson, New York (Kidder, Peabody & Co.).

Women—18 Hole Tournament

- 1st. Low Gross—Mrs. William T. Kemble, Boston (Estabrook & Co.).
- 2nd. Low Gross—Mrs. Clarence Bartow, N. Y. (Drexel & Co.).
- 1st. Low Net—Mrs. James Hendrix, Birmingham, Ala. (Hendrix & Mayes Inc.).
- 2nd. Low Net—Mrs. David Johnson, Savannah (Johnson, Lane, Space & Co.).

TENNIS

IBA—Men's Doubles Tennis Tournament

- Winners—F. Barton Harvey, Alex. Brown & Sons, Baltimore, and Andrew V. Stout, Dominick & Dominick, New York.
- Runners-Up—Belmont Towbin, C. E. Unterberg, Towbin Co., New York, and Charles H. Symington, Jr., G. H. Walker & Co., New York.

Mixed Doubles

- Winners—F. Barton Harvey, Alex. Brown & Sons, Baltimore, and Mrs. Joseph R. Neuhaus, Houston (Underwood, Neuhaus & Co., Incorporated).
- Runners-Up—Mr. & Mrs. Chas. Symington, Jr., G. H. Walker & Co., New York.

Named Director

Raymond E. Lee, President of TARPON SPRINGS, Fla.—A. M. Kidder & Co., Inc. has announced the election of James N. Thayer as a branch office at 221 South Pinellas Avenue under the management of William R. Dickson.

Powell, Kistler Branch

ORLANDO, Fla.—Powell, Kistler & Co. has opened a branch office at 709 Magnolia under the management of John W. Watson.

Encouraging Prospects and Potential Achilles Heel

Continued from page 1

pace of the expansion in the last few months.

III

Now, what are the sources of this uneasiness about the possibility that there is something rather fundamentally wrong with American economy? There are four principal sources of this concern. In the first place, partly for social reasons the incidence of unemployment, the proportion of the labor force unemployed, has come to be a very widely quoted barometer of the vigor of the economy. Now, the fact is that in October unemployment was running 6.8% of the labor force. That is just about exactly where it was at the bottom of the recession in February, so that this statistic of business activity has shown no discernable improvement in this period of nine months.

It is not unusual for the rate of unemployment to slide along for a few months after business activity itself turns up. It is a bit unusual, however, for unemployment to have shown no measurable diminution after we have proceeded as far as we now have in the recovery.

Retail Trade

The second source of some real concern about whether the economy is afflicted with some kind of arthritis is that retail trade has been surprisingly unresponsive to the improvement in incomes of individuals. There has been actually since last February a pretty good gain in the flow of income to consumers. The fact of the matter is, that retail sales have been stuck on a plateau, showing surprisingly little improvement. The result of this is that the proportion of the consumer's dollar showing up in the retail cash registers has been declining persistently and strikingly. Even as late as October, this proportion was 52.4%.

Let's go back to the recession of 1958, which would not be regarded as a wildly buoyant year. In that recession year of 1958 retail sales were running at the rate of 55.6% of personal income. Therefore, if retail sales were running as high now relative to personal income as they were even in that recession year of 1958, these sales would be about 6% higher. If we had retail trade running around 6% higher than now, a lot of this seeming logginess in economy would disappear.

Well, there are other indications, of course, of this cautiousness of the consumer. The saving rate, as you know, has been relatively high. It was higher in the third quarter than it had been in any other time throughout the year. The volume of installment credit extensions has been very modest relative to income, and that has been particularly true in the case of automobile credit. If consumers had been borrowing, relative to their incomes, as rapidly as they have in other years, we would have had a substantially greater volume of credit extensions to consumers than we have had in recent months.

Now, there are extenuating circumstances. Consumers are spending more on services and less on things that show up in retail trade counters. But the fact is, that what has been happening cannot be explained on the basis of these seemingly extenuating circumstances.

A second reason for concern is that we have ample to excessive productive capacity in most industry lines. As long as that is true, it is more difficult to make a case that capital outlays of business

are going to pick up. According to the McGraw-Hill survey in September, on the average industry was running at just over 80% of capacity, substantially below the preferred rate of about 94%, and consequently there is no pressure of production schedules against limited capacity to induce business to expand their facilities. And this raises the question: Until we get operating rates up a little higher, is there going to be any real strengthening in this so-called capital goods sector of economy? But on the other hand, until we get strength in the capital goods sector, is there apt to be any strength in the economy? We get involved here in a vicious circle.

Third, we know that foreign trade developments are apt to have, if anything, a somewhat deflationary effect on business activity here. In the last year, the relationship between our exports and our imports has been peculiarly favorable for us. Our exports have been exceedingly high, and our imports have been relatively low. This is true even though there has been a good deal of discussion about the deficit in our overall balance of payments.

Now, this large net export surplus is exactly what one might have expected. There were temporary factors in here which sustained our exports. In addition Western Europe and Japan were exceedingly prosperous. This tended to create a correspondingly rapid growth in the demand for imports, and this helped our exports. On the other hand in the recession our demand for imports was relatively low. Under the circumstances we got this very wide gap. Now as our domestic situation starts to recover, our imports will tend to rise. Our exports cannot be expected to rise so fast, and they might conceivably deteriorate a bit in the next few months. This is going to have some negative impact on domestic business activity.

IV

Well what facts do we have in hand as we try to look ahead here? We do by now have a great deal of tangible information bearing on where the economic situation is going in the next few months.

The first point to make is that work stoppages in the auto industry for September and October make it very important that we be quite cautious in interpreting recent statistics. The work stoppages in the steel industry in 1959 did cause us to overlook some evidences of basic weaknesses that we dismissed as simply what one would expect when a major industry is down. We want to be careful we do not make the opposite mistake this time.

The second point to make is that Federal Reserve policy remains very conducive to facilitating and expansion in domestic business activities. I need not belabor this here. We know that the reserve position of the banks remains quite favorable. By this time in the preceding recovery of 1953, banks were already in a net borrowed reserve position. There is a great deal of argument about how much difference this easier reserve position will make. It is certainly on the right side.

Third, the tangible evidence that we have available does clearly suggest that we are going to get a slow, but nonetheless discernible rise in capital outlays. The McGraw-Hill Capital Expenditure survey shows 4% increase for 1962. If past experience is any indication, this early figure will be scaled upward as we move through the next year. New orders for durable goods are show-

ing an improvement, and actually the improvement is almost as great as during the corresponding period after the low point of the recession in 1958. Construction contract awards, as you may have seen in the *Wall Street Journal* are continuing to look fairly good. The volume of contract letting has gained throughout the year. To be sure, this has been heavily in the residential construction area, but, in the aggregate, it looks promising. The corporate profit picture also looks relatively a little better than the image of the corporate profit picture, and we have had a fairly significant rise in corporate profits. From the first to the third quarter they increased almost one-fifth.

There should be a further improvement, but we may reach the profits peak rather early again, as we did after the recovery in 1958.

Finally, Federal Expenditures are going to be rising substantially. Whether you put that on the plus or minus side may be a matter of debate. So far as assessing the near-term economic situation is concerned, I think it would have to be put on the plus side. The mid-year Budget Review, shows a rise from \$81.5 billion to \$89.0 billion for expenditures in the current fiscal year. If we get that kind of rise, outlays will have to be in the range of \$91-92 billion by the fourth quarter of the current fiscal year (in terms of an annual rate), and therefore it is difficult to see how expenditures can be held for less than \$93 to \$94 billion for the next fiscal year (1963).

Predicts Rising Outlook

The information available now warrants these conclusions about business prospects. First of all, clearly, the level of business activity is going to be higher next year than in 1961, and it ought to be rising throughout the year.

Secondly, if consumers let go of their income dollars at more traditional rates, not extravagantly but more nearly traditional rates, this together with the large increase in government spending that is certain and more moderate increases in capital outlays and housing that are probable, should push gross national product to a \$565-to-\$570-billion rate by 1962. I think this is within a reasonable expectation. If so, we would have to regard 1962 as giving promise of restoring reasonably full employment.

There are two elements that constitute a potential Achilles heel to this fairly sanguine prognosis. One is the possibility that consumers for some reason continue to have the kind of lack of confidence that will make them slow spenders. This must be watched carefully. Recently good auto sales are at least encouraging on this point. The second one is the very real possibility that we could have some kind of international run on the dollar. I do not regard myself generally as a calamity howler or given to making dramatic statements. I take, however, the gravest view of the continuing gap in our over-all international balance of payments. It seems that, for the last 18 months to two years, it is not an exaggeration to say that the United States has been doing a toe dance on the edge of the cliff on this gold and international financial situation. Here we face an exceedingly difficult problem. If we do not realistically come to grips with it, the results would have grave implications for the health of the economy and for the international financial structure of the free world.

Apart from these two clouds, the domestic economic situation would seem to me to pose a more sanguine prospect than the pessimism in recent months would imply.

*An address by Dr. McCracken before the First National Bank of Chicago. Conference of Bank Correspondents, Chicago, Ill., Nov. 28, 1961.

Nat'l Ass'n of Securities Dealers Elects Seven to Bd.

Seven new Governors have been elected to the Board of the National Association of Securities Dealers for three-year terms each. They succeed an equal number who complete their tenure in January. An eighth was elected to fill an unexpired term. The



John W. Dayton, Jr. J. H. Goddard, Jr. Robert W. Haack Gus G. Halliburton



Robert R. Miller George F. Patten, Jr. Craig Severance J. J. Stevenson, Jr.

NASD Board consists of 21 Governors, representing all of the association's 13 districts covering the 50 states. The new members for 1962 to 1965 are:

George F. Patten, Jr., George Patten Investment Co., Portland, Ore., for District No. 1 which includes the States of Alaska, Idaho, Montana, North and South Dakota, Oregon and Washington. He succeeds Samuel S. Whittemore of Pacific Northwest Co., Spokane.

Robert R. Miller, Hornblower & Weeks, Los Angeles, for District No. 2 which includes the States of California, Hawaii and Nevada. He succeeds Robert L. Cody, President, North American Securities Co., San Francisco.

Robert W. Haack, Robert W. Baird & Co., Milwaukee, for District No. 8 consisting of the States of Illinois, Indiana, Iowa, Michigan, Minnesota and Wisconsin. He replaces Andrew M. Baird, Vice-President, A. G. Becker & Co., Chicago.

Justin J. Stevenson, Jr., W. E. Hutton & Co., Cincinnati, for District No. 9 which comprises the States of Ohio and Kentucky. He succeeds Claude F. Turben, President, Merrill, Turben & Co., Cleveland.

Craig Severance, F. Eberstadt & Co., and John W. Dayton, Jr., Clark, Dodge & Co., Incorporated, both of New York, for District No. 12, succeeding Blancke Noyes, Hemphill, Noyes & Co., New York, and Graham Jones, Cooley & Co., Hartford, Conn. The district comprises the States of Connecticut, New York and a part of New Jersey.

James H. Goddard of J. H. Goddard & Co., Boston, for District No. 13 comprising the States of Maine, Massachusetts, New Hampshire, Rhode Island and Vermont. He succeeds as Governor from the district William H. Claflin, III, Tucker, Anthony & R. L. Day, Boston, who also is retiring as Chairman of the NASD Board of Governors.

Gus G. Halliburton, Equitable Securities Corp., Nashville, from District No. 7 to complete the unexpired term of J. Robert Neal, Wyatt, Neal & Waggoner, Atlanta. The district covers the States of Florida, Georgia, South Carolina and Tennessee.

Now With Keon

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Martin S. Phillips and Stanley R. Schill have joined the staff of Keon & Company, Inc., 618 South Spring Street, members of the Pacific Coast Stock Exchange. Both were formerly with Dempsey-Tegeler & Co., Inc.

Join Schirmer, Atherton

(Special to THE FINANCIAL CHRONICLE)

WORCESTER, Mass.—Howard Lurier and Franklin B. Sher have become associated with Schirmer, Atherton & Co. as co-managers of the newly opened Worcester office at 340 Main Street. Both were with the Worcester office of Hemphill, Noyes & Co.

To Be Henderson, Harrison Company

Effective Jan. 1 the firm name of Henderson Harrison & Struthers, 40 Wall Street, New York City, members of the New York Stock Exchange, will be changed to Henderson, Harrison & Co.

Dewar, Robertson Co. Opens Dallas Branch

DALLAS, Texas—Dewar, Robertson & Pancoast has opened a branch office in the Praetorian Building under the management of Robert L. B. Dewar.

Bache Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

CHARLOTTE, N. C.—William W. Swayne Jr. has been added to the staff of Bache & Co., 210 South Tryon Street.

With Warner, Jennings

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Raymond W. Morse is now with Warner, Jennings, Mandel & Longstreth, 50 Franklin St. He was formerly with Schirmer, Atherton, & Co.

AS WE SEE IT

the so-called backward world and is being constantly fanned brighter and brighter by the Kremlin and its cohorts in the communist lands. They are facts which must be remembered by those who think of ridding the world of poverty and disease by government aid extended to the millions so afflicted. Even if such governments are willing to take the risk of losing all that they pour into these regions, the question will remain as to whether their efforts and their generosity will do what is hoped for.

The situation is, of course, a most serious one, and one which will not yield to any easy solution. Whatever may be the danger of these backward peoples turning to communism, the fact is that they will gain nothing by any such tactic. The communists have no great surplus of wealth to distribute to such destitute elements, and they certainly are not in a position either to furnish the capital needed for the economic relief of these millions, or to provide the technical guidance that is required. Even in their own borders where they are able to rule with an iron hand, no such miracles are being performed—not even in the most "advanced" of them all, the Soviet Union. The usual techniques of the communists—that of making slaves of the rank and file in order to take the lion's share of current production for capital purposes—could not well be applied where there is little or no surplus beyond a bare living for the people and where the hardly more than half civilized rank and file of the peoples simply will not submit to any such treatment.

Depends Upon Themselves

All this is but another way of saying that the economic salvation of the so-called backward peoples of the world depends in the first place—and we had almost said also the last place, too—upon the peoples themselves. It is doubtless true that corrupt and despotic rulers and governments have been able to fasten themselves upon the peoples and suck their very life blood. The notion that the land, and whatever other natural resources exist, should be taken from the hands of these selfish minority elements and distributed among the rank and file has a great appeal, especially to the unthinking throughout almost all the lands of the world. And there is little or no doubt that in a good many places a redistribution of property of one sort or another or in one way or another is in order.

Let no one suppose, however, that a mere redistribu-

Continued from page 1

tion of wealth in these backward countries would prove a solution of the difficulties found there. It would develop in a good many instances that the individuals to whom property is thus given would not know what to do with it and could make no better living; if as good a living, as they had been making working for other owners who do know at least something about the management of the property even if, under the older system, the individual workers are usually imposed upon. The individuals whose welfare is now the self-imposed care of the civilized world simply have to become bigger and better producers or nothing is likely to do very much for them.

A Vital Corollary

A corollary to all such facts as these is self-evident, or ought to be. That is that the accomplishment of any such tasks as are now contemplated by so many with the good of mankind at heart is a matter which will take a long, long time at the very best. We venture to say that few, if any, now living will ever see any really drastic improvement in the lot of many who now are never very far from starvation in India, for example, or see the rank and file of some of the Latin American peoples living in a way comparable to what we see daily in this country. Individuals accustomed to the sort of life being led in these backward countries simply have no idea of what is involved in greatly increased production, and can not be taught it except at the expenditure of much energy and time. Of course, this fact is well enough known to the communists who try constantly to fish in troubled waters and to make the benighted believe that by subscribing to the fallacious dogmas of Karl Marx, the world can be changed overnight into something vastly better, particularly for those who are in need of something better.

It is in some ways a little difficult to understand the driving force of international communism by such countries as Russia. It is not conceivable, or hardly so, that the masters of the Kremlin think that they can procure a better life for those under their care, or furnish anything radically better for the teeming millions, let us say of India. It can hardly be other than the old imperialistic urge and hunger for power which they so loudly condemn. But careful owners of American capital are likely to see things differently.

Glickman With Harry Odzer

Jerome S. Glickman has become associated with Harry Odzer Company, 67 Broad Street, New York City. Mr. Glickman served as a security analyst with Van Strum & Towne and will have the responsibility of managing the research department in his new capacity.

Balanced Securities

ALBANY, N. Y.—Balanced Securities, Inc. is engaging in a securities business from offices at 90 State Street.

With R. W. Pressprich

ALBANY, N. Y.—R. W. Pressprich & Co., members of the New York Stock Exchange, have announced that Richard C. de Graff is now associated with the firm as a registered representative in the Albany, N. Y. office at 75 State Street.

Laird & Co. Adds

Laird & Company, Corporation, members of the New York Stock Exchange, announced that Paul A. Blaney, is now associated with their firm in the Institutional Research Department in the New York office at 61 Broadway.

Burton, Dana to Admit

WASHINGTON, D. C.—Burton, Dana & Co. on Jan. 1 will admit Frederick J. Burrell to Partnership. Mr. Burrell is Manager of the firm's office at 1001 Connecticut Avenue, Northwest.

To Be Butler, Herrick Partner

Butler, Herrick & Marshall, 30 Broad Street, New York City, members of the New York Stock Exchange, on Jan. 1 will admit Charles C. Bunker to Partnership.

With Auchincloss, Parker

PHILADELPHIA, Pa. — Auchincloss, Parker & Redpath, members of the New York Stock Exchange and other principal exchanges, announce that Joseph C. Walters and Leonard Klorfine are now associated with their Philadelphia office, 2 Penn Center Plaza, as registered representatives.

Percy Friedlander to Admit

Harry B. Levine on December 28 acquired a membership in the New York Stock Exchange and became a Partner in the Exchange member firm of Percy Friedlander & Co., 1 Wall Street, New York City.

Joins Livingston, Williams

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Raymond T. McPolin has become affiliated with Livingston, Williams & Co., Inc., Hanna Building. He was formerly with McDonald & Company.

Paul J. Nowland to Admit

WILMINGTON, Del.—Paul J. Nowland & Co., Bank of Delaware Building, members of the New York Stock Exchange, will admit Philip J. Nowland to Partnership in the firm.

Pearsall Co. to Admit

On Dec. 28, Pearsall & Company, 120 Broadway, New York City, members of the New York Stock Exchange, admitted John A. Carr and Albert R. DeSio to Partnership. Mr. DeSio has become a member of the New York Stock Exchange.

PUBLIC UTILITY SECURITIES BY OWEN ELY

General Telephone & Electronics Corporation

General Telephone & Electronics is the second largest telephone system in the U. S., controlling nearly five million telephones, some 93% of which are dial operated. About one-third of the System telephones are in California and Florida and 10% in Canada. General Telephone also controls a number of manufacturing companies: Sylvania Electric Products, acquired in 1959, with annual sales of over \$400 million; Automatic Electric and Leitch Electric, large producers of telephone equipment and related products; and Lenkurt, a major producer of microwave and other communications systems and the second largest producer of carrier equipment.

Sylvania is one of the two largest makers of receiving tube and television picture tubes; the largest manufacturer of photo-flash bulbs and projection lamps; second largest maker of fluorescent lamps, and third in the production of incandescent lamps; and also the leader in electroluminescent devices for lighting and electronics.

Sylvania also has some important defense contracts and has produced the so-called mobile "Mobidick" computer for the Defense Department; defense work contributes about 30% of recent sales. On an overall basis System revenues and net for the 12 months ended Sept. 30, 1961 were made up approximately as follows:

	Revenues (Mills.)	Percent of Total Rev.	Net Income	Percent of Total
Telephone operations.....	\$509	43	\$47	67
Sylvania—Commercial oper.....	280	23		
			7	10
Sylvania—Defense business.....	126	11		
Other manufacturing companies	279	23	16	23
Total	\$1,194	100	\$70	100

The proportion of gross carried down to net income was approximately as follows: telephone operations, 9.2%; Sylvania, 1.7%; other manufacturing companies, 5.7%. General Telephone's corporate overhead approximately \$1.6 million, leaving a balance for common of \$68.5 million or about 97 cents on the 70.5 million average shares outstanding. This compared with \$1.07 in the previous 12 months period.

Sylvania's poor recent showing appears due largely to severe price cutting and heavy competition in semi-conductor and other electronics products. Its loss of earning power has been shared by other electronics companies. Thus Texas Instruments in the September quarter earned only 17 cents compared with 91 cents in the same period of 1960; it carried only a little over 1% of sales to net income. Westinghouse Electric had a similar experience, September net being only a little over one-quarter that of the previous year and only a little more than 1% of sales. It seems highly unlikely that these conditions will prevail very long, however. Heavy liquidation of inventories should soon result in a housecleaning, with restoration of better profit margins for the industry in 1962.

Sylvania is carrying on an intensive research program in such fields as high-frequency electronics, physical electronics, solid-state chemistry and physics and metallurgy. The General System as a whole has 26 research and development laboratories employing over 3,600 scientists and engineers.

General Telephone has made important progress recently in simplifying its corporate set-up for the telephone System, which had been very complicated as a result of taking over the Gary System a few years ago. Control of Automatic Electric and Anglo-Canadian Telephone is held through Associated Tel. & Tel., in which a minority interest of about 20% was formerly held by the Saraha Coal Co., of Chicago. Anglo-Canadian in turn holds working control of telephone companies in Canada, the Dominican Republic, and the Philippines. It has taken some years to complete a satisfactory deal to obtain the minority holdings of Associated but recently this was accomplished. It may pave the way for a long-expected recapitalization of Anglo-Canadian, whose capital structure dates from the 1920s.

As indicated in the table below, General Telephone earnings per share increased from 39 cents in 1951 to \$1.01 in 1957, or an average annual rate of gain (compounded) of over 8%. Since 1957, however, earnings have averaged a little above the \$1 level. Earnings this year may fall a little below \$1, but estimates for 1962 are in a range of \$1.10 to \$1.15.

At the recent price around 27 (range this year 32½-24) General Telephone yields a little under 3% and sells at about 28 times current earnings.

	Revenues (Mill.)	Earnings Per Share*	Price-Earns. Ratio†
1950.....	\$70	\$0.39	10
1951.....	85	0.39	13
1952.....	102	0.43	10
1953.....	128	0.59	10
1954.....	189	0.51	11
1955.....	210	0.88	13
1956.....	259	0.97	14
1957.....	289	1.01	13
1958.....	895	0.98	18
1959.....	1,081	1.08	21
1960.....	1,179	1.01	29

* Adjusted for 3-for-1 split in 1960 and stock dividends of 50% each in 1955 and 1954.
† As shown in Moody's Handbook of Wide Held Common Stocks, page 221.

Price and Supply Trends For Gas, Oil and Coal

Continued from page 3

sult of the decline in the value of the dollar over time; the other is what I term the "resource" component, the reflection of the basic abundance of the material and of the comparative difficulty of making it available. When an economist removes the inflation element from a price, or "deflates" it, he is left with what he terms "real price" or "real cost." For mineral raw materials, this is the equivalent of the "resource" component I have just mentioned.

Observe what this means in terms of the three fundamental elements or factors I distinguished just above. I said that the "resource" component of cost is a reflection of the basic abundance of the material and the difficulty of making it available. This difficulty is the reciprocal, if you will, of technology. Other things being equal, the better the technology, or the higher the level of technological capability, the less difficult it is to make a material available. Government policy, on the other hand, the third of my basic factors, has nothing to do with either basic abundance or the level of technology (except as governmental subsidy of research affects the level of technology, and I must admit that it is becoming increasingly important). By and large, however, government policy is reflected in the inflation component of price rather than in the resource component.

Government Policy Difficult To Predict

There is a further contrast between natural abundance and technology on the one hand and government policy on the other. In considering the future, we can proceed on a fairly sound basis with respect to natural abundance and technology. Although they are not amenable to statistical treatment, one can reach reasonable conclusions as to a quantitative measurement of the natural abundance of the material and the foreseeable future course of technology. One cannot, however, say the same for government policy. Policy decisions are political decisions and, being political decisions, they are not always rational. I do not mean that they are necessarily irrational in the sense that they are devoid of sanity—although I have heard that charge made—rather, proceeding from certain assumptions and applying certain logic, one cannot deduce therefrom conclusions that can be used as projections of government policy.

This leaves me, then, with the matter of natural abundance and technology, and I have a few remarks to make concerning the relation between these two. If there is one thing I do not have to remind chemical engineers, it is the fact that technology is a highly dynamic element in today's economy. The chemical industries are one of the greatest examples of this fact. What is not always appreciated, however, is the further fact that this technological dynamism is pervasive throughout the economy, and is not confined merely to those industries in which its effect has been most spectacular. It is now clear that we are truly in a new era in which research and development is becoming an ever-larger portion of economic activity. This is true not only because of the enormous expansion of military-based R & D but also because most industries now accept the fact that R & D is a necessity merely to maintain one's competitive position.

Blind Spot Regarding Technological Factor

The result has been a tremendous acceleration in the general pace of technological progress in considering the future—tomorrow's capabilities will be very different from today's. Curiously, this realization has still not been adequately recognized in the matter of assessing the natural abundance of hydrocarbons—and for that matter, all mineral raw materials. As chemical engineers are probably aware, on the average only one-half of the coal in place is recovered in today's mining, and only one-third of the oil in place is recoverable in the average oil operation. Yet in estimating the total amount of these materials that remain to be produced, the common assumption is that there will be no greater portion of the total quantities in place recovered in the future.

For coal this does not make much difference if one is considering a period, say, twenty to twenty-five years in the future. According to the latest government figures there are some 900 billion tons remaining, even assuming only 50% recovery. Clearly the coal resources of the U. S. are physically adequate for many decades at any conceivable growth in production.

For oil and gas, on the other hand, the significance of whether or not technology is taken into account is very great indeed. The official industry reserve figures are merely a working inventory, equivalent to not only some 12 times the current production level for oil and some 20 times for gas. There have been many estimates made of the quantities remaining to be discovered in the country, but they all suffer from the same shortcoming—failure to make allowance for increased recovery in the future of the total amounts that are discovered in place. One cannot, of course, say what recovery levels will prevail at the end of another decade or so. Therefore, to avoid the wholly arbitrary choice of some intermediate level one must consider the total amount in place in the ground. This is what exists for technology to work on.

Adequacy of Resources and Costs

I call this measure the "resource base," and I have estimated that the resource base of oil in the U. S. is on the order of some 500 billion barrels and that the resource base of gas is at least 1,200 trillion cubic feet. Considering these figures, the oil and gas resources that physically exist are also adequate for at least the next two decades or more when compared with the general range of projected demand levels over that period.

I turn now to costs. Mere existence of adequate resources is, of course, no guarantee whatever that they can be made available at no higher costs or even without steeply rising costs. Here the technological dynamism of which I referred to earlier becomes relevant.

Let us consider coal first. The great bulk of the remaining coal resources is of lower rank, or type. Although there is no inventory of those resources by grade, or quality, it is reasonable to assume that the lower qualities also predominate in the remaining resources. Certainly it is true that, on the whole, the coal that was most easily accessible and easily mined is the coal that has been produced to date. Other things being equal, then, one would expect that over time, the cost of producing the remaining coal would rise. In the minds of some such a rise in the cost of

coal is imminent, and is likely in the coming decade.

Sees Coal Costs Possibly Declining—Not Rising

I disagree with this position. The coal industry has long been described as a sick industry. It was technologically backward and was faced with a stagnation in demand, as coal lost important markets to oil and gas. In the postwar period, however, coal has undergone a technological revolution. As a result, the deflated, or constant-dollar price of coal at the mine declined 15% between 1946 and 1960. The most spectacular of the technological innovations in coal mining, the continuous mining machine, is so recent that its full cost benefits are still not fully realized. Given these new circumstances in the industry, there is no reason to expect that the real cost of coal will rise in the coming decades. It may even decline further.

With respect to oil and gas—and this may come as a surprise—I come to a somewhat similar conclusion. Although I would not expect the real cost of these hydrocarbons to decline in the coming decades, I do not expect that it will increase significantly—and by that I mean more than a few per cent. This seemingly flies in the face of the statistical evidence, and yet there are what I consider good reasons for the conclusion I have reached.

Doubts Significant Oil-Gas Rise

We hear much these days of the increased difficulty in finding and producing oil and gas. Greater discovery effort, deeper drilling, the smaller size of the fields found—all are cited as reasons for increasing cost in the oil and gas industry. In addition, there are statistics by the bushel showing the higher cost of deeper drilling and the smaller discovery returns per foot drilled.

Now I do not deny that the discovery and production of oil and gas is requiring increasing effort, nor do I deny that actual dollar costs have increased. But, remember that I am referring to real costs as a reflection of the resource position, so that such things as higher costs of labor and material are in this context irrelevant. They merely represent inflation. As for the statistics on lower drilling return, they contain all sorts of ambiguities and extraneous measures. I do not have the time to go into these things in detail here; as one example I cite the difficulty of determining the separate costs of oil and gas in the many instances where the two hydrocarbons occur together. A combination of the two on a Btu basis is not a satisfactory method of dealing with the problem, since costs are not incurred by finding and producing Btu's, but by finding and producing barrels and cubic feet.

Drilling Costs Have Declined

In any event, there are statistics which give a reasonably satisfactory indication of the finding and producing costs of oil and gas. These are the costs of drilling and equipping wells. Available data show that on a constant-dollar basis, despite the increased difficulty of making oil and gas available, the average costs per foot of drilling have actually declined in the postwar period.

Now, the deeper one goes the higher the cost of the added foot, and deep wells cost more than shallow ones. Nevertheless, the data show that in constant-dollar terms the cost per foot of drilling at great depth—say, at 10,000 feet and below—has actually declined within the last decade. This means that although it may cost more today to drill at 10,000 feet than it does at 5,000 feet, it is not necessarily true that ten years from now it will cost more to drill at 10,000 feet than it does at 5,000 feet at present. The average depth of all wells in the U. S. is increasing at a sufficiently slow

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NOTES

BALTIMORE SECURITY TRADERS ASSOCIATION

The Baltimore Security Traders Association will hold its 27th annual Mid-Winter Dinner at the Southern Hotel, Jan. 19, at 7:30 p.m. David L. Pindell, Lockwood, Peck & Co. is Chairman of the Entertainment Committee. John J. Wallace, Baker, Watts & Co., is in charge of Room Reservations. Dinner tickets may be obtained from Henry J. Krug, Robert Garrett & Sons—Tariff \$15.



Gilbert A. Lewis



David L. Pindell

The Baltimore Traders have recently elected the following new officers for 1962:

President—Gilbert A. Lewis, George G. Shriver & Co., Inc.
Vice-President—David L. Pindell, Lockwood, Peck & Co.
Secretary—Donald L. Thompson, Alex. Brown & Sons.
Treasurer—William G. Dengler, Baumgartner, Downing & Co.

rate to allow for considerable offsetting technological progress.

The technological dynamism of the petroleum industry is, of course, well known. I believe that the industry is currently entering a period of such rapid progress that the gains will exceed even those of the past over a given period. Let me cite a few examples.

Technological Dynamism of Oil Industry

On the score of oil recovery dramatic, new techniques are now being introduced. Miscible phase displacement offers a theoretical possibility of 100% recovery of the oil in place. I do not mean to imply that this theoretical level will ever be attained, but initial applications of this technique have attained double the current average yield of one third of the oil in place. Even a 10% increase in average recovery would have significant real cost effects.

Another dramatic new technique which is especially significant for deep wells is that of multiple completions. This involves the tapping of two or more producing zones, or horizons, through a single well. Dual completions are the commonest, but within the past few years there has been a rapid increase in the number of higher order multiple completions. A septuple completion has been made, and the first octuple is planned.

The cost effect of the multiple completion is large. The first sextuple completion cost only one quarter as much as it would have cost to drill six separate wells to tap the six separate pay zones. Since the deeper the well, the more likely it is to find multiple pay zones, this is an important offset to the higher cost of the deeper wells.

In brief, the petroleum industry, through technological progress, has been able to keep pace with the increased difficulty of finding and producing oil and gas. The resource component of oil and gas costs, therefore, has not risen markedly. Since technology feeds itself, technological capabilities may be said to expand at a geometric rate. The pace of improvement in future capabilities, therefore, should be greater than that to date, hence my conclusion that the record to date provides

reasonable ground for the expectation that the industry will be equal to the challenge in the future.

Government Uncertainty

So much for resources, technology and costs. There remains government policy and the inflation components of the prices of the hydrocarbon raw materials. Coal having suffered so severely in interfuel competition, the industry has the strongest of motives for maintaining whatever competitive advantage it has wherever it exists. This extends to pressure on the railroads not to increase their freight rates, so that the delivered price of coal will not rise. The coal industry will be aided in this regard by the potential threat of pipeline and conveyor-belt transport, which would surely materialize if the railroads were to attempt to solve their general financial problems at the expense of coal.

However, the price of oil will be, as it currently is, very heavily dependent on government policy. Crude oil prices in the U. S. today are maintained only through quota limitations on imports by the Federal government and prorationing of production by some states. Although the price of oil will be allowed to increase in line with whatever inflation occurs, any tendency for price to go beyond this point will certainly be met by a wider opening of the import valve. There are too many consumers of petroleum products in this country for a politician to allow oil prices to get out of bounds. Moreover, in adopting an import restriction policy, the Office of Civil and Defense Mobilization was assigned the responsibility of keeping an eye on oil prices.

The price of natural gas in interstate commerce is wholly determined by the government, since it is under direct government regulation. The philosophy and action of the Federal Power Commission will thus be dominant. The increase in gas prices under FPC regulation to date has exceeded the pace of inflation, but recently there have emerged the signs of a policy abating this increase, perhaps by tying the price of natural gas more closely to industry-wide, area-wide, or company-

wide costs. If cost is not going to rise faster than inflation, then neither will price under this policy.

There are, in addition, further constraints on the possible upward course of natural gas prices. It is hard to see how the future growth in demand for gas can be anything but less than the pace of that growth in the past. The past growth reflected the expansion of gas into wholly new regional markets and, nationally, into uses that had previously been the province of oil or coal. This expansion, both geographically and competitively, is now virtually complete, and future growth should reflect only the growth of the economy. (This is like the child's song about the train going up the mountain, "The upper it went, the downer it slowed.")

In addition, the rise in gas price to date has brought gas close to the competitive margin with the other fuels in many parts of the U. S. Although householders are probably willing to pay a considerable premium for the convenience of gas, industry counts the cents per Btu.

For both gas and oil there is, in any event, the ceiling afforded by synthetic liquid fuels and gas from oil shale and coal. Gasoline from shale oil is claimed to be already competitive, on the basis of pilot-plant tests, with locally produced gasoline on the West Coast. There still exists a considerable gap between the price of natural gas and the estimated price of synthetic gas. It is generally agreed that eventually synthetic gas will replace natural gas, but as I see it, that time is so far in the future that nothing can yet be said as to the price at which this will occur.

As can be seen, I'm an optimist. I have attempted to show that this optimism is not, however, unfounded. Some of my conclusions are directly contrary to the indications of current trends, and even contrary to majority opinion. I repeat my belief that, in a sense, all bets are off concerning the predictability of the future on the basis of current trends, at least with respect to hydrocarbon raw materials chemical engineers should know. In their own field a decent trend scarcely has a chance to develop before you're off on a new one.

*An address by Dr. Netschert before the annual meeting of the American Institute of Chemical Engineers, Lake Placid, N. Y.

Bernstein to Admit

PITTSBURGH, Pa.—On Jan. 1 Sidney M. Feldman will become a limited partner in Bernstein & Co., Frick Building, members of the New York and Pittsburgh Stock Exchanges.

To Be Kay, Richards Partner

UNIONTOWN, Pa.—On Jan. 1, William I. Bush will be admitted to Partnership in Kay, Richards & Co. Mr. Bush is Manager of the firm's Uniontown office in the Gallatin National Bank Building.

To Be Stern & Kennedy Partner

Stern & Kennedy, 29 Broadway, New York City, members of the New York Stock Exchange on Jan. 1 will admit Thomas D. O'Brian, member of the Exchange, to Partnership.

Form Nat'l Retirement

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—National Retirement Investment Company has been formed with offices at 111 Sutter Street, to engage in a securities business. Officers are Thomas W. Cordry, Jr., President; Frederick R. Duda and Bessie R. Star, Vice-Presidents; and Helen H. Cordry, Secretary and Treasurer.

Money Alone Cannot Assure A Nation's Economic Growth

Continued from page 13

Bretton Woods along with the Bank—has gained recognition as a most useful instrument for financial order and stability. I am sure that the discussions at this meeting will indicate widespread interest in giving the Fund even greater resources and responsibilities.

Case for Private Enterprise

What about finance for private business in the developing areas? What is being done; what should be?

Here again I have some positive convictions.

The first is that private business and private capital are natural twins. The great developments of private enterprise have been nurtured on private, not public funds. In the long run business will not continue to be private if it depends unduly upon public credit. Furthermore, appropriations of public money are limited, and may well at any time be cut off, whereas private capital is an ever growing stream. Private capital is constantly refreshed by that generated within business and by the savings of the people.

In the developed countries this flows constantly into use, into mortgages through savings institutions and insurance companies; into bonds of utilities and industries; and more and more into the shares of these enterprises.

The ownership of business has attained fantastic proportions in the United States. Most of our large corporations have many more shareholders than employees. Mutual and pension funds and other collective investment institutions represent the savings of tens of millions of Americans. Similar expansion of ownership is growing, not only in Europe, but in Latin America and some countries of Asia.

I therefore maintain that an immense reservoir of private capital exists throughout the world which can be tapped for expanding production in the less developed areas.

But this capital must be enticed. It appraises the uncertainties and risks and expects ample potential rewards to balance these risks.

However, there are several forces which are damming this potential flow.

There is the threat of confiscation of property and rights. It is probably a conservative estimate that at least \$500 million of private capital have been held back from investment in Latin America because of events in Cuba.

There is the nationalism which in varying degree obstructs the import of foreign capital.

There is the jealousy of local businessmen who prefer their monopolies, and resent the appearance of foreigners who may supply the country with better products at lower prices.

Subsidized Loans

And finally, there are the low subsidized rates at which funds of both national and international institutions are loaned to some private business.

A case can be made that in the general interest there is justification for transferring resources of the richer countries to those less fortunate for public purposes without too much regard to the cost of the money. It is more difficult to justify such public funds being made available to private business, at rates far below those prevailing within these countries, thus giving selected businessmen an extra profit.

Soundly operated business in these areas can be highly profitable. It is nonsense to claim that good business cannot start and

prosper without cheap foreign credits.

Despite the usual provisions in the laws and regulations of public institutions, that in financing purely private enterprises (without government guarantee) they are not to compete with private investment capital, the fact is that they do. By giving low cost credits to one business firm they deter other borrowers from seeking funds in the private capital markets.

IFC is the only public institution, either national or international, which actually sets terms which are in line with those of private investment capital. Such terms are attracting private capital to join with us or to buy us out when the project has matured. Now that the amendment of our Charter permits investment in equity shares, we can be more effective both in supplying the most needed types of capital to new and expanding business to meet their legitimate needs, and at the same time providing the type of investment which is attractive to local and foreign investors.

I recognize the great economic strides which have taken place in so much of the developing world. At any earlier time this growth would have been accepted as phenomenal. But this is a restless, impatient age, and awakening people are demanding immediate gratification of their desires.

I am fully aware of the immense problems faced by you and the other leaders of the countries, many of them just now attaining responsible statehood, which are moving through the no-man's land between the past and the future. No one can expect perfection in this difficult task. But the stakes are so high you cannot afford basic errors. Your countries do not have a surplus out of which to pay for major mistakes.

I admit to being critical of much which I observe, of desiring improvement. But I believe that the problems can be solved if only people have the wish and the will.

*An address by Mr. Garner before the 1961 meeting of the Board of Governors of the IFC, Vienna, Austria, Sept. 21, 1961.

Devon Plans Names Officials

BOSTON, Mass.—James R. Lewis, President of Devon Plans Corp., announces appointment of James B. Flynn and Mark T. Lerche as Regional Vice-Presidents. Prior to joining Devon Plans in July, Mr. Flynn had been associated in executive capacities with other leading fund distributors. Mr. Lerche, who joined Devon in March, had been previously affiliated with The Crosby Corp. as a wholesaler.

Named Directors

Arthur L. Carter and Sanford I. Weill, general partners in Carter, Berlind, Potoma & Weill, members of the New York Stock Exchange, have been elected to the board of directors of Arista Truck Renting Corp., it is announced.

Form Bedford Capital

BROOKLYN, N. Y.—Bedford Capital Corporation has been formed with offices at 761 Park Place, to engage in a securities business.

Form Broad Street Assoc.

Broad Street Associates, Inc., is conducting a securities business from offices at 20 Broad Street, New York City.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The Government market is closing out the year with yields at the highest levels for 1961. And according to predictions, there will be a further hardening of interest rates in the coming year. This will mean that prices of Treasury obligations will move to lower areas than those currently prevailing. In addition, there appears to be practically no disagreement among money market specialists that this cost of obtaining the needed funds will move up to higher levels.

It is the opinion of those who make up the money market group that the upward movement in interest rates will be paced by short-term Government issues with a 3% Treasury bill not to be too unexpected in the foreseeable future. Such a yield for the most liquid Government obligation would most likely trigger an increase in the discount rate which in turn, would set in motion an increase in the prime bank rate and all other loaning rates.

Higher Discount Rate Awaited

It is very evident that the financial district as a whole seems to be pretty much reconciled to the upward trend of interest rates and is now talking about the time when the discount rate and the prime bank rate will be increased. The higher rates which the commercial banks can pay on saving and time deposits at the beginning of the year has been responsible in no small measure for the belief that the whole structure of interest rates will move up in time. There is no doubt but what the competition for saving and time deposits is having an effect on the investment policies of the commercial banks, since it is evident that these institutions are now very much interested in putting their funds to work, in so far as it is prudent and advisable to do so, in loans and investments which will yield them a higher rate of return than they have been getting. This is the way in which the cost of the higher rates for savings and time deposits will be met.

Already there is evidence that in this search for more income the commercial banks have stepped up and moved out in their purchases of tax-exempt bonds. In other words, in order to get more income on their tax-exempt obligations the deposit banks are now larger buyers of the tax sheltered issues and at the same time the maturity date of those obligations which they are buying has been moved ahead in some cases from 10 years to as much as 20 or 25 years. This is one of the methods by which the commercial banks are now meeting the higher costs of the larger payment which will be on savings and time deposits.

Greater Loan Demand to Prevail

As far as loans are concerned, there has not yet been any appreciable change in the volume even though there are expectations that the demand for loanable funds will be increased as the improving business pattern unfolds. In addition to the regular needs of business for more money to carry on its operations because of the betterment in economic conditions, it is strongly indicated that consumer loans will also go ahead at a fair pace. Therefore, it would be very beneficial to the commercial banks if the discount rate and then the prime rate were to be increased. The upping of the Central Bank's rate, along with the rate which the deposit

banks charge their larger and best customers, would bring the whole structure of loaning rates upward. This would be a very important way in which these institutions would be offsetting the increase which would have been made in time and savings deposits rates.

Loans are much more important to the commercial banks than are investments from an earnings angle and an increase in most loaning rates, even without the volume moving up, would have a very favorable influence on the revenues of the commercial banks. This might even bring about another change in the investment policies of these institutions.

Higher Interest Rates Inevitable

Even though there is practically no disagreement about higher interest rates among money market specialists, it is believed in most quarters that the rise which is expected will be slow and gradual. In addition, it seems as though the opinions around now are that the Federal Reserve Board will not be inclined to do too much about changing existing conditions at an early date, unless there are unforeseen developments.

Nonetheless, it appears to be very evident that there are no supporters around in the money and capital markets of the opinion that money rates will not go up in 1962. As a result the financial district seems to be just watching and waiting to see how high rates will eventually go in the money and capital markets.

Lazard Fund Names Temple

Alan H. Temple, former Vice-Chairman of the First National City Bank of New York, has been elected a director of The Lazard Fund, Inc., it was announced by Albert J. Hettinger, Jr., Chairman, and Richard H. Mansfield, President of the Fund. Mr. Temple retired from the bank last September, after thirty years of service.

Now Herman Diamond Bassock Arnold & Easton

The firm name of Herman & Diamond, 26 Broadway, New York City, has been changed to Herman Diamond Bassock Arnold & Easton.

Now B. J. Leonard Co.

COLORADO SPRINGS, Colo.—B. J. Leonard and Company, Inc., 415 North Tejon Street is continuing the investment business of J. R. Holt and Company. Leonard Bestgen is a Principal.

Two With Hayden, Stone

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Henry A. Boulanger, Jr. and Vartan A. Tombazian are now with Hayden, Stone & Co., 611 Wilshire Blvd. Mr. Boulanger was formerly with Hemphill, Noyes & Co.; Mr. Tombazian was with Binder & Co.



Alan H. Temple

Long-Term Projections—Problems, Methods, Results

Continued from page 15

GNP. But the offset is not perfect. The projection of government product was predicated on the assumption that no productivity improvement could be assumed for public employees in the decade ahead—that is, that real per capita wages of government employees would, on the average, remain unchanged. The underestimate of the gross private product was therefore not offset by an equal overestimate of the gross public product, giving the aggregate projection a downward bias. In view of the difficulty of projecting the size of our armed forces, it seems to me little is gained by projecting separately the gross private and the gross public product (unless this breakdown is needed for other reasons), and that estimates of GNP based upon aggregate public and private employment are sufficient.

So far as private productivity is concerned, the NPA hit it right on the nose. It assumed that productivity, as measured by private product per manhour, would increase at 2.5% per year in the decade of the 1950's. It arrived at this assumption of 2½% by noting that the average productivity gain since 1929 had been somewhat in excess of 2% and that during the decade 1940 to 1950, the gain had been 2.7%. It seemed reasonable therefore to postulate 2.5% for the future. During the past ten years, private productivity has in fact increased at an uneven but average rate of 2.5% per year.

In projecting average weekly hours of work the NPA was also successful. The decline in the workweek has been on the order of ½ of 1% per year compared with an assumed rate of 0.4%.

The judgment on the NPA's 1960 aggregate GNP projection would, I think, have to be favorable. They missed most in estimating the size of the civilian labor force and this not because of any error in their demographic projections but because they misjudged the reduction in the size of our armed forces. Taking into account the "caveats" usually included in economic projections, the NPA can claim even greater success. It cautioned the reader that full employment projections for 1960 conceivably may lie

within the range of \$400 billion to \$450 billion measured in 1951 prices. The higher figure works out to a 1960 GNP of \$535 billion, which is within the range of my full employment estimate.

Dr. R. S. Weinberg's Projection
The second projection I would like to review was also constructed in terms of 1951 dollars. This projection, by Dr. Robert S. Weinberg, appeared in the December, 1953 issue of the *American Economic Review*.

Dr. Weinberg came up with a full employment estimate of \$443.4 billion in 1951 prices, or \$527.6 billion in 1960 dollars. This figure is almost identical with my retrospective estimate of a full employment GNP.

Again, Dr. Weinberg's estimate of the total labor force (see Table II) came close to the actual.

Dr. Weinberg assumed that the armed forces would be sharply reduced, reaching only 1.7 million by 1960. Thus, he obtained a civilian labor force estimate 1.4 million persons too high. This overestimate grew even larger when brought down to civilian employment since Dr. Weinberg assumed that frictional unemployment would average no higher than 2½%. Thus, his civilian employment figure turned out to be 2½ million too high, resulting in an overestimate of GNP.

Fortunately, built into Dr. Weinberg's model, were several compensating errors. The drop in the average length of the work week was overestimated by nearly one-half hour. Furthermore, much as the NPA had done, Dr. Weinberg failed to forecast any gain in real wages for employees in the public sector, thereby understating the rise in the gross government product. Most important by assuming a drop in our armed forces to only 1.7 million. Dr. Weinberg foresaw a sharply declining contribution to total output by our military. Thus his overestimate of the gross private product was to some extent offset by the underestimate of the gross public product. (This is of course the exact reverse of the NPA projection where, as I have said, gross private product was understated as the result of an overestimate of the armed forces). Once again, the refinement of aggregate GNP into the public and private sector did not pay off.

Dr. Weinberg's productivity as-

sumption of 2½% was the same as the NPA's and came remarkably close to the actual rise during the Fifties.

One interesting device employed by Dr. Weinberg was a chart showing the demand deficits implicit in selected unemployment rates, or the reduction in GNP we might expect as the result of a given percentage rise in the unemployment rate. In terms of 1960 dollars, Dr. Weinberg projected that a 5.5% rate of unemployment would create a deficiency in demand, or a reduction from the full employment level of GNP, of \$17 billion. Thus, his cyclical estimate of 1960 GNP, allowing for a 5.5% rate of unemployment, was \$509 billion, compared with an actual of \$503.2 billion. If made one year in advance, such a forecast would be considered tolerably good. Made ten years in advance, it is striking.

Joint Economic Committee's Projection

I come now to the final post mortem—the widely used Joint Economic Committee print "Potential Economic Growth of the U. S. During the Next Decade," prepared on the basis of 1953 data.

In this instance, the projection ran to 1965, but we can nevertheless interpolate and review the accuracy of the key variables—labor force, productivity, and hours.

The GNP estimate, interpolated for 1960, comes to \$510 billion, a figure which is again rather close to my retrospective full employment estimate of \$530 billion. The labor force was expected to reach 79 million by 1965, which today appears a somewhat conservative assumption. The armed forces were projected at 3 million, which exceeds the present size by one-half million. Frictional unemployment was assumed at 4%.

The decline in the average workweek was projected at 0.8% per year which exceeds somewhat our recent experience.

A comparison of all three projections with the actual GNP for 1960 and the imputed full employment level shows none of the projections are really wide of the mark. This should at least dispel any popular notion that economists never agree. This time they agreed on the results and they were substantially right.

If I had to select the major reason for the success of these projections, I would point without hesitation to the accuracy of the productivity assumption. Undoubtedly this assumption is the most critical of all the ingredients in an economic projection, since relatively small percentage differences in productivity easily become multiplied into tens of billions of GNP dollars. Changing the hours worked by 1% produces less than a \$10 billion change in GNP ten years hence. Changing the size of the work force 1% also affects GNP by less than \$10 million. But changing the assumption of productivity growth by only ½ of 1% results in changing GNP by \$50 billion. Thus the accuracy of any ten year projection hinges to a large extent on the validity of the productivity

assumption, and on this score, the three projections were outstanding.

Questions Current Productivity Assumptions

Reassured by the success of the earlier projections, more confident of their methods than ever, economists have again reached substantial agreement on the outlook for GNP by 1970. This time, however, I have strong doubts about the validity of the productivity assumptions.

Let me cite briefly two economic projections for 1970 which I have again selected as representative of current projections. Both were published last year.

One is by the National Planning Association, "Long Range Projections for Economic Growth: the American Economy in 1970;" the other by the National Industrial Conference Board, "Economic Growth in the 1960's, Prerequisites, Potentials, Problems." The similarity of their assumptions and conclusions emerges from the following table:

TABLE III

The NICB assumes that
(1) the total labor force will reach the higher of the Census projections for 1970;
(2) unemployment will amount to 4% of the civilian labor force;
(3) average weekly hours will continue to decline at the postwar rate;
(4) output per manhour will rise by 3.2% per year.

Result: GNP in 1970 will reach a total of \$810 billion measured in 1960 purchasing power.

The NPA assumptions and conclusions are virtually identical. Although the labor force is expected to rise to only 86 million compared to 87.3 million in the NICB projection, the estimates of total employment differ by only 700,000. The reason for this smaller difference in the employment estimate than in the labor force estimate lies in the fact that the NPA assumes frictional unemployment of only 3.5% compared with 4% for the NICB.

So far as the important variable of productivity is concerned, the NPA is even more optimistic than the NICB, projecting it at a rate of 3.4%. This compares with a 2½% assumption in their projection a decade ago.

The GNP estimate derived from these assumptions is \$817 billion, or just \$7 billion higher than the model constructed by the Conference Board.

Will these projections turn out to have been as accurate when we come to reflect on them ten years hence as those prepared a decade ago?

It seems questionable to me whether the assumption of a 3.2 or 3.4% rate of productivity improvement will be realized. Both the NPA and the NICB base their assumption on the experience of the entire postwar years. It is true that productivity showed a gain of roughly 3% between 1947 and 1960 and slightly higher between 1947 and 1959, the latest year available to the NPA.

TABLE IV

But a closer examination of the figures reveals that the average for the entire postwar period is misleading. During the past ten years, the average rise of productivity was only on the order of 2.5%. This is of course the reason why the projections made in 1951, which were, after all, based on a 2.5% productivity assumption, turned out to be so accurate. The difference between the 3.2% rate of growth in private productivity between 1947 and 1960 and the 2.6% growth between 1950 and 1960 is largely due to the very steep gain in productivity between 1949 and 1950. In 1950, private productivity rose by almost 8%. Thus, by measuring from 1947,

we start from a very low base and permit the high rate of productivity gain in 1950 and to a lesser extent in 1951 to significantly affect the average. (See Table V). If we begin to measure productivity in 1950, however, we start at a higher level, thereby reducing the slope of the semi-log trend.

In our projections for 1970, I do not believe we should rely so heavily on the experience of the early 50's when, we would all admit, basic economic conditions were substantially different from those which will confront us in the decade ahead. Had the NPA and NICB again assumed a 2.5% rate of productivity gain, their GNP estimate would have been almost \$100 billion lower.

Reasons for Disagreement

Thus, my first conclusion is that the near 3½% productivity assumption is unrealistic in the light of historical precedent and is unlikely to be achieved.

A second factor likely to produce a rate of GNP growth below the projected level is the growth of our labor force which promises to be very rapid indeed. It may seem odd to postulate that a rapid growth in our work force will moderate economic growth. On the one hand, of course, the growth in employment enlarges potential output but this factor has already been built into the projection models. On the other hand, a rapid growth in our labor supply may discourage capital investment and final demand.

During the 1960's, we will see an unprecedented expansion in our population aged 20-24, reflecting the bulge of birth rates during the early postwar years. Our total labor force will grow by nearly 20%.

During the 1950's, our labor force grew by less than 13% with the age groups 20-34 actually declining in number. Labor was one of our scarce resources. At the same time that employers were hard pressed to fill job vacancies, the demand for final products was unusually insistent. Automobiles, appliances, housing, steel, and capital goods were in heavy demand. This heavy demand resulted not only from prosperity levels of income but also from a pent-up demand which had its roots first in the years of depression and then in the war years of rationing and the postwar years of shortages. The concurrence of strong consumer demand and a short labor supply induced a great deal of capital investment, especially of the labor-saving type.

This constellation of circumstances favorable to economic growth will not prevail in the decade of the 60's. No longer can we count on the stimulation of a backlog of demand to spur capital investment. No longer can we count on a shortage of labor to elicit labor saving equipment on the same scale as in the past. Instead, we must consider the possibility of a slowing in the rate of productivity improvement as (1) the demand for consumer goods loses the support of accumulated backlogs, and (2) the rapid growth of the labor force exerts less upward pressure on wages and thereby calls forth less of the labor economizing types of investment. Even with tax incentives to induce employers to expand their capital plant and to economize on the use of labor, I am skeptical of the assumption that productivity in the coming decade will reach an average level unattained during the decade past. The factors of consumer demand and labor supply appear to me just too fundamental to be ignored.

What I am saying is not intended to indicate pessimism about our future and I certainly do not subscribe to any notion of secular stagnation. I believe, however, that current projections of a GNP growth of 4.3% from the 1960 full employment level are

TABLE I

Retrospective Estimate of Full Employment GNP—1960

Full Employment G.N.P.—Full Employment Work Force x Annual Output Per Worker at Full Employment.

I Full Employment Work Force, 1960	
Civilian Labor Force	70.6 million
Frictional Unemployment (4%)	2.8
Civilian Employment	67.8
Armed Forces	2.5
Full Employment Work Force (Including Armed Forces)	70.3
II Full Employment Annual Output Per Worker*	
	\$7,540
III Full Employment G.N.P., 1970—	
(70.3 million x \$7,540)	\$530 billion

* Estimated on basis of trend value of output per man hour. Since it is not possible to be very precise in this estimate, full employment G.N.P. probably lies within a range of \$525-\$535 billion.

TABLE II

Civilian Employment—1960

Full Employment Estimate Compared with N.P.A. and Weinberg's Projection. (millions of persons)

	Full Employment	N.P.A.*	Weinberg*
Total Labor Force	73.1	72.7	73.7
Armed Forces	2.5	3.5	1.7
Civilian Lab. Force	70.6	69.2	72.0
Unemployment	2.8	2.8	1.8
(4%)	(4%)	(4%)	(2.5%)
Civilian Employment†	67.8	66.4	70.2

* Adjusted to reflect recent revision in labor force definition.

TABLE III GNP Projection to 1970 by NICB AND NPA

Employment—	N.I.C.B.	N.P.A.*
Total Labor Force	87.3	86.0
Armed Forces	2.5	2.4
Civilian Labor Force	84.8	83.6
Unemployment	3.4	2.9
(4%)	(3.5%)	
Civilian Employment	81.4	80.7
Total Employment (Incl. Armed Forces)	83.9	83.1
Productivity Rise per Annum (percent)	3.2	3.4
Workweek (aver. annual rate of decline) (percent)	0.6	0.6
G.N.P., 1970 (converted to 1960 dollars, billions)	810	817

* Judgment model.

TABLE IV Measures of Productivity Improvement

(All G.N.P. figures in constant dollars)	Average Annual Increase*
1947-1960—	
G.N.P. ÷ Total Manhours†	2.8%
G.N.P. ÷ Civilian Manhours	2.9
Gross Private Product ÷ Private Manhours	3.2
1950-1960—	
G.N.P. ÷ Total Manhours	2.4%
G.N.P. ÷ Civilian Manhours	2.3
Gross Private Product ÷ Private Manhours	2.6

* Computed as the slope of a semi-log trend line.

† Civilian employment plus armed forces.

TABLE V Measures of Productivity Change, 1947-1960

Gross Nat. Prod. ÷ Tot. Manhrs Work.	Gross Priv. Prod. ÷ Priv. Manhrs Work.	Annual % Change	Annual % Change
1947-1960	2.39	2.41	3.3
1948-1960	2.47	2.49	3.3
1949-1960	2.54	2.57	3.2
1950-1960	2.72	2.77	3.8
1951-1960	2.80	2.88	4.0
1952-1960	2.86	2.96	2.8
1953-1960	2.98	3.10	4.7
1954-1960	3.05	3.18	2.6
1955-1960	3.15	3.29	3.5
1956-1960	3.15	3.28	-0.3
1957-1960	3.24	3.38	3.0
1958-1960	3.27	3.41	0.9
1959-1960	3.42	3.58	5.0
1960-1960	3.45	3.62	1.1

* Measured in 1960 dollars.

overly optimistic and that a real growth of GNP more in line with the 3% experienced in the 1950's is probable.

Definition of Full Employment

Finally, I would like to add a few words about the definition of full employment or frictional unemployment. The NPA assumes unemployment no greater than 3.5%, the NICB, 4%.

Unemployment has not averaged 4% of the civilian labor force since April, 1957. Perhaps the recent high rates of unemployment can be ascribed solely to cyclical forces but there is also the possibility that we have accepted too low an unemployment rate in our definition of frictional joblessness. Much concern is being expressed in official Washington about the increase in "hard core" or structural unemployment, about the plight of persons chronically without jobs who cannot hope for better things even with economic recovery, about the heavy concentration of unemployment, especially among the unskilled and semi-skilled, the young and inexperienced, the underprivileged and minority groups of the country. This is what Professor Clarence Long last year called the problem of rising "prosperity unemployment." Perhaps the projectors of GNP should henceforth make allowance not only for frictional unemployment, which is usually of short duration, but for the kind of long-run unemployment which results from the complete automation of assembly lines, the computerization of clerical work, and the mechanization of farms.

I recognize of course that structural unemployment, though it often seems chronic, is not inevitable. If the displaced steel worker and the unemployed coal miner could be retrained and relocated, if our work force could somehow be made more responsive to the changing needs of employers, structural unemployment would be reduced. But in preparing our GNP projections we ought not simply to ignore the possibility that unemployment will range higher than the 3½% - 4% assumed by the NPA-NICB, and that GNP will be correspondingly less.

My warning therefore is to guard against overly mechanical extrapolations of the three fundamental factors of economic growth — productivity, employment and hours. We have already closed the chapter on the postwar years of pent up demands and labor shortages. Productivity is unlikely to exceed the 2½% of the past 10 years and unemployment may well average higher than the widely assumed frictional level of 4%.

The optimistic projections to 1970 serve, however, one very useful purpose. They define the kind of economic growth we could achieve if we deliberately and consciously shaped our national policies to that end. For it is only by boosting productivity substantially above levels we have been able to sustain for protracted periods in the past that the optimistic prognostications stand a chance of faring better than Mr. Boyd's a hundred years ago.

At the present time, assuming no intensification of the cold war and a much larger defense effort than is now planned, nor the inauguration of major new national policies to stimulate productivity, I would cast my ballot for a GNP of \$700 billion 10 years hence, expressed in 1960 dollars, based on a 2½% rate of productivity and a 5% rate of unemployment.

*An address by Dr. Freund before the Annual Forecasting Conference of the American Statistical Association, New York City, held last Spring, New York City. A recapitulation of these points appeared in the October issue of *Challenge—The Magazine of Economic Affairs*, a publication of New York University.

Mortgage Market Financing And Real Estate Trends

Continued from page 5

need to emphasize this orientation to a greater extent and consider its implications.

The report of the Savings and Loan League's Committee on Trends and Economic Policies includes several significant observations relative to market changes. First, the total volume of market activity of all kinds is as great as was anticipated by many of the optimistic forecasts that were made in 1959 and 1960 and that often were presented under some such title as "The Soaring Sixties."

Within the total volume of market activity, however, significant changes have occurred which contrast with previous expectations. For example, estimates of expenditures for consumer durables, particularly automobiles and houses, have proved to be too high while estimates for expenditures of services have proved to be too low. Basic shifts in consumer attitudes may be taking place. They may be influenced by changes in the age distribution of the population, lower rates of household formation, the high level of home ownership that has been achieved, automation and its varying impacts on employment, the persistence of a large unemployment problem, the difficulties of distressed areas, and the tensions and uncertainties arising out of the international situation. We need to study these changes and their implications for the future.

Special Problems

Second, with reference to the housing and home financing markets, we appear to be involved in some significant changes. We have not as yet analyzed as carefully as we should the rapid rise in the construction of multi-family housing. Special purpose housing, such as housing for the aged, is presenting new market dimensions. Recent stability of construction costs may be having significant psychological impacts on present and potential home buyers. Many present homeowners find themselves "locked in" with respect to their investment. It is difficult for them to trade out their properties for other accommodations. While progress in the solution of the problem of trading equities has been made, this is an area worthy of special attention.

Third, certain basic shifts may be occurring in the savings field. We have gone through a period of rising interest rates. There are uncertainties as to the trend of interest rates over the next three to five years. They may tend to stabilize, for example, as some students of the subject are now suggesting. Our capacity for saving may not be great enough to make available more than required funds for economic growth and expansion.

In short, the markets of the middle 1960s, may be taking on "a new look." The time to study these markets and their potential implications is here. The gearing of management plans and programs to potential market changes has already been practiced by a number of savings and loan executives. A good example is presented in A. D. Theobald's recent article in *Savings and Loan News*.

The work of the U. S. Savings and Loan League under the able direction of Norman Strunk has made significant strides along these lines. The League is serving this business in much the same way that central management planning departments and committees are now serving many of our large corporations. While we tend to emphasize the League's contribution to the business in

terms of its legislative programs, its major contributions in the years ahead may come in the fields of management and in management education.

Highly Knowledgeable Management

The demands of the years ahead will call for a highly sophisticated management—not sophisticated in the sense of the typical college sophomore, but in the sense of the more complex missiles that we are now using for space exploration. The League is making available economic consultants, accounting advice, legal counsel, advertising and public relations services, special assistance in such fields as urban renewal, labor law and taxation. These and other services are pointing the way toward a more sophisticated management.

In order to cope with the problems of 1962 and the following years, many of our management "rules of thumb" need to be put to the test of objective analysis. We need to be alert to new business opportunities. For example, we cannot afford to wait until the single family housing field expands again in the later 1960s before trying to expand our own business volume. If we do, we run the same danger that the automobile industry ran in ignoring the small car market for as long as it did.

Our estimates suggest that 1962 should be a favorable and an interesting year full of the types of problems that will provide both challenging and rewarding work. I know that these problems, will be met with vigor and enthusiasm. I hope you will also begin to meet them as more highly sophisticated managers in a period that is characterized by more highly sophisticated consumers, government programs and missiles.

*An address by Dean Weimer at the annual U. S. Savings and Loan League Convention, Chicago, Ill.

With Peters, Writer Firm

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo. — Bernard L. Woody has become affiliated with Peters, Writer & Christensen, Inc., 724 Seventeenth Street. He was formerly with Currier & Carlisle, Inc. and Lowell, Murphy & Co., Inc.

Form Income Development

Income Development Corporation of America has been formed with offices at 60 East 42nd Street, New York City, to engage in a securities business. Harry N. Wessel, Jr. is a Principal of the firm.

Grant, Jones Branch

MONTGOMERY, Ala. — Grant, Jones & Company, Inc. has opened a branch office at 708 Wesley Drive under the management of Frank R. Sutcliffe.

Electronic Inv. Secs.

FORT LEE, N. J. — Electronic Investment Securities has been formed with offices at 2339 Route 4, to engage in a securities business. Partners are William J. Mitchell and E. L. Mitchell.

Form Ednor Investing

WANTAGH, N. Y. — Ednor Investing Corp. has been formed with offices at 2079 Wantagh Avenue, to engage in a securities business.

Officers are Edwin Shafier, President and Treasurer, and Norman J. Rosenthal, Vice-President and Secretary.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Your Time Means \$ to You!

The most valuable asset any salesman has is his time. Figure it out for yourself and you will find that you normally only have the hours between 9 a.m. and noon, and from 1 to 5 o'clock in the afternoon, when you can call to see people. This gives you about seven daylight hours each day for the actual solicitation of business. If you work five full days a week, you then have only 35 hours to contact and work with clients. However, if you will add two luncheon dates a week, and you spend four more hours on evening interviews, you will still have only 41 hours a week which can be used for consultation with clients and sales work. Even if you add four hours on Saturday, this brings the total time to 45 hours a week that a salesman can use for contacting customers.

But as you well know, these 45 hours are not all free time that can be devoted to the production of business. There is time which must be spent in traveling. If you are a mutual fund salesman, or selling unlisted and investment type securities in a rural area, the travel time might add up to at least two hours or more of your day. In the city, if you are a salesman who does not sit in his office and service clients over the telephone, the travel time may also require from one to two hours a day, or more. Even if you are a registered representative in a busy stock exchange office, much of your time must be devoted to keeping abreast of the news, watching the market, reading the latest advices from your wire system, and servicing customers apart from their regular buying and selling activities.

On an average, it would be a fair estimate, I believe, to allocate about 10 hours a week to time that is not used for consultation and sales procedure; regardless of how and where a security salesman conducts his activities. Deduct these 10 hours and all that is left, even if a security salesman works on Saturday seeing clients, is 35 hours a week.

During the year, there are also about two weeks of holidays which are observed in the investment business, and most salesmen take at least a two week vacation. Here, then, are another two hours a day that during the year will be subtracted from your available selling time. This cuts you down to about 33 hours a week that are available to you, even if you have some sales interviews at night, on Saturdays, and arrange two luncheon appointments a week.

Time for Preparation

But we still have not included time that must be spent in making appointments, for doing clerical work, for important record keeping, and for reading and study of situations, markets, and the making out of reports, and the dictation of necessary correspondence. If you spend an hour between 9 and 10 each morning for this purpose, you must deduct another five hours each week from your selling time. You now have only 28 hours a week for actual selling, field work and the servicing of customer's accounts directly related to the purchasing and selling of securities. Working six days a week, nights, and during lunch time, you actually have about five and a half

hours a day when you are free to go out and do business.

Plan Your Time and Place A Value on It

When you ask the men who have made an above-average success in the selling field, you will find that all of them are keenly aware of the value of their time. Nearly all of them are planners. They set up each day and they know where they are going. If they work outside their office, they make their appointments on a set schedule, and if they are seated at their desk, they allocate a certain hour to do their book work, reading, and record keeping before they begin active consultation with clients. Five hours can be added to your actual selling time each week by doing your necessary record keeping before 9 in the morning. Small accounts that require too much service for the compensation received should be turned over to junior salesmen, and this will often be helpful to your associates who are starting out in the business, and release your time for the cultivation of more profitable business.

I have never believed that a salesman should concentrate on large accounts to the exclusion of other business. A diversified clientele is much sounder than one consisting of only a few large accounts, but when you allocate the limited time available every day that a salesman can devote to the actual production of business, he is much more effective spending his time where it will bring him larger rewards for the same amount of effort. This is a matter of pure economics. Time wasted is money wasted. When you realize how few are the hours you can devote to the actual production of business every week, you rightfully should place a high value upon every minute of your time and use every one of them to the best advantage.

Currie V.-P. of Union Service

Stanley R. Currie was elected a Vice-President of Union Service Corp., 65 Broadway, New York City, at a meeting of the board of directors, according to Francis F. Randolph, Chairman and President. Union Service provides investment research and administrative services on an at-cost basis to Tri-Continental Corp. and the Broad Street Group of Mutual Funds—Broad Street Investing Corp., National Investors Corp. and Whitehall Fund, Inc.

As Vice-President, Mr. Currie will assist in the planning and supervision of the work of the investment research and administrative staffs which serve Tri-Continental and the Broad Street Group of Funds.

Sutro Bros. Co. To Admit Partner

Sutro Bros. & Co., 80 Pine Street, New York City, members of the New York Stock Exchange, on Jan. 4, will admit Albert J. Eisenberg to partnership.

With Walston Co.

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — William F. Gahr is now connected with Walston & Co., Inc., 265 Montgomery St. He was formerly with Hooker & Fay, Inc.

STATE OF TRADE AND INDUSTRY

Continued from page 16

half production surge. General business conditions are moving ahead rapidly, so strike-hedging comes on top of rapidly increasing demand for steel.

In addition, many steel consumers believe the contract settlement will be followed by a steel price increase. This increases the incentive to build inventories.

The Iron Age says the current buildup is running a full month ahead of the pickup that preceded the 1959 steel negotiations. The current rate of production—in the last week of December—was not reached until February of 1959.

The present rate of production, if continued through the first half of 1962, would result in about 57 million tons. And this rate has been reached without support of large orders for oil country goods, freight car production, pipe jobbers, and miscellaneous uses.

When these consumers come into the steel market, the production rate will have to go up. This accounts for the forecast of possibly 65 million tons of steel produced in the first half of the year.

Steelmakers Trim Production During Christmas Week

Steelmakers are trimming production slightly during the Christmas week to cut down on overtime pay and to repair furnaces that will be working close to capacity for the next six months, *Steel* magazine said.

This week's output will be slightly lower than the 2,230,000 tons of ingots that the metalworking weekly estimates the industry produced last week. It was the largest weekly tonnage poured since the week ended April 23, 1960, when 2,238,000 tons were made.

Output during December will be at least 9.7 million ingot tons.

Both of metalworking's chief consumer outlets, the auto and appliance industries, are on an upswing which is expected to continue strongly into 1962. The outlook (1962 vs. 1961): Car output is expected to be up 17 to 24%; truck output, up 8 to 10%; appliance output, up 5 to 10%.

High rates of auto and appliance production will also influence spending decisions on industrial commodities, consumer goods, and capital equipment.

Steelmakers have been preparing for a surge of demand in the first quarter by stockpiling semi-finished material.

Scrap dealers are anticipating a substantial rise in orders next month. The market undertone seems stronger even though *Steel's* scrap price composite on the No. 1 heavy melting grade stayed at \$34.33 a gross ton last week.

The aluminum market is expected to gain in 1962 despite the uncertainties present in a year of major labor negotiations. Most contracts expire on July 31.

Steel magazine says to look for shipments to jump at least 10% over the 1961 total (around 2.4 million tons) and reach a new high. Sparking the rise:

(1) More autos will be built, using more pounds of aluminum per car than ever.

(2) Shipments to the building industry will be higher.

(3) Packaging, aluminum's fastest growing market, will continue to spurt.

(4) Uses in railroad rolling stock, oil country pipe, and ordnance will gain.

(5) A bigger export market is in store.

Prices look stable. Top aluminum people would like to see the ingot price go back to the 26 cent a pound level, which they term "fair and reasonable," but they admit that the current price, 24 cents, is "more realistic" under present market conditions.

Prospects for magnesium in

1962 are brightening, too. *Steel* says to look for primary magnesium production to hit around 60,000 tons, the highest mark since 1957. A decline in military orders has been pretty much offset by increasing acceptance of magnesium in industrial and consumer uses.

Steel Production Data for the Week Ended Dec. 23, 1961

According to data compiled by the American Iron and Steel Institute, production for the week ended Dec. 23, 1961, was 2,225,000 tons (*119.4%), or 1.1% above the output of 2,200,000 (*118.1%) in the week ended Dec. 16.

Production this year through Dec. 23, 51 weeks, amounted to 95,536,000 (*100.6), or 1.8% below the period through Dec. 24, 1960.

The year to date production for 1960 through Dec. 24, 1960, 51 weeks, was 97,310,000 tons or (*102.4%).

The Institute concludes with index of Ingot Production by Districts for week ended Dec. 23, 1961, as follows:

*Index of Ingot Production for Week Ended Dec. 23, 1961	
North East Coast	113
Buffalo	116
Pittsburgh	113
Youngstown	102
Cleveland	132
Detroit	141
Chicago	130
Cincinnati	139
St. Louis	131
Southern	112
Western	113
Total	119.4

*Index of production based on average weekly production for 1957-1959.

Auto Production Rises 28.4% Over Same 1960 Week

Auto production in the U. S. during December will be the highest on record for the month, since 1955, climaxing the second best fourth quarter in history for the industry, *Ward's Automotive Reports* said.

The statistical agency said that production this month will reach 625,000 units, a 19.5% rise over the same month of 1960. Fourth-quarter output thus will be about 1,828,500 passenger cars, 5.1% more than were assembled in the same period of last year and topped only by the 1,949,000 turned out in the final three months of 1955.

Ward's estimated entire 1961 calendar year output at 5,515,000, a 17.6% decline from 6,696,108 in 1960, but pointed out that some 42% of that number, or 2,325,000, are of 1962 model design.

The 625,000 cars expected to be built by month's end will be fewer than the 646,015 built in November only because of the upcoming holidays. Car makers eliminated Saturday overtime from schedules, and only a four-day session is in prospect next week. But beginning Jan. 2, the industry has planned one of its busiest first quarters in history.

Output for the week ending Dec. 22 was estimated at 147,545 cars, a 10.7% decline from the year's high of 165,219 last week, but 28.4% above 114,941 in the same year-ago period.

Some assembly workers concluded operations for the week on Friday, Dec. 22 and the entire industry was idle on Saturday, Dec. 23. At least five plants are closed this week, as Chrysler Corp. calls a holiday cessation at Dodge and Plymouth plants.

Truck production during December is at its highest level since 1952 when the industry was swamped with a backlog of orders due to military needs of the Korean War. Well over 100,000 units will be produced in the month.

Truck making in entire 1961

will lag but 5.9% behind 1960. Fourth-quarter output of trucks, approaching 310,000 units, will be only about 2,000 units under high for the period established in 1955.

Of the week's passenger car production, General Motors accounted for 48.8%; Ford Motor Co. 30.3%; Chrysler Corp. 13.1%; American Motors 6.1%; and Studebaker-Packard 1.7%.

Pre-Christmas Dip in Failures For Week Ended Dec. 21

Commercial and industrial failures dropped to 173 in the week ended Dec. 21, from 306 in the preceding week, reports Dun & Bradstreet, Inc. Casualties ran considerably lighter than last year when 253 occurred in 1960. Business failing in the current week ran some 67% below the prewar level of 249 registered in the corresponding week of 1939.

Failures involving liabilities of \$100,000 or more dropped to 20 from 31 a week ago and 21 last year. There were also declines among smaller casualties with losses under \$100,000 to 153 from 275 in the previous week and 232 in the similar week of 1960.

Failures declined from the prior week in all of the five broad industry and trade groups, with the most noticeable dips among retailers, down to 74 from 143, and manufacturers down to 38 from 62. Fewer concerns succumbed than a year ago in all industry and trade groups.

Of the nine regions, only Mountain States reported increases from the prior week. The most appreciable decreases occurred in the Middle Atlantic region, down to 45 from 96, in the South Atlantic region, down to 13 from 56, and in the East North States down to 27 from 56. In all except one region, the Mountain States, business mortality dipped below last year's levels.

Canadian failures dropped to 6 from 25 in the preceding week and 23 in the similar week a year ago.

Electric Output 7% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Dec. 23, was estimated at 16,630,000,000 kwh., according to the Edison Electric Institute. Output was 365,000,000 kwh. below that of the previous week's total of 16,695,000,000 kwh. and 1,095,000,000 kwh., or 7% above that of the comparable 1960 week.

Lumber Shipments Were 3% Below Same Week in 1960

Lumber shipments in the United States in the week ended Dec. 16, totaled 211,334,000 board feet, compared with 213,829,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 200,386,000 board feet.

Compared with 1960 levels, output climbed 5.5% while shipments fell 3% and orders rose 3.2%.

Following are the figures in thousands of board feet for the weeks indicated:

	Dec. 16 1961	Dec. 2 1961	Dec. 17 1960
Production	211,334	213,829	200,386
Shipments	195,851	207,434	202,004
Orders	200,222	200,028	194,028

Freight Carloadings Dropped 4.9% Below Corresponding Week Last Year

Loading of revenue freight in the week ended December 16 totaled 532,853 cars, the Association of American Railroads announced. This was a decrease of 27,749 cars or 4.9% below the preceding week and reflects the usual seasonal decline in car loadings.

The loadings represented an increase of 46,804 cars or 9.6% above the corresponding week in 1960, but a decrease of 82,480 cars or 13.4% below the corresponding week in 1959.

There were 12,509 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Dec. 9, 1961 (which were included in that week's over-all total). This was an increase of 1,572 cars or 14.4% above the corresponding week of 1960 and an increase of 3,879 cars or 44.9% above the 1959 week.

Cumulative piggyback loadings for the first 49 weeks of 1961 totaled 558,980 for an increase of 32,112 cars or 6.1% above the corresponding period of 1960 and 164,090 cars or 41.6% above the corresponding period in 1959. There were 58 class I U. S. railroad systems originating this type traffic in the current week compared with 53 one year ago and 50 in the corresponding week in 1959.

Intercity Truck Tonnage Was 21.9% Ahead of Same Week Last Year

Intercity truck tonnage in the week ended Dec. 16 was 21.9% ahead of volume in the corresponding week of 1960, the American Trucking Associations announced. This sizable gain was largely attributable to unusual tonnage increases at a number of Eastern terminal cities affected by severe weather conditions during this week last year. Truck tonnage was 4.3% below that of the previous week this year.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

The terminal survey for last week showed increased tonnage from a year ago at 31 localities, while three points reflected tonnage decreases from the 1960 level.

Compared to the immediately preceding week, four metropolitan areas registered increased tonnage, while 30 areas reported decreases. The week-to-week findings follow the pattern of generally declining tonnage which has been found at this season in previous years.

Due to the Christmas Holiday, the Wholesale Commodity Price Index figures were not available.

Wholesale Food Price Index Inches Higher but Still Below Last Year

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., continued to move up fractionally, but remained below comparable 1960 levels for the 14th straight week. On Dec. 26, the index inched up 0.2% to \$5.98 from \$5.97 in the preceding week although it was 2.9% lower than the \$6.16 registered in the similar week a year ago.

Foods quoted higher in wholesale cost this week were barley, hams, cheese, sugar, cottonseed oil, potatoes, steers, and hogs. Declines, on the other hand, occurred in only five items: wheat, beef, lard, cocoa, and eggs.

The Dun & Bradstreet, Inc., Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meat in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Christmas Buying Forges Ahead For Week Ended Dec. 20

Shoppers stepped up purchases to a fast pace in the week ended Wednesday, Dec. 20; lifting total retail volume well ahead of a year ago. There were, however, wide regional variations ranging from record climbs on both coasts to some dips in the Midwest. Substantial gains were chalked up in toys, women's accessories, linens, housewares, and entertainment

equipment. On the other hand, activity in men's wear was mixed, held even in furniture. Sales of autos slowed somewhat from the record daily rates of November although they compared favorably with last year's levels.

The total dollar volume of retail trade in the week ended Wednesday, Dec. 20, ranged from +2 to +6% higher than a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1960 levels by the following percentages: West North Central -3 to +1; East North Central and Mountain -2 to +2; East South Central 0 to +4; South Atlantic and West South Central +1 to +5; Pacific +3 to +7; New England +5 to +9; Middle Atlantic +8 to +12.

Nationwide Department Store Sales Increased 9% Over The 1960 Week

Department stores sales on a country-wide basis as taken from the Federal Reserve Board's index reported a 9% rise for the week ended Dec. 16, 1961, compared with the like period last year. For the week ended Dec. 9, sales were 1% higher than last year. In the four-week period ended Dec. 16, 1961, sales advanced 5% over the corresponding period in 1960.

According to the Federal Reserve System department store sales in New York City for the week ended Dec. 16, were 19% higher than compared with the same period last year. In the preceding week ended Dec. 9, sales were 2% higher than the same period last year. For the four weeks ending Dec. 16, a 9% increase was reported above the 1960 period while from Jan. 1 to Dec. 16, a 3% increase over sales in the comparable period of 1960 was recorded.

Now North Amer. Investors

WINTER PARK, Fla.—The firm name of Ireland and Co., Inc., 1245 Orange Avenue has been changed to North American Investors, Inc.

Now Scientific Inv. Corp.

CHICAGO, Ill.—The firm name of Growth for Investors Corporation, 11 South La Salle Street, has been changed to Scientific Investors Corporation.

With Louis G. Rogers

(Special to THE FINANCIAL CHRONICLE)

CHARLOTTE, N. C.—Albert P. McMillan, Jr. has become connected with Louis G. Rogers & Company, 205 South Church Street.

Schaefer, Lowe Adds

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Stanley S. Davis has become connected with Schaefer, Lowe & McCamant, Inc., 1 Bush Street. He was formerly with Dean Witter & Co.

Rejoins Dempsey-Tegeler

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Leonard J. Swiger has rejoined the staff of Dempsey-Tegeler & Co., Inc., 255 California Street. He has recently been with Hooker & Fay Inc.

With Currier & Carlsen

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Harold C. Frost has become affiliated with Currier & Carlsen, Inc., Denver Club Building. He was formerly with Preferred Securities Inc.

First Nebraska Adds

(Special to THE FINANCIAL CHRONICLE)

LINCOLN, Neb.—Robert D. Northrop has been added to the staff of First Nebraska Securities Corporation, 1001 O Street, members of the New York Stock Exchange.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

	Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:				
Indicated steel operations (per cent capacity).....	Dec. 23	76.0	75.5	69.5
Equivalent to—				39.4
Steel ingots and castings (net tons).....	Dec. 23	2,225,000	2,200,000	2,032,000
AMERICAN PETROLEUM INSTITUTE:				
Crude oil and condensate output—daily average (bbls. of 42 gallons each).....	Dec. 15	7,355,160	7,397,060	7,205,000
Crude runs to stills—daily average (bbls.).....	Dec. 15	8,276,000	8,291,000	8,170,000
Gasoline output (bbls.).....	Dec. 15	30,140,000	29,766,000	29,063,000
Kerosene output (bbls.).....	Dec. 15	3,001,000	3,031,000	2,718,000
Distillate fuel oil output (bbls.).....	Dec. 15	13,815,000	14,735,000	14,191,000
Residual fuel oil output (bbls.).....	Dec. 15	6,744,000	6,265,000	5,793,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—				
Finished and unfinished gasoline (bbls.) at.....	Dec. 15	188,833,000	187,466,000	182,101,000
Kerosene (bbls.) at.....	Dec. 15	34,687,000	35,084,000	36,591,000
Distillate fuel oil (bbls.) at.....	Dec. 15	162,815,000	169,118,000	178,483,000
Residual fuel oil (bbls.) at.....	Dec. 15	46,923,000	47,524,000	48,696,000
ASSOCIATION OF AMERICAN RAILROADS:				
Revenue freight loaded (number of cars).....	Dec. 16	532,853	560,602	590,642
Revenue freight received from connections (no. of cars).....	Dec. 16	498,859	511,289	517,975
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:				
Total U. S. construction.....	Dec. 21	\$384,700,000	\$393,000,000	\$304,800,000
Private construction.....	Dec. 21	156,900,000	206,000,000	149,000,000
Public construction.....	Dec. 21	227,800,000	187,000,000	155,800,000
State and municipal.....	Dec. 21	190,400,000	145,000,000	138,100,000
Federal.....	Dec. 21	37,400,000	42,000,000	17,700,000
COAL OUTPUT (U. S. BUREAU OF MINES):				
Bituminous coal and lignite (tons).....	Dec. 16	8,535,000	8,425,000	8,890,000
Pennsylvania anthracite (tons).....	Dec. 16	339,000	363,000	352,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100				
.....	Dec. 16	333	299	180
EDISON ELECTRIC INSTITUTE:				
Electric output (in 000 kwh.).....	Dec. 23	16,630,000	16,695,000	15,330,000
FAILURES (COMMERCIAL AND INDUSTRIAL)—DUN & BRADSTREET, INC.				
.....	Dec. 21	173	306	238
IRON AGE COMPOSITE PRICES:				
Finished steel (per lb.).....	Dec. 18	6.196c	6.196c	6.196c
Pig iron (per gross ton).....	Dec. 18	\$66.44	\$66.44	\$66.32
Scrap steel (per gross ton).....	Dec. 18	\$34.50	\$34.50	\$32.83
METAL PRICES (E. & M. J. QUOTATIONS):				
Electrolytic copper.....				
Domestic refinery at.....	Dec. 20	30.600c	30.600c	30.600c
Export refinery at.....	Dec. 20	28.125c	28.400c	28.050c
Lead (New York) at.....	Dec. 20	10.250c	10.250c	10.000c
Lead (St. Louis) at.....	Dec. 20	10.050c	10.050c	9.800c
Zinc (delivered) at.....	Dec. 20	12.500c	12.500c	12.500c
Zinc (East St. Louis) at.....	Dec. 20	12.000c	12.000c	11.500c
Aluminum (primary pig, 99.5% at.....	Dec. 20	24.000c	24.000c	26.000c
Strait tin (New York) at.....	Dec. 20	120.500c	120.875c	123.125c
MOODY'S BOND PRICES DAILY AVERAGES:				
U. S. Government Bonds.....	Dec. 26	85.83	85.77	86.94
Average corporate.....	Dec. 26	85.85	85.98	86.24
Aaa.....	Dec. 26	89.64	89.64	90.48
Aa.....	Dec. 26	87.86	87.99	88.40
A.....	Dec. 26	85.96	85.59	85.59
Baa.....	Dec. 26	80.93	80.93	81.05
Railroad Group.....	Dec. 26	83.03	83.28	83.91
Public Utilities Group.....	Dec. 26	87.18	87.18	87.86
Industrials Group.....	Dec. 26	87.45	87.45	88.13
MOODY'S BOND YIELD DAILY AVERAGES:				
U. S. Government Bonds.....	Dec. 26	4.15	4.15	4.00
Average corporate.....	Dec. 26	4.72	4.71	4.69
Aaa.....	Dec. 26	4.44	4.44	4.38
Aa.....	Dec. 26	4.57	4.56	4.53
A.....	Dec. 26	4.75	4.74	4.74
Baa.....	Dec. 26	5.11	5.11	5.10
Railroad Group.....	Dec. 26	4.94	4.92	4.87
Public Utilities Group.....	Dec. 26	4.62	4.62	4.57
Industrials Group.....	Dec. 26	4.60	4.60	4.55
MOODY'S COMMODITY INDEX				
.....	Dec. 26	375.7	373.6	368.2
NATIONAL PAPERBOARD ASSOCIATION:				
Orders received (tons).....	Dec. 16	314,562	351,763	332,241
Production (tons).....	Dec. 16	341,752	338,958	344,952
Percentage of activity.....	Dec. 16	95	95	97
Unfilled orders (tons) at end of period.....	Dec. 16	469,658	497,784	515,009
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100				
.....	Dec. 22	114.13	114.04	113.67
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS				
Transactions of specialists in stocks in which registered—				
Total purchases.....	Dec. 1	3,356,720	2,622,090	2,731,010
Short sales.....	Dec. 1	589,480	555,020	443,810
Other sales.....	Dec. 1	2,659,310	1,994,330	2,305,600
Total sales.....	Dec. 1	3,248,790	2,549,350	2,310,500
Other transactions initiated off the floor—				
Total purchases.....	Dec. 1	469,170	393,700	344,700
Short sales.....	Dec. 1	101,900	70,200	28,900
Other sales.....	Dec. 1	435,840	296,040	367,560
Total sales.....	Dec. 1	537,740	366,240	332,180
Other transactions initiated on the floor—				
Total purchases.....	Dec. 1	1,089,853	993,702	934,522
Short sales.....	Dec. 1	131,150	141,300	104,860
Other sales.....	Dec. 1	1,034,844	813,439	716,488
Total sales.....	Dec. 1	1,165,994	954,739	821,348
Total round-lot transactions for account of members—				
Total purchases.....	Dec. 1	4,915,743	4,009,492	4,010,232
Short sales.....	Dec. 1	822,530	766,520	586,420
Other sales.....	Dec. 1	4,129,994	3,103,809	3,325,368
Total sales.....	Dec. 1	4,952,524	3,870,329	3,911,788
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE—SECURITIES EXCHANGE COMMISSION				
Odd-lot sales by dealers (customers' purchases)—†				
Number of shares.....	Dec. 1	2,289,612	1,788,886	1,851,100
Dollar value.....	Dec. 1	\$125,979,945	\$100,161,226	\$105,072,491
Odd-lot purchases by dealers (customers' sales)—				
Number of orders—customers' total sales.....	Dec. 1	2,338,215	1,886,869	1,874,426
Customers' short sales.....	Dec. 1	15,917	10,222	15,844
Customers' other sales.....	Dec. 1	2,322,298	1,876,647	1,858,582
Dollar value.....	Dec. 1	\$116,816,155	\$95,968,582	\$96,954,159
Round-lot sales by dealers—				
Number of shares—Total sales.....	Dec. 1	743,970	591,230	571,420
Short sales.....	Dec. 1	743,970	591,230	571,420
Other sales.....	Dec. 1	655,020	474,540	559,130
Round-lot purchases by dealers—Number of shares.....	Dec. 1	655,020	474,540	559,130
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):				
Total round-lot sales—				
Short sales.....	Dec. 1	1,048,970	909,970	714,600
Other sales.....	Dec. 1	21,936,780	17,292,430	17,896,890
Total sales.....	Dec. 1	22,985,750	18,202,400	18,611,490
WHOLESALE PRICES, NEW SERIES—U. S. DEPT. OF LABOR—(1947-49=100):				
Commodity Group—				
All commodities.....	Dec. 19	119.2	119.1	118.8
Farm products.....	Dec. 19	87.7	*87.6	87.2
Processed foods.....	Dec. 19	109.5	*108.9	108.3
Meats.....	Dec. 19	95.0	*93.8	93.2
All commodities other than farm and foods.....	Dec. 19	127.7	127.7	127.5

*Revised figure. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
AMERICAN PETROLEUM INSTITUTE—Month of September:			
Total domestic production (barrels of 42 gallons each).....	237,845,000	249,824,000	237,211,000
Domestic crude oil output (barrels).....	209,848,000	220,218,000	209,119,000
Natural gasoline output (barrels).....	27,984,000	29,595,000	28,076,000
Benzol output (barrels).....	13,000	11,000	16,000
Crude oil imports (barrels).....	33,147,000	34,048,000	32,691,000
Refined product imports (barrels).....	21,751,000	18,780,000	20,634,000
Indicated consumption domestic and export (barrels).....	280,696,000	299,313,000	276,189,000
Increase all stocks (barrels).....	12,047,000	3,339,000	14,347,000
BANK DEBITS—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Month of November (000's omitted):			
.....	\$272,541,000	\$275,120,000	\$235,100,000
BANKERS' DOLLAR ACCEPTANCES OUTSTANDING—FEDERAL RESERVE BANK OF NEW YORK—As of Nov. 30:			
Imports.....	\$460,591,000	\$456,972,000	\$401,238,000
Exports.....	939,108,000	948,773,000	646,746,000
Domestic shipments.....	16,765,000	16,005,000	12,995,000
Domestic warehouse credits.....	270,012,000	208,834,000	215,776,000
Dollar exchange.....	98,240,000	91,445,000	146,100,000
Based on goods stored and shipped between foreign countries.....	770,007,000	769,334,000	444,791,000
Total.....	\$2,554,723,000	\$2,491,363,000	\$1,876,646,000
BUILDING CONSTRUCTION—U. S. DEPT. OF LABOR—Month of November (in millions):			
Total new construction.....	5,062	*5,325	4,771
Private construction.....	3,637	*3,699	3,395
Residential buildings (nonfarm).....	2,078	*2,093	1,840
New housing units.....	1,614	*1,613	1,392
Additions and alterations.....	362	*376	361
Nonhousekeeping.....	102	104	87
Nonresidential buildings.....	948	954	946
Industrial.....	221	221	261
Commercial.....	424	425	402
Office buildings and warehouses.....	196	201	201
Stores, restaurants and garages.....	228	224	201
Other nonresidential buildings.....	303	308	283
Religious.....	89	90	91
Educational.....	54	56	51
Hospital and institutional.....	72	72	57
Social and recreational.....	62	64	63
Miscellaneous.....	26	26	21
Farm construction.....	121	*129	103
Public utilities.....	472	504	479
Telephone and telegraph.....	84	89	99
Other public utilities.....	388	415	380
All other private.....	18	19	27
Public construction.....	1,425	*1,626	1,376
Residential buildings.....	79	76	60
Nonresidential buildings.....	411	*456	408
Industrial.....	32	*32	36
Educational.....	244	*276	239
Hospital and institutional.....	34	*34	33
Administrative and service.....	55	*64	50
Other nonresidential buildings.....	46	*50	50
Military facilities.....	96	*80	156
Highways.....	511	*651	450
Sewer and water systems.....	131	*140	119
Sewer.....	77	*81	67
Water.....	54	*59	52
Public service enterprises.....	40	*49	55
Conservation and development.....	127	*139	106
All other public.....	30	35	22
FACTORY EARNINGS AND HOURS—WEEKLY AVERAGE ESTIMATE—U. S. DEPT. OF LABOR—Month of November:			
Weekly earnings—			
All manufacturing.....	\$95.82	*\$94.54	\$89.21
Durable goods.....	104.65	*102.66	96.23
Nondurable goods.....	85.17	*84.56	80.52
Hours—			
All manufacturing.....	40.6	*40.4	39.3
Durable goods.....	41.2	*40.9	39.6
Nondurable goods.....	39.8	*39.7	38.9
Hourly earnings—			
All manufacturing.....	\$2.36	*\$2.34	\$2.27
Durable goods.....	2.54	*2.51	2.43
Nondurable goods.....	2.14	*2.13	2.07
INDUSTRIAL PRODUCTION—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—1947-49=100—Month of Nov.:			
Seasonally adjusted.....	114	113	105
Unadjusted.....	115	*116	106
TREASURY MARKET TRANSACTIONS IN DIRECT AND GUARANTEED SECURITIES OF U. S. A.—Month of November:			
Net sales.....			
Net purchases.....	\$57,279,000	\$36,797,000	\$105,505,300
RUBBER MANUFACTURING ASSOCIATION, INC.—Month of October:			
Passenger & Motorcycle Tires (Number of)—			
Shipments.....	9,598,818	8,774,003	8,760,476
Production.....	9,818,648	*8,774,289	8,461,143
Inventory.....	21,025,501	20,768,533	21,816,128
Tractor Implement Tires (Number of)—			
Shipments.....	277,660	248,513	260,147
Production.....	267,513	229,711	228,728
Inventory.....	921,961	921,710	902,055
Passenger, Motorcycle, Truck & Bus Inner Tubes (Number of)—			

Securities Now in Registration

★ INDICATES ADDITIONS
SINCE PREVIOUS ISSUE
● ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

AAA Trailer Sales, Inc.

Dec. 18, 1961 ("Reg. A") 75,000 common. Price — \$2. Business—Sale and rental of mobile homes, trailers and related accessories. Proceeds—For debt repayment and general corporate purposes. Office—7440 E. Calfax Ave., Denver. Underwriter—Copley & Co., Colorado Springs, Colo.

ABC Air Freight Co., Inc.

Oct. 25, 1961 filed 105,000 common. Price—By amendment. Business—Furnishing of air freight services throughout the U. S. Proceeds—For expansion. Office—467 Tenth Ave., N. Y. Underwriter—Flomenhaft, Seidler & Co., N. Y. Offering—In early March.

ABC Cellophane Corp. (2/5-9)

Sept. 7, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—A converter of packaging material, producing polyethylene and cellophane bags and sheets. Proceeds—For a new plant and equipment and working capital. Office—1368-72 Utica Ave., Brooklyn. Underwriter—Havener Securities Corp., N. Y.

A. & M. Instrument, Inc. (1/16)

Oct. 19, 1961 filed 150,000 common. Price—\$3.50. Business—Manufacture of instrument testing and measuring devices for the electronic and electrical industries. Proceeds—For debt repayment and general corporate purposes. Office—48-01 31st Ave., Long Island City, N. Y. Underwriters—Crosse & Co., Inc.; V. S. Wickett & Co., Inc., and Thomas, Williams & Lee, N. Y.

Accuracy Inc.

Dec. 8, 1961 ("Reg. A") 60,000 common. Price—\$5. Business—Research, design and manufacture of precision potentiometers. Proceeds—For general corporate purposes. Office—223 Crescent St., Waltham, Mass. Underwriter—Mann & Creesy, Salem, Mass.

Aceto Chemical Co., Inc. (1/8-12)

Sept. 27, 1961 filed 88,000 common. Price—\$5. Business—Purchase and sale of chemicals and by-products. Proceeds—For expansion, sales promotion, and working capital. Office—40-40 Lawrence St., Flushing, N. Y. Underwriter—Karen Securities Corp., N. Y.

Acratex Chemical Coatings, Inc.

Aug. 8, 1961 ("Reg. A") 99,900 common. Price—\$3. Business—The manufacture of a wallcovering product. Proceeds—For expansion and general corporate purposes. Office—Easton St., Ronkonkoma, N. Y. Underwriter—Tyche Securities Inc., N. Y. Note—This letter was withdrawn.

Acro Electronic Products Co. (1/15-19)

July 17, 1961 filed 100,000 class A common shares. Price—By amendment. Business—Manufacture of transformers for electronic and electrical equipment. Proceeds—For relocating to and equipping a new plant, purchase of inventory, research and development, advertising, promotion and merchandising, repayment of debt and other corporate purposes. Office—369 Shurs Lane, Philadelphia. Underwriter—Roth & Co., Inc., Philadelphia.

Acrylic Optics Corp. (1/22-26)

Nov. 28, 1961 ("Reg. A") \$240,000 of 15-year 6% convertible subordinated debentures (convertible into common at \$1.50 per share); and 40,000 common shares. Price—For debentures at par; for stock, \$1.25. Business—Research, design and manufacture of contact lenses and accessories. Proceeds—For expansion. Office—1928 Fifth National Bank, Detroit. Underwriter—A. D. Gilhard & Co., Inc., N. Y.

Advance Cable Systems Corp.

Nov. 30, 1961 ("Reg. A") 55,000 common. Price — \$4. Business—Design, manufacture and installation of electronic cable systems and hardware. Proceeds—For debt repayment, equipment and working capital. Office—12806 Bradley Ave., Sylmar, Calif. Underwriter—B. B. George Securities, Ltd., N. Y.

Aero-Dynamics Corp. (1/29-2/2)

Aug. 7, 1961 filed 100,000 common shares. Price—\$5. Business—The importation and distribution of Italian marble and mosaic tiles. Proceeds—For the purchase and installation of new moulds, machinery and equipment, research and general corporate purposes. Office—250 Goffle Road, Hawthorne, N. J. Underwriters—Cambridge Securities, Inc. and Edward Lewis Co., Inc., N. Y.

Aerological Research, Inc.

Aug. 29, 1961 filed 100,000 common. Price—\$3.50 Business—The manufacture of instruments for aerology, meteorology, oceanography, geophysics and atmospheric phenomenon. Proceeds—For working capital. Office—420 Division St., Long Branch, N. J. Underwriter—A. D. Gilhart & Co., Inc., N. Y. Offering—Imminent.

Agency Tile Industries, Inc. (1/8-12)

Sept. 6, 1961 ("Reg. A") 120,000 common. Price—\$2.50. Business—Importing, marketing and distributing ceramic tiles. Proceeds—Debt payment, new products, sales promotion and advertising, new office and warehouse and

working capital. Office—522 W. 29th St., N. Y. Underwriter—International Services Corp., Paterson, N. J.

Air Master Corp.

May 26, 1961 filed 200,000 shares of class A common stock, of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and sale of aluminum storm windows and doors, and other aluminum products. Proceeds—For working capital, and other corporate purposes. Office—20th Street, and Allegheny Avenue, Philadelphia, Pa. Underwriter—Francis I. du Pont & Co., N. Y. Note—This offering has been temporarily postponed.

Airtechnology Corp.

Nov. 15, 1961 ("Reg. A") 60,000 common. Price—\$5. Business—Electronic research, development and manufacture under U. S. Govt. contract. Proceeds—For investment in own and other companies, and working capital. Office—640 Memorial Dr., Cambridge, Mass. Underwriter—Schirmer, Atherton & Co., Boston.

Airtronics International Corp. of Florida (1/29-2/2)

July 29, 1961 filed 199,000 common, of which 110,000 are to be offered by the company and 89,000 by stockholders. Price—By amendment. Business—Manufacture of electronic, mechanical and components. Proceeds—Repayment of loans, expansion and working capital. Office—6900 West Road 84, Fort Lauderdale, Fla. Underwriters—Stein Bros. & Boyce, Baltimore and Vickers, McPherson & Warwick, Inc., N. Y.

Alan-Randal Co., Inc. (1/15-19)

Oct. 27, 1961 ("Reg. A") 120,000 common. Price—\$2.50. Business—Distributor of pens and other advertising material. Proceeds—For working capital. Office—11608 Ventura Blvd., Studio City, Calif. Underwriter—Pacific Coast Securities Co., San Francisco, Calif.

Alaska Pacific Lumber Co. (1/29-2/2)

Nov. 17, 1961 filed 250,000 common. Price—By amendment. Business—A lumber company. Proceeds—For construction and working capital. Office—614 Equitable Bldg., Portland, Ore. Underwriter—Dempsey-Tegeler & Co., Inc., St. Louis.

Albert Voigt Industries, Inc. (1/8-12)

Aug. 29, 1961 filed 80,000 common. Price—\$4. Business—The manufacture of metal store fixtures, show cases and related items. Proceeds—For repayment of loans, working capital, a leasehold improvement and moving expenses. Office—14-20 Dunham Pl., Brooklyn, N. Y. Underwriter—David Barnes & Co., Inc., N. Y. C.

Al-Crete Corp. (1/15-19)

Sept. 20, 1961 filed 127,000 class A common. Price—\$3. Business—Development and manufacture of a new variety of building products. Proceeds—For construction of a new plant. Office—4800 Baltimore Ave., Hyattsville, Md. Underwriter—Whitehall Securities Corp., Pittsburgh.

Allegheny Aluminum Industries, Inc.

Dec. 21, 1961 filed 100,000 common. Price—\$4.25. Business—Manufacture of aluminum and fiberglass awnings and aluminum combination storm-screen windows and doors. Proceeds—For an acquisition, debt repayment and general corporate purposes. Office—5007 Lytle St., Pittsburgh, Pa. Underwriter—First Madison Corp., N. Y.

All Star World Wide, Inc. (1/5)

July 7, 1961 filed \$250,000 of 5% convertible subordinated debentures due 1971 and 150,000 common shares. Price—For debentures, at par; for stock, \$5. Business—Joint venture with Brunswick Corp. to establish and operate bowling centers in Europe. Proceeds—For expansion and general corporate purposes. Office—100 W. Tenth St., Wilmington, Del. Underwriters—Alessandrini & Co., Inc. and Hardy & Hardy, New York (managing).

All-State Auto Rental Corp. (1/8-12)

Sept. 28, 1961 filed 50,000 common. Price—\$4. Business—Leases motor vehicles. Proceeds—For working capital. Office—31-04 Northern Blvd., Long Island City, N. Y. Underwriter—None.

All Weather Roll N' Ice, Inc.

Nov. 6, 1961 ("Reg. A") 25,000 common. Price—\$3. Business—Operation of a roller skating and ice skating rink. Proceeds—For expansion and working capital. Office—Copiague, L. I., N. Y. Underwriters—Richard Gray Co. (mgr.) and Weinberg, Ost & Co., N. Y.

Allied Capital Corp.

Oct. 20, 1961 filed 213,427 common, of which 200,000 will be offered to the public and 13,427 to stockholders on a 1-for-10 basis. Price—By amendment. Business—A small business investment company. Proceeds—For investment. Office—7720 Wisconsin Ave., Bethesda, Md. Underwriter—Allen & Co., N. Y. Offering—In Jan.

Allison Industries, Inc.

Nov. 2, 1961 ("Reg. A") 60,000 common. Price — \$3. Business—Design and manufacture of board games, toys and Christmas stockings. The company also operates a discount department store. Proceeds—Expansion, product development and working capital. Office—1015 Jefferson Ave., Brooklyn, N. Y. Underwriter—S. Apfelbaum Co., 39 Broadway, N. Y.

Allo Precision Metals Engineering, Inc. (1/2-5)

Oct. 3, 1961 ("Reg. A") 85,000 common. Price—\$3. Proceeds—For debt repayment, equipment, and working capital. Office—Congressional Airport, Rockville, Md. Underwriter—Davis & Leach, Inc., Washington, D. C.

Almo Industrial Electronics Inc.

Nov. 27, 1961 filed 155,000 class A shares. Price—By

amendment. Business—Wholesaler and distributor of electronic parts manufactured by others. Proceeds—For working capital. Office — 412 N. 6th St., Philadelphia. Underwriters—C. C. Collings & Co., Inc. and Harrison & Co., Philadelphia.

Alson Mfg. Co. (1/29-2/2)

Aug. 28, 1961 ("Reg. A") 75,000 common. Price—\$4. Proceeds—For equipment, repayment of loans and working capital. Office—2690 N. E. 191st St., Miami, Fla. Underwriter—Albion Securities Co., Inc., N. Y.

Aluma-Rail, Inc. (1/15-19)

Sept. 28, 1961 ("Reg. A") 100,000 common. Price—\$2.25. Business—Manufacture of new color anodized aluminum chain link fencing. Proceeds—For inventory and plant expansion. Office—44 Passaic Ave., Kearny, N. J. Underwriter—Amber, Burstein & Co., Inc., N. Y.

Alumatron International, Inc.

Nov. 13, 1961 filed 73,000 common. Price—\$7. Business—Company plans to construct special type homes, and engage in the general contracting business. Proceeds—For general corporate purposes. Office—St. Petersburg, Fla. Underwriters—Wm. H. Tegtmeyer & Co., Chicago and B. C. Malloy, Inc., St. Petersburg.

Alyeska Ski Corp.

Oct. 12, 1961 ("Reg. A") 240,000 common. Price—\$1.25. Business—Operation of ski facilities. Proceeds—For general corporate purposes. Address—P. O. Box 1882, Anchorage, Alaska. Underwriter—Paul Nichols Co., Inc., Anchorage, Alaska.

Amacorp Industrial Leasing Co., Inc.

Sept. 27, 1961 filed \$3,000,000 of 6½% conv. subord. debentures due 1971. Price—By amendment. Business—Financing and lease of industrial and office equipment. Proceeds—Repay debt and increase working capital. Office—34 S. Stoneman Ave., Alhambra, Calif. Underwriter—McDonnell & Co., Inc., N. Y. Offering—Feb.

Amerel Mining Co. Ltd.

July 31, 1961 filed 400,000 common shares. Price—50 cents. Business—The company is engaged in exploration, development and mining. Proceeds—For diamond drilling, construction, exploration and general corporate expenses. Office—80 Richmond St., W., Toronto. Underwriter—E. A. Manning, Ltd., Toronto. Offering—Jan.

American Bolt & Screw Mfg. Corp.

Dec. 15, 1961 filed 150,000 common. Price — By amendment. Business—Manufacture of standard and special industrial aircraft and missile fasteners. Proceeds—For debt repayment, equipment and other corporate purposes. Office—Lawson Blvd., Oceanside, L. I., N. Y. Underwriter—S. D. Fuller & Co., N. Y.

American Book-Stratford Press, Inc. (1/29-2/2)

Oct. 27, 1961 filed 430,000 common. Price—By amendment. Business—Manufacture of hard-bound books for publishers. Proceeds—For selling stockholders. Office—75 Varick St., N. Y. Underwriter—Bear Stearns & Co., N. Y.

American Building Maintenance Industries (1/8-12)

Oct. 19, 1961 filed 141,000 capital shares, of which 30,000 shares are to be offered by the company and 111,000 shares by stockholders. Price—By amendment. Business—Providing of building maintenance services. Proceeds—For general corporate purposes. Office—335 Fell St., San Francisco. Underwriters—Carl M. Loeb, Rhoades & Co., N. Y. and Sutro & Co., San Francisco.

American Development Corp.

Nov. 29, 1961 filed 60,000 common. Price—\$6. Business—Development and sale of vacant land. Proceeds—Debt repayment and other corporate purposes. Office—1068 Broad St., Newark, N. J. Underwriter—To be named.

American Diversified, Inc.

Dec. 21, 1961 filed 110,000 common. Price—\$7.50. Business—A holding company whose three subsidiaries are a life insurance company, a broker-dealer-underwriter,

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and a loan and finance company. **Proceeds**—For general corporate purposes. **Office**—930 Grant St., Denver. **Underwriter**—Nation-Wide Underwriters, Inc., Denver (a subsidiary).

American Finance Co., Inc. (1/9-12)

April 21, 1961 filed \$500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one \$200 debenture, 30 common shares and 10 warrants. **Price**—\$500 per unit. **Business**—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. **Proceeds**—For the retirement of debentures, and capital funds. **Office**—1472 Broadway, N. Y. **Underwriter**—Myron A. Lomasney & Co., N. Y. **Note**—The SEC has instituted "stop order" proceedings challenging the accuracy and adequacy of this statement.

American Financial Corp. (1/8-12)

Nov. 13, 1961 filed 150,000 common, of which 50,000 are to be offered by the company and 100,000 by stockholders. **Price**—By amendment. **Business**—The operation of three savings and loan associations, an equipment, automobile and truck leasing system and a general contracting business. **Proceeds**—For leasing program, to increase holdings in a subsidiary and for working capital. **Office**—3955 Montgomery Rd., Norwood, Ohio. **Underwriters**—Shearson, Hammill & Co., N. Y. and Westheimer & Co., Cincinnati.

American Management & Investment Corp.

Dec. 20, 1961 filed 500,000 7% non-cumulative convertible preferred. **Price**—\$10. **Business**—A management investment company which plans to acquire firms in the insurance and finance fields. **Proceeds**—For general corporate purposes. **Office**—Warner Bldg., Washington, D. C. **Underwriter**—None.

American Micro Devices, Inc. (1/15-19)

Aug. 2, 1961 filed 1,500,000 class A common shares. **Price**—\$1.15. **Business**—The manufacture of electronic components. **Proceeds**—The purchase of equipment and materials, operational expenses, working capital and rewriter—Naftalin & Co., Inc., Minneapolis.

American Modular Manufacturing Corp.

Nov. 27, 1961 filed 200,000 common. **Price**—\$2.50. **Business**—Manufacture of a type of component constructed home. **Proceeds**—For debt repayment, equipment, and working capital. **Office**—4950 71st Ave., North, Pinellas Park, Fla. **Underwriter**—Equity Securities Co., N. Y.

American Pioneer Life Insurance Co.

Dec. 20, 1961 filed 400,000 common. **Price**—\$5.50. **Business**—Writes life insurance in Florida. **Proceeds**—For expansion and legal reserves. **Office**—307 S. Orange Ave., Orlando, Fla. **Underwriters**—Goodbody & Co., N. Y. and A. C. Allyn & Co., Chicago.

American Realty & Petroleum Corp. (1/29-2/2)

Sept. 28, 1961 filed \$2,000,000 of 6½% conv. subord. debentures due 1971. **Price**—At par. **Business**—Real estate and also the oil and gas business. **Proceeds**—For repayment of debt, sales and advertising, property improvements and possible acquisitions. **Office**—16 W. 61st St., N. Y. **Underwriter**—Troster, Singer & Co., N. Y.

American Safety Equipment Corporation (1/8-12)

Sept. 28, 1961 filed 80,000 common. **Price**—\$10. **Business**—Manufacture of safety seat belts. **Proceeds**—Inventory, machinery, and research. **Office**—261 Madison Ave., N. Y. **Underwriter**—Charles Plohn & Co., N. Y.

American Sports Plan, Inc.

June 29, 1961 filed 200,000 common shares. **Price**—\$6. **Business**—The operation of bowling centers. **Proceeds**—For expansion. **Office**—473 Winter Street, Waltham, Mass. **Underwriter**—None.

Anaconda Real Estate Investment Trust

Oct. 3, 1961 filed 163,636 shares of beneficial interests. **Price**—\$10. **Business**—Real estate investing. **Proceeds**—For purchase of real estate in Florida. **Office**—1776 E. Sunrise Blvd., Fort Lauderdale, Fla. **Underwriter**—None.

Anchor Alloys, Inc.

Oct. 27, 1961 ("Reg. A") 50,000 common. **Price**—\$6. **Business**—Purifying, alloying, and fabricating metals as components for the semi-conductor industry. **Proceeds**—For general corporate purposes. **Office**—968 Meeker Ave., Brooklyn, N. Y. **Underwriters**—Charles Plohn & Co., B. W. Pizzini & Co., Inc. and Atlas Securities Corp., New York. **Offering**—Expected sometime in February.

Anchor Industries Corp.

Nov. 24, 1961 filed 38,500 common. **Price**—\$8. **Business**—Design and fabrication of precision sheet metal products. **Proceeds**—For machinery research, sales promotion, and working capital. **Office**—26 Essex St., Hackensack, N. J. **Underwriter**—Amber, Burstein & Co., Inc., New York.

Anoroc Products, Inc. (1/15-19)

Oct. 6, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Fabrication, manufacture and assembly of glass enclosures for bathtubs. **Proceeds**—For debt repayment and general corporate purposes. **Office**—181-14 Jamaica Ave., Jamaica, N. Y. **Underwriters**—G. Everett Parks & Co., Inc. and Parker Co., N. Y.

Arizona Biochemical Co.

Nov. 14, 1961 filed 200,000 common. **Price**—\$4. **Business**—Company plans to construct and operate refuse disposal plants. **Proceeds**—For general corporate purposes. **Office**—1001 N. Central Ave., Phoenix. **Underwriter**—Globus, Inc., N. Y. **Offering**—In late February.

Arkwin Industries, Inc.

Nov. 28, 1961 filed 80,000 common, of which 25,000 are to be offered by the company and 55,000 by a selling

stockholder. **Price**—\$5. **Business**—Designs and manufactures precision hydraulic, pneumatic and fuel valves and control mechanisms for aircraft missiles, etc. **Proceeds**—For equipment and sales expansion. **Office**—648 Main St., Westbury, N. Y. **Underwriters**—Sterling, Grace & Co. and D. H. Blair & Co., N. Y. **Note**—This registration was indefinitely postponed.

Aronoff & Richling, Inc.

Nov. 27, 1961 filed 54,000 common. **Price**—By amendment. **Business**—Design and manufacture of women's junior sizes. **Proceeds**—For selling stockholders. **Office**—1400 B'way, N. Y. **Underwriter**—Carreau & Co., N. Y.

Artlin Mills, Inc. (1/15-19)

Sept. 28, 1961 filed 135,000 class A common shares. **Price**—\$5. **Business**—The purchase, conversion, decoration, gift packaging and distribution of terrycloth towels and cotton pillow cases. **Proceeds**—For inventory, repayment of loans and working capital. **Office**—1030 Pearl St., Long Branch, N. J. **Underwriter**—Mortimer B. Burnside & Co., Inc., N. Y.

Arts & Crafts Materials Corp.

Dec. 20, 1961 filed 150,000 common, of which 100,000 are to be offered by the company and 50,000 by a selling stockholder. **Price**—By amendment. **Business**—Importing and sale of arts and crafts materials. **Proceeds**—For general corporate purposes. **Office**—321 Park Ave., Baltimore. **Underwriter**—Federman, Stonehill & Co., N. Y.

Arwood Corp. (2/13-16)

Nov. 21, 1961 filed 230,000 common, of which 110,000 are to be offered by the company and 120,000 by the stockholders. **Price**—By amendment. **Business**—Manufacture of custom made castings. **Proceeds**—For plant improvement. **Office**—321 W. 44th St., N. Y. **Underwriter**—Bear, Stearns & Co., N. Y.

Astro-Science Corp. (1/22-26)

Sept. 27, 1961 filed 232,500 common, of which 150,000 are to be offered by the company and 82,500 by stockholders. **Price**—By amendment. **Business**—Design and manufacture of ground systems and equipment for the support and servicing of electronic systems, aircraft and missiles. **Proceeds**—Repay debt and increase working capital. **Office**—9449 W. Jefferson Blvd., Culver City, Calif. **Underwriter**—W. C. Langley & Co., N. Y.

Atlantic Capital Corp.

Aug. 29, 1961 filed 500,000 common. **Price**—\$12.50. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—744 Broad St., Newark, N. J. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y. & Co. **Offering**—Expected sometime in Feb.

Atlanta Motor Lodges, Inc.

Oct. 30, 1961 filed 150,000 common. **Price**—\$10. **Business**—Operation of motels. **Proceeds**—For expansion and working capital. **Office**—120 North Ave., N. W., Atlanta, Ga. **Underwriter**—The Robinson-Humphrey Co., Inc., Atlanta, Ga.

Atlas Electronics Inc. (1/15-19)

Sept. 28, 1961 filed 185,000 common. **Price**—\$2.10. **Business**—Distribution of electronic components, parts and equipment. **Proceeds**—To repay debt, purchase inventory, and increase working capital. **Office**—774 Pfeiffer Blvd., Perth Amboy, N. J. **Underwriters**—Hay, Fales & Co. and McLaughlin, Kaufman & Co., N. Y.

Atlas Hotels, Inc.

Nov. 28, 1961 ("Reg. A") 30,000 common. **Price**—\$10. **Business**—Operation of motor hotels. **Proceeds**—For working capital. **Office**—500 Hotel Circle, San Diego. **Underwriter**—J. A. Hogle & Co., Salt Lake City.

Atmospheric Controls, Inc. (1/29-2/2)

Aug. 22, 1961 ("Reg. A") 40,000 common. **Price**—\$3.50. **Proceeds**—For repayment of loans, acquisition and working capital. **Office**—715 N. Fayette St., Alexandria, Va. **Underwriter**—First Investment Planning Co., Washington, D. C.

Ausco, Inc. (1/8-12)

Oct. 12, 1961 filed 110,000 common. **Price**—\$3. **Business**—Design, development, and manufacture of high pressure aircraft and missile valves. **Proceeds**—For engineering, product development, inventories, advertising, expansion and working capital. **Office**—17 W. 60th St., N. Y. **Underwriter**—Pearson, Murphy & Co., Inc., N. Y.

Austin Continental Industries, Inc. (2/13-16)

Nov. 14, 1961 filed 103,000 common. **Price**—\$7. **Business**—Manufacture of specifications of aircraft, guided missiles and electronic components, and fastening devices. **Proceeds**—For debt repayment and a new product. **Office**—4873 W. Armitage Ave., Chicago. **Underwriter**—Raymond Moore & Co., Los Angeles.

Authenticolor, Inc. (1/8-12)

Aug. 29, 1961 filed 148,200 common, of which 136,800 are to be offered by the company and 11,400 by stockholders. **Price**—\$3.25. **Business**—Furnishing of photographic service for the professional market. **Proceeds**—Working capital and repayment of loans. **Office**—525 Lexington Ave., N. Y. **Underwriter**—General Economics Corp., N. Y.

Automated Teaching Systems, Inc.

Sept. 18, 1961 ("Reg. A") 30,000 common. **Price**—\$10. **Business**—Manufacture of self-instructional materials and devices. **Proceeds**—For equipment, research and development and other corporate purposes. **Office**—1 W. 58th St., N. Y. **Underwriter**—Arthur J. Rosenwasser Co., 95 Broad St., N. Y.

Automatic Marker Photo Corp.

Dec. 1, 1961 filed 150,000 class A shares, of which 125,000 are to be offered by the company and 25,000 by stockholders. **Price**—By amendment. **Business**—Sale and distribution of a photocopy machine and supplies. **Proceeds**—For equipment, expansion, and working capital. **Office**—153 W. 36th St., N. Y. **Underwriter**—None.

Babs, Inc.

Nov. 27, 1961 filed 150,000 common. **Price**—\$4. **Business**—Sale of dairy products, through "Dairy Drive-ins." **Proceeds**—For debt repayment and working capital. **Office**—32550 Pulaski Dr., Hayward, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco. **Offering**—Expected in late February.

Bacharach Industrial Instrument Co. (1/29-2/2)

Nov. 15, 1961 filed 60,000 common. **Price**—By amendment. **Business**—Development and manufacture of chemical, electrical and mechanical instruments, precision products and special purpose tools. **Proceeds**—For selling stockholders. **Office**—200 N. Braddock Ave., Pittsburgh. **Underwriter**—Arthurs, Lestrangle & Co., Pittsburgh.

Bal Harbour Diagnostic Service, Inc.

Oct. 18, 1961 filed 2,000,000 common. **Price**—\$1. **Business**—Company will operate a medical examination center. **Proceeds**—For a hotel acquisition and working capital. **Office**—10101 Collins Ave., Bal Harbour, Fla. **Underwriter**—J. R. Holt & Co., Denver.

Barish Associates, Inc.

Sept. 1, 1961 ("Reg. A") 50,000 common. **Price**—\$4. **Business**—Aeronautical research and development. **Proceeds**—For working capital. **Office**—224 E. 38th St., N. Y. **Underwriter**—Gianis & Co., N. Y.

Barren River Petroleum Corp.

Oct. 23, 1961 ("Reg. A") 200,000 class B common and 100,000 class A common to be offered in units consisting of one class A and two class B shares. **Price**—\$3, per unit. **Business**—Production, refining and marketing of oil and gas. **Proceeds**—For debt repayment and other corporate purposes. **Office**—8 E. Charleston Blvd., Las Vegas, Nev. **Underwriter**—John A. Oja & Associates, Las Vegas, Nev.

Barry (R. G.) Corp. (1/8-12)

Sept. 21, 1961 filed 100,000 common. **Price**—\$5. **Business**—Manufacture of slippers, robes, cushions, pillows, auto-seat covers, and other specialty items. **Proceeds**—To repay debt, increase inventory and for other corporate purposes. **Office**—78 E. Chestnut St., Columbus, Ohio. **Underwriter**—Arnold Malkan & Co., N. Y.

Basic Inc.

Dec. 27, 1961 filed 70,000 cumulative convertible preference shares (par \$50). **Price**—By amendment. **Business**—The production of basic granular and brick refractory materials. **Proceeds**—For plant expansion. **Office**—845 Hanna Bldg., Cleveland. **Underwriter**—First Boston Corp., N. Y.

Bay State Electronics Corp. (1/29-2/2)

Oct. 27, 1961 filed 160,000 common. **Price**—By amendment. **Business**—Development of products and techniques for use in the fields of oceanography, meteorology, seismology and ionospheric phenomena. **Proceeds**—For product development and working capital. **Office**—43 Leon St., Boston. **Underwriter**—S. D. Fuller & Co., New York.

Bechtold Engineering Co.

Nov. 30, 1961 filed 135,000 common, of which 95,000 are to be offered by the company and 40,000 by a selling stockholder. **Price**—By amendment. **Business**—Manufacture of specially designed thermosetting plastic fabricating machinery. **Proceeds**—For debt repayment and other corporate purposes. **Office**—631 N. E. 45th St., Fort Lauderdale, Fla. **Underwriter**—Roman & Johnson, Fort Lauderdale, Fla.

Bel-Aire Products, Inc.

Sept. 22, 1961 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Manufacture of aluminum pontoon boats. **Office**—25970 W. Eight Mile Rd., Southfield, Mich. **Underwriter**—Ehrlich, Irwin & Co., Inc., N. Y. **Offering**—Imminent.

Bell Electronic Corp.

Dec. 20, 1961 filed \$1,250,000 of convertible subordinated debentures due 1977; also 75,000 common shares. **Price**—For debentures: At par. For stock: By amendment. **Business**—A distributor of electronic parts and equipment manufactured by others. **Proceeds**—For debt repayment and other corporate purposes. **Office**—306 E. Aldondra Blvd., Garden, Calif. **Underwriters**—Mitchum, Jones & Templeton, Los Angeles and Walston & Co., N. Y.

Benjamin (W. A.), Inc.

Nov. 15, 1961 filed 50,000 common. **Price**—By amendment. **Business**—Publication of scientific texts and reference books. **Proceeds**—For working capital. **Office**—2465 Broadway, N. Y. **Underwriter**—None.

Berkshire Distributors, Inc. (1/22-26)

Sept. 14, 1961 filed 100,000 common, of which 60,000 will be sold for the company and 40,000 for certain stockholders. **Price**—By amendment. **Business**—The operation of eight discount type department stores in four states. **Proceeds**—For the repayment of debt, and working capital. **Office**—203 Ann St., Hartford, Conn. **Underwriter**—May & Gannon, Boston.

Bernalen, Inc.

Nov. 20, 1961 filed 60,000 common. **Price**—\$2.625. **Business**—Design and manufacture of photographic processing and control equipment. **Proceeds**—For general corporate purposes. **Office**—9821 Foster Ave., Brooklyn, N. Y. **Underwriter**—Amber, Burstein & Co., Inc., N. Y. **Note**—This registration was withdrawn.

Berne of California, Inc. (1/15-19)

Oct. 27, 1961 ("Reg. A") 85,000 common. **Price**—\$3. **Business**—Manufacture of handbags and related items. **Proceeds**—For debt repayment and working capital. **Office**—1621 S. San Pedro St., Los Angeles. **Underwriter**—Pacific Coast Securities Co., San Francisco.

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Bernz (Otto) Co., Inc. (1/16-19)

Oct. 16, 1961 filed 150,000 class A shares, of which 100,000 are to be offered by the company and 50,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of small propane-filled steel cylinders, garden sprinklers and hose accessories. **Proceeds**—For debt repayment and general corporate purposes. **Office**—740 Driving Park Ave., Rochester, N. Y. **Underwriter**—Reynolds & Co., Inc., N. Y.

Besco Enterprises, Inc.

Oct. 27, 1961 filed 150,000 capital shares. **Price**—By amendment. **Business**—A holding company whose subsidiaries operate jewelry and photography departments in discount department stores. **Proceeds**—For debt repayment and expansion. **Office**—1328 Washington St., Oakland, Calif. **Underwriters**—Kleiner, Bell & Co., Beverly Hills, Calif. and Rittmaster, Voisin & Co., N. Y.

Best Plastics Corp. (1/22-26)

Sept. 26, 1961 filed 125,000 common, of which 100,000 will be sold by the company and 25,000 by stockholders. **Price**—\$3. **Business**—Manufacture of plastic novelties and party favors. **Proceeds**—New plant and equipment and working capital. **Office**—945 39th St., Brooklyn, N. Y. **Underwriter**—S. B. Cantor & Co., N. Y.

Blackman-Uhler Chemical Co.

Dec. 5, 1961 ("Reg. A") 5,600 common. **Price**—\$8.875. **Business**—Manufacture of naphthols, pigments, tints and intermediates. **Proceeds**—For selling stockholders. **Address**—Spartanburg, S. C. **Underwriter**—Dargan & Co., Spartanburg, S. C. **Offering**—Imminent.

Bloch Brothers Tobacco Co.

July 3, 1961 ("Reg. A") 4,000 common shares (par \$12.50). **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—4000 Water St., Wheeling, W. Va. **Underwriter**—Fulton, Reid & Co., Inc., Cleveland. **Offering**—Expected sometime in February.

Block (H. R.), Inc. (1/15-19)

Nov. 16, 1961 ("Reg. A") 75,000 common, of which 25,000 shares are to be offered by the company and 50,000 shares by selling stockholders. **Price**—\$4. **Business**—Preparation of Federal and State income tax returns. **Proceeds**—For working capital. **Office**—3937 Main St., Kansas City, Mo. **Underwriter**—George K. Baum & Co., Kansas City.

Blue Haven Pools (1/15-19)

Nov. 1, 1961 ("Reg. A") 75,000 capital shares, of which 40,000 are to be offered by the company and 35,000 by stockholders. **Price**—\$4. **Business**—Design, construction and installation of swimming pools and equipment. **Proceeds**—For debt repayment and general corporate purposes. **Office**—11933 Vose St., North Hollywood, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Bolar Pharmaceutical Co. Inc. (1/8-12)

Oct. 18, 1961 ("Reg. A") 50,000 class A common. **Price**—\$2. **Business**—Compounds, manufactures and packages private label drugs and vitamins. **Proceeds**—For an acquisition and equipment. **Office**—54 McKibben St., Brooklyn, N. Y. **Underwriter**—Natale, Miller & Co., Inc., New York.

Boro Electronics, Inc. (1/2-5)

Aug. 30, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The distribution of electronic products manufactured by others. **Proceeds**—For inventory, equipment, advertising, promotion, working capital and repayment of loans. **Office**—69-18 Roosevelt Ave., Woodside, N. Y. **Underwriter**—McLaughlin, Kaufman & Co., N. Y.

Boston Pneumatics, Inc.

Nov. 13, 1961 ("Reg. A") 93,500 class A shares of which 85,000 will be sold for the company and 8,500 for the underwriter. **Price**—\$2. **Business**—Fabrication, assembly and sale of tools powered by compressed air. **Proceeds**—For debt repayment and working capital. **Office**—365 Arlington Ave., Brooklyn 8, N. Y. **Underwriter**—T. M. Kirsch Co., Inc., N. Y.

Bowey's, Inc.

Oct. 30, 1961 filed 80,000 common, of which 40,000 are to be offered by the company and 40,000 by a stockholder. **Price**—By amendment. **Business**—Manufactures, processes and supplies powders, syrups, flavorings, etc., to food industry. **Proceeds**—For repayment of debt and working capital. **Office**—679 N. Orleans St., Chicago, Ill. **Underwriter**—Crutenden, Podesta & Co., Chicago. **Offering**—Expected sometime in late January.

Bowling Internazionale, Ltd.

June 30, 1961 filed 200,000 common shares. **Price**—\$5. **Proceeds**—For the construction or acquisition of a chain of bowling centers principally in Italy, and for expansion and working capital. **Office**—80 Wall St., New York. **Underwriter**—P. J. Gruber & Co., Inc., N. Y.

Brentwood Financial Corp.

Dec. 13, 1961 filed 150,000 common, of which 30,000 are to be offered by the company and 120,000 by the stockholders. **Price**—By amendment. **Business**—A holding company for a savings and loan association. **Proceeds**—For acquisition of two insurance agencies and expansion. **Office**—12601 San Vicente Blvd., Los Angeles. **Underwriter**—Hayden, Stone & Co., N. Y.

Bridge Electronics Co., Inc. (2/26-3/2)

Nov. 29, 1961 filed 225,000 common, of which 200,000 are to be offered by the company, and 25,000 by the stockholders. **Price**—\$4. **Business**—Design and manufacture of electronic equipment and communication systems. **Proceeds**—For general corporate purposes. **Office**—201 Laurel St., Beverly, N. J. **Underwriters**—Roth & Co., Inc., Philadelphia and Amos Treat & Co., Inc., N. Y.

Browning Arms Co. (1/29-2/2)

Nov. 27, 1961 filed 368,700 common, of which 150,000 are to be offered by the company and 218,700 by the

stockholders. **Price**—By amendment. **Business**—Development, importation and distribution of sporting firearms. **Proceeds**—For construction and general corporate purposes. **Office**—First Security Bank Bldg., Ogden, Utah. **Underwriter**—Harriman Ripley & Co., Inc., N. Y.

Building Ventures, Inc. (1/8-12)

Oct. 27, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Real estate. **Proceeds**—For working capital. **Office**—309 Main St., Islip, N. Y. **Underwriter**—Albion Securities Co., Inc., N. Y.

Burnham & Morrill Co.

Oct. 25, 1961 filed 187,250 common. **Price**—By amendment. **Business**—Manufacture of canned foods, frozen dinners and baked beans. **Proceeds**—For selling stockholders. **Office**—45 Water St., Portland, Me. **Underwriter**—Hornblower & Weeks, N. Y. **Offering**—In January.

Burros Corp.

Oct. 30, 1961 filed 70,000 common, of which 40,000 are to be offered by the company and 30,000 by stockholders. **Price**—By amendment. **Business**—Designs, manufactures, imports and distributes artificial flowers. **Proceeds**—For repayment of debt and general corporate purposes. **Office**—111 W. 19th St., N. Y. **Underwriter**—Rodetsky, Walker & Co., Inc., N. Y. **Offering**—In early March.

Burton Mount Corp. (2/5-9)

Sept. 22, 1961 filed 100,000 common. **Price**—\$6. **Business**—Importation and distribution of copying machines and supplies. **Proceeds**—Repayment of debt, inventory, sales promotion and other corporate purposes. **Office**—2147 Jericho Turnpike, New Hyde Park, N. Y. **Underwriter**—Reiner, Linburn & Co., N. Y.

Bush Terminal Co. (1/15-19)

Nov. 7, 1961 filed 92,320 common to be offered to stockholders on a 1-for-10 basis. **Price**—By amendment. **Business**—Operation of warehouses, manufacturing buildings, piers and railroad facilities. **Proceeds**—For working capital. **Office**—48 43rd St., Brooklyn, N. Y. **Underwriter**—None.

Business Growth Funding Corp.

Sept. 20, 1961 filed 100,000 common. **Price**—\$4. **Business**—Making of loans to small business concerns, purchase of machinery for lease, and the providing of management consulting. **Proceeds**—For working capital. **Office**—527 Lexington Ave., N. Y. **Underwriter**—Morton Klein & Co., Inc., N. Y.

Cable Carriers, Inc. (1/3-5)

March 23, 1961 filed 196,109 shares of capital stock. **Price**—\$1.15. **Business**—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. **Proceeds**—For working capital. **Office**—Kirk Boulevard, Greenville, S. C. **Underwriter**—Capital Securities Corp., Greenville, S. C.

Cadillac Conduit Corp.

Nov. 30, 1961 ("Reg. A") 45,583 common. **Price**—\$6. **Business**—Manufacturer of flexible steel tubing, cables and conduits to enclose electrical wires. **Proceeds**—For working capital. **Office**—19 Warren Pl., Mt. Vernon, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., N. Y. **Offering**—Expected in late March.

Caldwell Publishing Corp. (1/22-26)

Oct. 27, 1961 filed 137,500 capital shares. **Price**—\$5. **Business**—Publishing of text books and general educational works. **Proceeds**—For general corporate purposes. **Office**—339 W. 51st St., N. Y. **Underwriter**—S. B. Cantor Co., N. Y.

Cambridge Fund of California, Inc.

Sept. 28, 1961 filed 280,000 common. **Price**—By amendment. **Business**—General real estate. **Proceeds**—Debt repayment and working capital. **Office**—324 E. Bixby Rd., Long Beach, Calif. **Underwriter**—To be named. **Offering**—Expected sometime in January.

Campbell-Lurie Plastics, Inc.

Oct. 27, 1961 filed 574,250 common, of which 500,000 are to be offered by the company and 74,250 by a stockholder. **Price**—\$2.50. **Business**—Company is engaged in the plastic business as a converter of raw materials. **Proceeds**—For debt repayment and working capital. **Office**—5440 Highway Ave., Jacksonville, Fla. **Underwriter**—Florida Growth Securities, Inc., Jacksonville.

Campbell Soup Co. (1/9)

Dec. 7, 1961 filed 91,000 capital shares. **Price**—By amendment. **Business**—Manufacture of canned soups, spaghetti, juices, etc. **Proceeds**—For selling stockholders. **Office**—375 Memorial Ave., Camden, N. J. **Underwriters**—First Boston Corp., and Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

Campus Casuals of California (1/15-19)

Oct. 11, 1961 filed 140,000 common. **Price**—By amendment. **Business**—Manufactures ladies' apparel. **Proceeds**—For selling stockholders. **Office**—719 S. Los Angeles St., Los Angeles, Calif. **Underwriter**—William R. Staats & Co., Los Angeles.

Canbowl Centers Ltd.

Aug. 4, 1961 filed 131,500 common shares to be offered for subscription by stockholders of American Bowling Enterprises, Inc., parent company, on the basis of one share for each four American shares held. **Price**—\$5.50. **Business**—The operation of bowling centers. **Proceeds**—For working capital and the construction and operation of bowling centers. **Office**—100 Wilder Bldg., Rochester, N. Y. **Underwriter**—None. **Offering**—Expected in the spring of 1962.

Capitol Research Industries, Inc.

June 28, 1961 filed 165,000 common shares and 75,000 common stock purchase warrants. **Price**—For stock, \$2; for warrants, 20 cents. **Business**—The manufacture of X-ray film processing machines. **Proceeds**—For repayment of loans and working capital. **Office**—4206 Wheeler

Ave., Alexandria, Va. **Underwriter**—None. **Offering**—Expected in late January.

Card Key Systems, Inc.

July 28, 1961 ("Reg. A") 60,000 common shares (no par). **Price**—\$5. **Proceeds**—For research and development, advertising equipment and working capital. **Office**—923 S. San Fernando Boulevard, Burbank, Calif. **Underwriter**—Rutner, Jackson & Gray, Inc., Los Angeles. **Offering**—Expected in early February.

Caribbean Cement Co., Ltd.

Oct. 18, 1961 filed 272,000 American Depositary Shares, each share representing one ordinary share. **Price**—By amendment. **Business**—Manufacture of cement. **Proceeds**—For selling stockholders. **Office**—Kingston, Jamaica. **Underwriter**—Paribas Corp., N. Y.

Caribbean Shoe Corp.

Oct. 18, 1961 filed 149,794 common, of which 146,667 will be sold by the company and 3,127 by a stockholder. **Price**—\$6. **Business**—Design, manufacture and distribution of custom made shoes for women. **Proceeds**—General corporate purposes. **Office**—253 S. W. 8th St., Miami, Fla. **Underwriter**—Robert L. Ferman & Co., Inc., Miami. **Offering**—Expected sometime in January.

Carmer Industries, Inc. (2/26-3/2)

Nov. 28, 1961 filed 185,000 common, of which 135,000 are to be offered by the company and 50,000 by a stockholder. **Business**—Conversion of raw plastics to basic shapes such as rods, tubes and sheets. **Proceeds**—For a new plant, repayment of debt, and working capital. **Office**—22 N. 26th St., Kenilworth, N. J. **Underwriter**—Godfrey, Hamilton, Taylor & Co., Inc., N. Y.

Carolinas Capital Corp.

Nov. 22, 1961 filed 500,000 common. **Price**—\$10. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—1200 North Carolina National Bank Bldg., Charlotte, N. C. **Underwriter**—R. S. Dickson & Co., Charlotte.

Casavan Industries, Inc.

Aug. 21, 1961 filed 350,000 capital shares. **Price**—\$7. **Business**—Production of plastics, marble and ceramics for the packaging and building industries. **Proceeds**—For expansion, leasehold improvements, repayment of loans and other corporate purposes. **Office**—250 Vreeland Ave., Paterson, N. J. **Underwriter**—Foundation Securities, Inc., N. Y.

Cavalier Radio & Electronics Corp. (1/22-26)

Oct. 27, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Manufacture of specialized radios and phonographs. **Proceeds**—New products, equipment and working capital. **Office**—66-02 Austin St., Forest Hills, N. Y. **Underwriter**—General Securities Co., Inc., N. Y.

Ceco Steel Products Corp.

Nov. 13, 1961 filed 18,000 common. **Price**—By amendment. **Business**—Manufacture of products for the construction industry. **Proceeds**—For selling stockholders. **Office**—5601 W. 26th St., Chicago. **Underwriter**—Hornblower & Weeks, N. Y. **Offering**—Expected in January.

Central Acceptance Corp. of Delaware (1/29-2/2)

Nov. 29, 1961 filed 150,000 class A common. **Price**—\$5. **Business**—A sales finance company. **Proceeds**—For expansion. **Office**—526 North Ave. East, Westfield, N. J. **Underwriter**—Armstrong & Co., Inc., N. Y.

Central American Mining & Oil, Inc.

Oct. 30, 1961 filed 494,250 common. **Price**—\$5. **Business**—Exploration for oil, gas and other minerals. **Proceeds**—For general corporate purposes. **Office**—Edificio Banco Atlantida, Tegucigalpa, D. C., Honduras. **Underwriter**—None.

Century Brick Corp. of America (1/29-2/2)

Nov. 9, 1961 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Company has developed a process for producing simulated brick facing for buildings. **Proceeds**—For general corporate purposes. **Office**—4506 W. 12th St., Erie, Pa. **Underwriter**—Sandkuhl & Co., Inc., N. Y.

Certified Industries, Inc. (1/22-26)

Sept. 28, 1961 filed \$750,000 of 6% convertible subordinated debentures due 1976 with attached warrants to purchase 15,000 class A shares to be offered in units (of one \$250 debenture and a warrant to purchase 5 shares) for subscription by holders of class A and class B shares at the rate of one unit for each 50 shares held. **Price**—\$250 per unit. **Business**—Production of concrete for construction purposes. **Proceeds**—For expansion, equipment and working capital. **Office**—344 Duffy Ave., Hicksville, N. Y. **Underwriter**—Singer, Bean & Mackie, Inc., N. Y.

Chester Electronic Laboratories, Inc. (1/4)

Sept. 27, 1961 filed 100,000 common. **Price**—By amendment. **Business**—Manufacture of electronic teaching equipment. **Proceeds**—For acquisition of a plant and equipment, debt repayment, new products and working capital. **Address**—Chester, Conn. **Underwriter**—Putnam & Co., Hartford. **Offering**—Expected in December.

Chestnut Hill Industries, Inc.

Nov. 29, 1961 filed 300,000 class A common, of which 225,000 are to be offered by the company and 75,000 by stockholders. **Price**—\$7.50. **Business**—Design and manufacture of women's, misses' and junior sportswear, coordinates, and dresses. **Proceeds**—For debt repayment, equipment and working capital. **Office**—2025 McKinley St., Hollywood, Fla. **Underwriter**—Clayton Securities Corp., Boston, Mass.

Church Builders, Inc.

Feb. 6, 1961 filed 50,000 shares of common stock, series 2. **Price**—\$5.50 per share. **Business**—A closed-end diversified management investment company. **Proceeds**—For investment. **Office**—501 Bailey Ave., Fort Worth, Tex. **Distributor**—Associates Management, Inc., Fort Worth. **Offering**—Expected in late February.

Cinema Studios Inc.

Dec. 14, 1961 ("Reg. A") 75,000 capital shares. Price—\$1. Business—Production of motion pictures. **Proceeds**—For working capital. **Office**—309 Ainsley Bldg., Miami, Fla. **Underwriter**—Dalen Investments & Funds, Inc., Miami.

• **Cineque Colorfilm Laboratories, Inc. (1/15-19)**
Aug. 29, 1961 ("Reg. A") 120,000 common. Price—\$2.50. Business—The production of slides and color film strips. **Proceeds**—For equipment, sales promotion and advertising. **Office**—424 E. 89th St., N. Y. **Underwriter**—Paul Eisenberg Co., N. Y.

Citizens Life Ins. Co. of New York (1/8-12)

Sept. 8, 1961 filed 147,000 common, of which 100,000 will be sold by the company and 47,000 by a stockholder. Price—By amendment. Business—The writing of ordinary life, group life and group credit life insurance. **Proceeds**—For investment in income producing securities. **Office**—33 Maiden Lane, N. Y. **Underwriter**—A. G. Becker & Co., N. Y. (mgr.).

★ City Finance Co., Inc.

Dec. 21, 1961 filed 110,000 common. Price—By amendment. Business—Engaged in the consumer loan and finance business in Maryland. **Proceeds**—For general corporate purposes. **Office**—307 N. Eutaw St., Baltimore. **Underwriter**—Stein Bros. & Boyce, Baltimore.

Civic Center Redevelopment Corp.

Nov. 13, 1961 filed \$21,780,000 of income debentures due 1995 and 220,000 common shares to be offered in units consisting of 1% of stock and 99% of debentures. Price—By amendment. Business—Company was formed for the purpose of revitalizing downtown St. Louis. **Proceeds**—For acquisition of land, construction of a stadium and related facilities. **Office**—407 N. 8th St., St. Louis. **Underwriter**—None.

Clute (Francis H.) & Son, Inc.

July 3, 1961 filed 1,000,000 common shares. Price—\$1.50. Business—The manufacture of farm and industrial

equipment. **Proceeds**—For materials and inventory, research and development and working capital. **Office**—1303 Elm St., Rocky Ford, Colo. **Underwriter**—Stone, Altman & Co., Inc., Denver. **Offering**—In late January.

Coastal Acceptance Corp.

Dec. 11, 1961 filed 80,000 class A common, of which 68,000 are to be offered by the company and 12,000 by stockholders. Price—\$12.50. Business—A small loan finance company. **Proceeds**—For debt repayment. **Office**—36 Lowell St., Manchester, N. H. **Underwriter**—Eastern Investment Corp., Manchester, N. H.

Colby (Jane), Inc.

Oct. 19, 1961 filed 105,000 common, of which 50,000 shares are to be offered by the company and 55,000 shares by stockholders. Price—\$10. Business—Manufacture of women's apparel. **Proceeds**—For general corporate purposes. **Office**—113 Fourth Ave., N. Y. **Underwriter**—Meade & Co., N. Y. **Offering**—Expected in Jan.

• Cole Vending Industries, Inc. (1/15-19)

Aug. 28, 1961 filed 115,000 common. Price—\$5. Business—The manufacture, sale and servicing of vending machines. **Proceeds**—For working capital. **Office**—560 W. Lake St., Chicago. **Underwriter**—Straus, Blosser & McDowell, Chicago (mgr.).

• Coleco Industries, Inc. (1/8-12)

Sept. 26, 1961 filed 120,000 common, of which 12,000 shares will be offered by the company and 108,000 by stockholders. Price—By amendment. Business—Manufactures plastic toys, play pools, toy boats and houses, and games. **Proceeds**—For plant expansion and working capital. **Office**—75-77 Windsor St., Hartford, Conn. **Underwriter**—Cooley & Co., Hartford, Conn.

Columbus Plastic Products, Inc.

Nov. 22, 1961 filed 163,600 common, of which 100,000 are to be offered by the company and 63,600 by stockholders. Price—By amendment. Business—Design and manufacture of injection and blow molded plastic house-

wares. **Proceeds**—To purchase machinery, expand facilities, repay debt, and increase working capital. **Office**—1625 W. Mound St., Columbus, O. **Underwriter**—W. E. Hutton & Co., Cincinnati.

Commonwealth Realty Trust (1/15-19)

Nov. 2, 1961 filed 430,556 shares. Price—\$10. Business—A real estate investment trust. **Proceeds**—For general corporate purposes. **Office**—8201 Fenton Road, Philadelphia. **Underwriters**—Woodcock, Moyer, Fricke & French, Inc., and Gerstley, Sunstein & Co., Philadelphia.

Community Charge Plan (1/3-5)

Sept. 22, 1961 filed \$3,600,000 of 6% subordinated debentures due 1976 (with attached warrants to purchase 72,000 common shares) and 216,000 common, to be offered in units consisting of a \$100 debenture (and a warrant to purchase two shares) and six common shares. Price—By amendment. Business—The purchase at a discount from merchant-members, their accounts receivable arising from customers who hold credit cards issued by these members. **Proceeds**—To repay debt and increase working capital. **Office**—10 Banta Place, Hackensack, N. J. **Underwriter**—Troster, Singer & Co., N. Y.

Computer Components, Inc.

Dec. 6, 1961 filed 120,000 common, of which 90,000 are to be offered by the company and 30,000 by stockholders. Price—\$3. Business—Manufacture of miniature coils for relays used in computers, aircraft, missiles and guidance systems. **Proceeds**—For general corporate purposes. **Office**—88-06 Van Wyck Expressway, Jamaica, N. Y. **Underwriter**—Jay W. Kaufmann & Co., N. Y.

Computron Corp. (1/8-12)

Sept. 15, 1961 filed 500,000 common. Price—\$1.15. Business—Research, development, design and production of electronic automation devices. **Proceeds**—For equipment, research and development and working capital. **Office**—

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NEW ISSUE CALENDAR**January 2 (Tuesday)**

Allo Precision Metals Engineering, Inc. Common
(Davis & Leach, Inc.) \$250,000

Boro Electronics, Inc. Common
(McLaughlin, Kaufman & Co.) \$300,000

Consolidated Aerosol Corp. Common
(J. E. Bayard & Co., Inc.) \$210,000

Coronet Products Co. Common
(George K. Baum & Co.) \$250,000

EMAC Data Processing Corp. Common
(M. W. Janis Co., Inc.) \$250,000

Fleetwood Securities Corp. of America Common
(General Securities Co., Inc.) \$700,000

Mann Research Laboratories, Inc. Common
(L. D. Sherman & Co.) \$300,000

Nationwide Bowling Corp. Capital
(Warner, Jennings, Mandel & Longstreth) 100,000 shares

New West Land Corp. Common
(Barrett, Fitch, North & Co.) \$300,000

Ozon Products, Inc. Common
(Carter, Berlind, Potoma & Weill) 105,000 shares

Rapid-Film Technique, Inc. Common
(Herbert Young & Co., Inc.) \$280,000

S. O. S. Photo-Cine-Optics, Inc. Units
(William, David & Mottl, Inc.) \$200,000

Sell 'N Serv Dispensers, Inc. Common
(Goldsmith, Heiken & Co., Inc.) \$300,000

Sierra Capital Co. Capital
(C. E. Unterberg, Towbin Co.) 1,000,000 shares

Southern Frontier Finance Co. Units
(J. C. Wheat & Co.) 10,000 units

Struthers Scientific & International Corp. Com.
(Hirsch & Co., Inc.) 150,000 shares

Swift Homes, Inc. Common
(Eastman Dixon, Union Securities & Co.) 240,000 shares

Virginia Dare Stores Corp. Common
(Lehman Brothers) 154,000 shares

January 3 (Wednesday)

Cable Carriers, Inc. Capital
(Capital Securities Corp.) \$225,525

Community Charge Plan Units
(Troster, Singer & Co.) 36,000 units

David's Inc. Common
(Quinn & Co.; A. G. Edwards & Sons; Peters, Writer & Christensen, Inc.; Midland Securities Co., Inc. and Dempsey-Tegeler & Co.) \$300,000

Semicon, Inc. Class A Common
(S. D. Fuller & Co.) \$500,000

Southern Growth Industries, Inc. Common
(Capital Securities Corp.) \$600,000

Super Valu Stores, Inc. Common
(White, Weld & Co., Inc. and J. M. Dain & Co., Inc.) 115,000 shares

Varicraft Industries, Inc. Common
(Mayo & Co., Inc.) \$270,000

January 4 (Thursday)

Chester Electronic Laboratories, Inc. Common
(Putnam & Co.) 100,000 shares

Missile Systems Corp. Common
(George, O'Neill & Co., Inc.) 148,125 shares

Standard & Poor's Corp. Common
(Smith, Barney & Co.) 261,856 shares

Susan Crane Packaging, Inc. Common
(C. E. Unterberg, Towbin Co.) 150,000 shares

January 5 (Friday)

All Star World Wide, Inc. Debentures
(Alessandrini & Co., Inc. and Hardy & Hardy) \$250,000

All Star World Wide, Inc. Common
(Alessandrini & Co., Inc. and Hardy & Hardy) \$750,000

Koster-Dana Corp. Common
(Gianis & Co.) \$350,000

January 8 (Monday)

Aceto Chemical Co., Inc. Common
(Karen Securities Corp.) \$440,000

Agency Tile Industries, Inc. Common
(International Services Corp.) \$300,000

Albert Voigt Industries, Inc. Common
(David Barnes & Co., Inc.) \$320,000

All-State Auto Rental Corp. Common
(No underwriting) \$200,000

American Building Maintenance Industries, Inc. Cap.
(Carl M. Loeb, Rhoades & Co. and Sutro & Co.) 141,000 shares

American Financial Corp. Common
(Shearson, Hammill & Co. and Westheimer & Co.) 150,000 shares

American Safety Equipment Corp. Common
(Charles Plohn & Co.) \$800,000

Ausco, Inc. Common
(Pearson, Murphy & Co., Inc.) \$330,000

Authenticolor Inc. Common
(General Economics Corp.) 148,200 shares

Barry (R. G.) Corp. Common
(Arnold Malkin & Co.) \$500,000

Bolar Pharmaceutical Co., Inc. Common
(Natale, Miller & Co., Inc.) \$100,000

Building Ventures, Inc. Common
(Albion Securities Co., Inc.) \$300,000

Citizens Life Insurance Co. of New York Common
(A. G. Becker & Co.) 147,000 shares

Coleco Industries, Inc. Common
(Cooley & Co.) 120,000 shares

Computron Corp. Common
(Brandtjen & Bayliss, Inc.) \$575,000

Corrigan Communications, Inc. Common
(D. E. Liederman & Co., Inc. and Mitchum, Jones & Templeton) \$750,000

Dale Systems, Inc. Common
(Theodore Arrin & Co., Inc.) \$325,000

Deer Park Baking Co. Common
(J. R. Williston & Beane) \$607,500

Delaware Barrell & Drum Co., Inc. Common
(G. H. Walker & Co.) 100,000 shares

Diversified Small Business Investment Corp. Com.
(Lieberbaum & Co. and Morris Cohen & Co.) \$3,000,000

Dixie Dinettes, Inc. Common
(Rubin, Rennett & Co., Inc.) \$720,000

Electronic Transmission Corp. Common
(V. S. Wickett & Co., Inc. and Thomas, Williams & Lee, Inc.) \$300,000

Electrosolids Corp. Preference
(J. R. Williston & Beane) 100,000 shares

Elmar Electronics, Inc. Common
(Schwabacher & Co.) 200,000 shares

Empire Fund, Inc. Capital
(A. G. Becker & Co., Inc.) 1,250,000 shares

Empire Precision Components, Inc. Class A
(Ezra Kureen Co.) \$260,000

Family Circle Associates, Inc. Common
(Russell & Saxe, Inc.) \$350,000

Fifth Avenue Cards, Inc. Capital
(Hardy & Co. and Filor, Bullard & Smyth) 115,000 shares

Fram Corp. Common
(Merrill Lynch, Pierce, Fenner & Smith Inc.) 50,000 shares

Futura Airlines Common
(Raymond Moore & Co., Inc. and Pacific Coast Securities Co.) \$300,000

Grafco Industries, Inc. Common
(Phillips, Rosen & Appel) \$309,000

Happy House, Inc. Common
(No underwriting) \$700,000

High Temperature Materials, Inc. Common
(L. F. Rothschild & Co.) 120,000 shares

Hoosier Soil Service, Inc. Common
(Patterson Securities & Investment Co., Inc.) \$283,088

Hygiene Industries Inc. Common
(Milton D. Elauener & Co.) \$1,000,000

International Mech-Tronics, Inc. Common
(Theodore Arrin & Co., Inc.) \$240,000

Kelly Girl Service, Inc. Common
(Dean Witter & Co.) 100,000 shares

Knickerbocker Toy Co., Inc. Common
(Netherlands Securities Co., Inc. and Herbert Young & Co., Inc.) 100,000 shares

Macoid Industries, Inc. Common
(Charles Plohn & Co.) \$1,500,000

Micro-Lectric, Inc. Common
(Underhill Securities Corp.) \$220,000

Milgray Electronics, Inc. Common
(Marron, Sloss & Co., Inc.) 166,667 shares

Narrows Premium Corp. Common
(Pearson, Murphy & Co., Inc.) \$400,000

North Atlantic Industries, Inc. Common
(A. G. Saxton & Co., Inc.) 131,500 shares

Oceanic Instruments, Inc. Common
(Globus, Inc.) \$140,000

Orbit Industries, Inc. Common
(Hodgdon & Co., Inc.) \$500,000

Plymouth Discount Corp. Common
(M. Posey Associates, Ltd.) \$300,000

Product Research of R. I., Inc. Common
(Continental Bond & Share Corp.) \$676,500

Pulp Processes Corp. Common
(Wilson, Johnson & Higgins) \$700,000

Pyramid Publications, Inc. Common
(Milton D. Blauner & Co., Inc.) 115,000 shares

Quartite Creative Corp. Common
(Shell Associates, Inc. and Godfrey, Hamilton & Taylor & Co.) \$500,000

Rainbow Photo Laboratories, Inc. Common
(Rodetsky, Walker & Co., Inc.) 150,000 shares

Realty Equities Corp. of New York Units
(Offering to stockholders—underwritten by Sutro Bros. & Co.) \$1,675,800

Recco, Inc. Class A
(Midland Securities Co., Inc.) 75,000 shares

Reher Simmons Research, Inc. Capital
(McLaughlin, Kaufmann & Co.) \$900,000

Rocket Power, Inc. Common
(Paine, Webber, Jackson & Curtis) 200,000 shares

Sabre, Inc. Common
(Schmidt, Sharp, McCabe & Co., Inc.) \$100,000

Sel-Rex Corp. Common
(Eastman Dillon, Union Securities & Co.) 200,000 shares

Servonuclear Corp. Common
(Rothenberg, Heller & Co., Inc.) \$200,000

Servotron Corp. Common
(No underwriting) \$500,000

Shatterproof Glass Corp. Common
(Shields & Co.) 215,000 shares

Sonic Systems, Inc. Common
(Keene & Co., Inc.) \$150,000

Southern Syndicate, Inc. Common
(Johnson, Lane, Space Corp.) 300,000 shares

Space Age Materials Corp. Common
(Durum Securities Corp.) \$300,000

Sportsmen, Inc. Units
(William, David & Mottl, Inc.) \$300,000

Steel Plant Equipment Corp. Common
(Joseph W. Hurley & Co.) \$300,000

Sterling Extruder Corp. Common
(Marron, Sloss & Co.) 90,000 shares

Tele-Communications Corp. Common
(Edward Lewis Co., Inc.) \$300,000

Trio-Tech, Inc. Common
(Ezra Kureen Co.) \$200,000

Tripoli Co., Inc. Common
(D. L. Greenbaum & Co.) \$300,000

U-Tell Corp. Common
(Continental Securities Corp.) \$155,485

United States Crown Corp. Common
(Adams & Peck) \$1,200,000

Univend Corp. Common
(Ezra Kureen Co.) \$287,500

Uropa International, Inc. Common
(Dean Samitas & Co.) \$300,000

Voldale, Inc. Common
(Peters, Writer & Christensen, Inc.) \$223,500

Western Semiconductors, Inc. Capital
(Currier & Carlsen, Inc.) \$300,000

Wiatt (Norman) Co. Common
(Schwabacher & Co.; J. Barth & Co. and Bear, Stearns & Co.) 135,000 shares

Winchell Donut House, Inc. Common
(McDonnell & Co., Inc.) 90,000 shares

Windsor (Key), Inc. Class A
(Lee Higginson Corp.) 200,000 shares

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9330 James Ave., South, Minneapolis. Underwriter—Brandtjen & Bayliss, Inc., St. Paul, Minn.

● **Concord Products, Inc. (2/13-16)**

Nov. 28, 1961 filed 120,000 common (with attached 3-year warrants to purchase an additional 60,000 shares at \$2 per share) to be offered in units of one share and one-half warrant. Price—\$2 per unit. Business—Manufacture of cosmetics, toiletries, cleaning chemicals, jewelry, etc. Proceeds—For general corporate purposes. Office—525-535 E. 137th St., New York City. Underwriter—N. A. Hart & Co., N. Y.

● **Concours Supply Co., Inc. (1/22-26)**

Oct. 19, 1961 filed 100,000 class A common. Price—\$4. Business—Sale of food service and kitchen equipment. Proceeds—For equipment, debt repayment and other corporate purposes. Office—110 "A" St., Wilmington, Del. Underwriter—Roth & Co., Inc., Philadelphia.

★ **Conduction Corp.**

Dec. 20, 1961 filed 125,000 class A common. Price—By amendment. Business—Research and development in the general field of electromagnetic radiation for the U. S. Government. Proceeds—For debt repayment and other corporate purposes. Office—343 S. Main St., Ann Arbor, Mich. Underwriters—McDonnell & Co., and Halle & Stieglitz, N. Y.

● **Consolidated Aerosol Corp. (1/2-5)**

Sept. 29, 1961 ("Reg. A") 70,000 common. Price—\$3. Business—Compounds and packages cosmetics, household pharmaceutical and industrial products. Proceeds—For debt repayment, equipment and working capital. Office—107 Sylvester St., Westbury, N. Y. Underwriter—J. E. Bayard & Co., Inc., 80 Wall St., New York City.

● **Consolidated Bowling Corp. (1/29-2/2)**

Sept. 28, 1961 filed 200,000 common. Price—By amendment. Business—Operation of bowling centers. Proceeds—For expansion and working capital. Office—880 Mil-

itary Rd., Niagara Falls, N. Y. Underwriter—Doolittle & Co., Buffalo, N. Y.

● **Continental Industrial Electronics Corp.**

Nov. 21, 1961 filed 200,000 common. Price—\$2.50. Business—Development and manufacture of television picture tubes. Proceeds—For debt repayment and other corporate purposes. Office—2724 Leonis Blvd., Los Angeles. Underwriter—Amos Treat & Co., Inc., N. Y. Offering—Expected sometime in February.

● **Continental Leasing Corp.**

June 19, 1961 ("Reg. A") 75,000 common. Price—\$4. Proceeds—For purchase of new automobiles, advertising and promotion, and working capital. Office—4 Gateway Center, Pittsburgh, Pa. Underwriter—Cambridge Securities, Inc., N. Y.

● **Control Circuits, Inc.**

Nov. 16, 1961 ("Reg. A") 120,000 common. Price—\$2.50. Business—Manufacture of electronic components and assemblies. Proceeds—For expansion, research and development and working capital. Office—c/o Shepherd, Murtha & Merritt, 97 Elm St., Hartford, Conn. Underwriter—John R. Boland & Co., Inc., N. Y.

● **Control Dynamics, Inc. (3/5-9)**

Oct. 24, 1961 filed 500,000 common. Price—\$1.15. Business—Development and production of electronic testing and training devices. Proceeds—For expansion and working capital. Office—9340 James Ave., S., Minneapolis. Underwriter—Brandtjen & Bayliss, Inc., St. Paul.

● **Cooke Engineering Co. (1/15-19)**

Sept. 12, 1961 filed 32,000 common. Price—\$11. Business—The manufacture of electronic products and the furnishing of engineering services. Proceeds—For equipment, new products, sales promotion and working capital. Office—735 N. St. Asaph St., Alexandria, Va. Underwriter—Jones, Kreeger & Co., Washington, D. C.

● **Coronet Products Co. (1/2-5)**

Oct. 31, 1961 ("Reg. A") 62,500 common. Price—\$4.

Business—Manufacture of aluminum storm windows and doors. Proceeds—For equipment, inventory and working capital. Office—2440 Charlotte St., Kansas City, Mo. Underwriter—George K. Baum & Co., Kansas City, Mo.

● **Corrigan Communications, Inc. (1/8-12)**

Sept. 28, 1961 filed 375,000 common. Price—\$2. Business—Development and sale of tutorial electronics communications systems for use in individual class rooms. Proceeds—To repay loans, purchase machinery, and increase working capital. Office—1111 E. Ash Ave., Fullerton, Calif. Underwriters—D. E. Liederman & Co., Inc. N. Y. and Mitchum, Jones & Templeton, Los Angeles.

● **Cosnat Record Distributing Corp.**

May 26, 1961 filed 150,000 shares of common stock, of which 105,556 shares are to be offered for public sale by the company and 44,444 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and distribution of phonograph records. Proceeds—For the repayment of debt, and working capital. Office—315 W. 47th St., N. Y. Underwriter—Amos Treat & Co., N. Y.

● **Coyle's Voting Machine Co. (1/15-19)**

Aug. 31, 1961 ("Reg. A") 10,000 common. Price—\$14.75. Business—The sale of punch card type voting machines. Office—830 High St., Hamilton, O. Underwriter—John A. Kemper & Co., Lima, O.

● **Cromwell Business Machines, Inc. (1/15)**

Aug. 1, 1961 ("Reg. A") 100,000 common shares (par 50 cents). Price—\$3. Proceeds—For repayment of loans, machinery, leasehold improvements, advertising and working capital. Office—7451 Coldwater Canyon Avenue, North Hollywood, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

● **Cryplex Industries, Inc. (1/29-2/2)**

Oct. 10, 1961 filed 80,000 common. Price—\$3.75. Business—Manufactures plastic jewelry, dress accessories

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January 9 (Tuesday)

American Finance Co., Inc.	Units
(Myron A. Lomasney & Co.) \$1,250,000	
Campbell Soup Co.	Capital
(First Boston Corp. and Merrill Lynch, Pierce, Fenner & Smith Inc.) 91,000 shares	
Fluorocarbon Co.	Common
(D. A. Lomasney & Co.) \$300,000	
Griesedieck Co.	Common
(Offering to stockholders—underwritten by Edward D. Jones & Co.) 100,000 shares	
Municipal Investment Trust Fund, Pa. Series	Ints.
(Ira Haupt & Co.) \$6,375,000	
New York Telephone Co.	Bonds
(Bids 11 a.m. EST) \$60,000,000	
Savin Business Machines Corp.	Common
(Ira Haupt & Co.) \$1,500,000	
Union Title Co.	Capital
(No underwriting) \$1,125,000	
Union Trust Life Insurance Co.	Common
(No underwriting) 300,000 shares	
World Scope Publishers, Inc.	Common
(Standard Securities Corp.) 300,000 shares	

January 10 (Wednesday)

Gluckin (Wm.) Co., Ltd.	Common
(Globus, Inc.) \$1,750,000	
Hartfield Stores, Inc.	Debentures
(Van Alstyne, Noel & Co. and Johnston, Lemon & Co.) \$5,000,000	
Jorn's Greeting Card Co., Inc.	Common
(Godfrey, Hamilton, Taylor & Co., Inc.) 110,000 shares	
Kiddie Rides, Inc.	Units
(Paul C. Kimball & Co.) 1,000 units	
Marshall Electronics Co.	Common
(Richard Bruce & Co., Inc.) \$300,000	
Natural Gas Pipeline Co. of America	Bonds
(Dillon, Read & Co., Inc. and Halsey, Stuart & Co., Inc.) \$30,000,000	
Paramount Foam Industries	Common
(Pialkov & Co., Inc.) 137,500 shares	
Puerto Rico Capital Corp.	Common
(Lieberbaum & Co. and Morris Cohen & Co.) \$5,000,000	
Tri-Point Industries, Inc.	Common
(Hill, Darlington & Grimm) 160,000 shares	

January 15 (Monday)

Acro Electronic Products Co.	Common
(Roth & Co., Inc.) \$400,000	
Alan-Randal Co., Inc.	Common
(Pacific Coast Securities Co.) \$300,000	
Al-Crete Corp.	Common
(Whitehall Securities Corp.) \$381,000	
Aluma-Rail, Inc.	Common
(Amber, Burstein & Co., Inc.) \$225,000	
American Micro Devices, Inc.	Common
(Naftalin & Co., Inc.) \$1,725,000	
Anoroc Products, Inc.	Common
(G. Everett Parks & Co., Inc. and Parker Co.) \$300,000	
Artlin Mills, Inc.	Common
(Mortimer B. Burnside & Co., Inc.) \$675,000	
Atlas Electronics Inc.	Common
(Hay, Fales & Co. and McLaughlin, Kaufman & Co.) \$388,500	
Berne of California, Inc.	Common
(Pacific Coast Securities Co.) \$255,000	
Block (H. R.), Inc.	Common
(George K. Baum & Co.) \$300,000	
Blue Haven Pools	Capital
(Pacific Coast Securities Co.) \$300,000	
Bush Terminal Co.	Common
(Offering to stockholders—no underwriting) 92,320 shares	
Campus Casuals of California	Common
(William R. Staats & Co.) 140,000 shares	
Cineque Colorfilm Laboratories, Inc.	Common
(Paul Bismberg Co.) \$300,000	
Cole Vending Industries, Inc.	Common
(Straus, Blosser & McDowell) \$575,000	
Commonwealth Realty Trust	Shares
(Woodcock, Moyer, Fricke & French, Inc. and Gerstley, Sunstein & Co.) \$4,305,560	

Cooke Engineering Co.	Common
(Jones, Kreeger & Co.) \$352,000	
Coyle's Voting Machine Co.	Common
(John A. Kemper & Co.) \$147,500	
Cromwell Business Machines, Inc.	Common
(Pacific Coast Securities Co.) \$300,000	
Delford Industries, Inc.	Common
(I. R. E. Investors Corp.) \$332,500	
DeLuxe Homes, Inc.	Common
(Alessandrini & Co., Inc.) \$300,000	
Dougherty Brothers Co.	Common
(Suplee, Yeatman, Mosley & Co., Inc.) 120,000 shares	
Folz Vending Co., Inc.	Common
(No underwriting) \$330,000	
Garden State Small Business Investment Co.	Com.
(Godfrey, Hamilton, Taylor & Co., Inc.) \$990,000	
Gould Paper Co.	Common
(Amos Treat & Co., Inc.) \$1,540,000	
Interstate Hosts, Inc.	Debentures
(Offering to stockholders—underwritten by Glorie, Forgan & Co. and H. M. Bylesby & Co., Inc.) \$2,550,000	
Johnson Electronics, Inc.	Capital
(Warner, Jennings, Mandel & Longstreth) 125,000 shares	
Laboratory Procedures, Inc.	Capital
(Pacific Coast Securities Co.) \$250,000	
Leslie (Joyce), Inc.	Common
(Seymour, Bernard & DuBoff, Inc.) \$550,000	
Lomart Perfected Devices, Inc.	Common
(No underwriting) \$500,000	
Maust Coal & Coke Corp.	Common
(Eastman Dillon, Union Securities & Co.) 250,000 shares	
Melnor Industries, Inc.	Common
(Francis I. duPont & Co.) 152,500 shares	
Metallurgical International, Inc.	Class A
(Mortimer B. Burnside & Co.) \$435,000	
Miss Elliette, Inc.	Common
(F. L. Rossman & Co.) 100,000 shares	
National Bowling Lanes, Inc.	Capital
(Edward Lewis & Co., Inc.) \$825,000	
National Capital Acceptance Corp.	Common
(Guardian Investment Corp.) \$300,000	
National Equipment & Plastics Corp.	Common
(Cortlandt Investing Corp.) \$525,000	
Nutri-Laboratories, Inc.	Common
(Hirschel & Co.) \$500,000	
Orion Electronics Corp.	Common
(A. D. Gilhard & Co., Inc.) \$350,000	
Pacific Nutrient & Chemical Co.	Common
(Paul Eisenberg & Co., Inc. and Magnus & Co., Inc.) \$480,000	
Policy-Matic Affiliates, Inc.	Capital
(Balogh & Co., Inc.) \$650,000	
Popular Library, Inc.	Capital
(Sutro Brothers & Co.) 127,500 shares	
Rubber & Fibre Chemical Corp.	Common
(Armstrong & Co., Inc.) \$600,000	
Southern California Edison Co.	Common
(First Boston Corp. and Dean Witter & Co.) 1,500,000 shares	
Southern Realty & Utilities Corp.	Units
(Hirsch & Co. and Lee Higginson Corp.) 8,280 units	
Turner Engineering & Automation Corp.	Com.
(Valley Forge Securities Co., Inc.) \$300,000	
Tyson Metal Products, Inc.	Common
(Arthurs, Lestrangle & Co.) 70,000 shares	
Val-U Homes Corp. of Delaware	Common
(Underwriter to be named) \$500,000	
Vic Tanny Enterprises, Inc.	Common
(Globus, Inc. and Ross, Lyon & Co., Inc.) \$1,250,000	
Voron Electronics Corp.	Class A
(John Joshua & Co., Inc. and Reuben Rose & Co.) \$300,000	
Weiss Bros. Stores, Inc.	Class A
(Francis I. duPont & Co.) 140,000 shares	
West Coast Telephone Co.	Common
(Blyth & Co., Inc.) 110,000 shares	
Westland Capital Corp.	Common
(Bear, Stearns & Co.) \$10,840,000	

January 16 (Tuesday)

A & M Instrument, Inc.	Common
(Crosse & Co., Inc.; V. S. Wickett & Co., Inc. and Thomas, Williams & Lee) \$525,000	
Bernz (Otto) Co., Inc.	Class A
(Reynolds & Co., Inc.) 150,000 shares	

Garrett Corp.	Debentures
(Merrill Lynch, Pierce, Fenner & Smith Inc.) \$20,000,000	
Hannett Industries, Inc.	Common
(Albion Securities Co., Inc.) \$300,000	
L. L. Drug Co., Inc.	Common
(Stevens Investment Co.) \$450,000	
Lincoln Fund, Inc.	Common
(Horizon Management Corp.) 951,799 shares	
Pride Industries, Inc.	Common
(Steven Investment Corp.) \$375,000	
San Diego Imperial Corp.	Common
(White, Weld & Co., Inc. and J. A. Hogle & Co.) 350,091 shares	
United Scientific Laboratories, Inc.	Common
(Fred P. Sessler Co., Inc.) \$720,000	

January 22 (Monday)

Acrylic Optics Corp.	Debentures
(A. D. Gilhard & Co., Inc.) \$240,000	
Acrylic Optics Corp.	Common
(A. D. Gilhard & Co., Inc.) \$50,000	
Astro-Science Corp.	Common
(W. C. Langley & Co.) 232,500 shares	
Berkshire Distributors, Inc.	Common
(May & Gannon) 100,000 shares	
Best Plastics Corp.	Common
(S. B. Cantor Co.) \$375,000	
Caldwell Publishing Corp.	Capital
(S. B. Cantor Co.) \$687,500	
Cavalier Radio & Electronics Corp.	Common
(General Securities Co., Inc.) \$300,000	
Certified Industries, Inc.	Units
(Singer, Beane & Mackie, Inc.) \$750,000	
Concours Supply Co., Inc.	Common
(Roth & Co., Inc.) \$400,000	
Glass-Tite Industries, Inc.	Common
(Hemphill, Noyes & Co.) 185,000 shares	
Green (Henry J.) Instrument Co.	Common
(N. A. Hart & Co.) \$315,000	
Gulf American Fire & Casualty Co.	Common
(Offering to stockholders—no underwriting) \$452,008	
Interphoto Corp.	Common
(C. E. Unterberg, Towbin Co. and Arnold & S. Bleichroeder, Inc.) \$1,800,000	
Jackson Optical, Inc.	Common
(Stan-Bee & Co.) \$150,000	
Japan Fund, Inc.	Common
(Bache & Co.; Paine, Webber, Jackson & Curtis and Nikko Securities Co., Ltd.) \$25,000,000	
Jayark Films Corp.	Common
(Pacific Coast Securities Co.) 72,000 shares	
Markite Corp.	Common
(C. E. Unterberg, Towbin Co.) 100,000 shares	
Marks Polarized Corp.	Common
(Ross, Lyon & Co., Inc.; Glass & Ross, Inc. and Globus, Inc.) 95,000 shares	
Metatronics Manufacturing Corp.	Common
(Frank Karasik & Co.) \$200,000	
Molecular Dielectrics, Inc.	Common
(Street & Co., Inc. and Irving Wels & Co.) \$750,000	
Motor Parts Industries, Inc.	Class A
(Street & Co., Inc.) 120,000 shares	
National Real Estate Investment Trust	Common
(Lee Higginson Corp.) \$15,000,000	
National Tel-Tronics Corp.	Common
(Frank Karasik & Co., Inc.) \$399,000	
Olympia Mines, Inc.	Capital
(Gaugmont Corp., Ltd.) \$405,000	
Originala, Inc.	Common
(Underwriter to be named) \$1,387,500	
Papekote, Inc.	Common
(Edward Lewis Co., Inc.) \$300,000	
Ripley Industries, Inc., and Jomar Plastics Inc.	Units
(Paine, Webber, Jackson & Curtis and American Securities Corp.) 100,000 units	
Roto Cylinders, Inc.	Common
(Woodcock, Moyer, Fricke & French, Inc.) \$300,000	
United Aero Products Corp.	Debentures
(Hess, Grant & Remington, Inc. and Arthurs, Lestrangle & Co.) \$600,000	

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and novelties. **Proceeds**—For product development, moving expenses and working capital. **Office**—37 E. 18th St., N. Y. **Underwriter**—Herbert Young & Co., Inc., N. Y.

Custom Meta Products, Inc.

Nov. 20, 1961 filed 100,000 common. **Price**—\$4. **Business**—Manufacture of metal components and electronic hardware to precise tolerances. **Proceeds**—For repayment of debt and other corporate purposes. **Office**—626 Atkins Ave., Brooklyn, N. Y. **Underwriter**—Blank, Lieberman & Co., Inc., N. Y.

★ Cut & Curl, Inc.

Dec. 20, 1961 filed 100,000 common. **Price**—\$4. **Business**—Operation of beauty salons. **Proceeds**—For expansion. **Office**—67-11 Main St., Flushing, N. Y. **Underwriter**—M. J. Merritt & Co., Inc., N. Y.

Cybernetic Systems Corp.

Dec. 5, 1961 filed 100,000 class A shares. **Price**—\$4. **Business**—Company plans to operate a service to furnish advice, assistance and skill in the field of data processing. **Proceeds**—For general corporate purposes. **Office**—71 W. 23rd St., N. Y. **Underwriter**—Jay W. Kaufmann & Co., N. Y.

Dale Systems, Inc. (1/8-12)

Aug. 9, 1961 filed 100,000 common. **Price**—\$3.25. **Business**—A shopping service which checks the efficiency of retail sales employees. **Proceeds**—Expansion and general corporate purposes. **Office**—1790 B'way, N. Y. **Underwriter**—Theodore Arrin & Co., Inc., N. Y.

Data-Design Laboratories, Inc.

Oct. 9, 1961 filed 100,000 capital shares. **Price**—By amendment. **Business**—Publishing of technical reports and manuals covering electronic equipment. **Proceeds**—For debt repayment and working capital. **Office**—945 E. California St., Ontario, Calif. **Underwriter**—Morgan & Co., Los Angeles.

Dataline Computer Processing Associates, Ltd.

Nov. 21, 1961 ("Reg. A") 160,000 common. **Price**—\$1.25. **Business**—Renders consulting services in the field of commercial data processing. **Proceeds**—For debt repayment and working capital. **Office**—50 E. 42nd St., N. Y. **Underwriter**—Robert F. Shaw, Locust Valley, N. Y.

David & Dash, Inc.

Oct. 25, 1961 filed 108,000 common. **Price**—\$5. **Business**—Designing, converting, importing and distributing of decorative fabrics. **Proceeds**—For debt repayment and general corporate purposes. **Office**—2445 N. Miami Ave., Miami, Fla. **Underwriter**—Stirling, Linder & Prigal, Inc., 50 Broadway, N. Y.

David's Inc. (1/3)

Nov. 29, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Operation of a membership department store. **Proceeds**—For working capital. **Office**—11000 E. Kellogg St., Wichita, Kan. **Underwriters**—Quinn & Co., Albuquerque; A. G. Edwards & Sons, St. Louis; Peters, Writer & Christensen, Inc., Denver; Midland Securities Co., Inc., Kansas City, Mo.; and Dempsey-Tegeler & Co., St. Louis.

Davis (H.) Toy Corp.

Nov. 27, 1961 filed 100,000 capital shares (with attached warrants to purchase an additional 100,000 shares), to be offered in units of one share and one warrant. **Price**—\$3.25 per unit. **Business**—Manufactures educational toys. **Proceeds**—To repay debt and increase working capital. **Office**—794 Union St., Brooklyn, N. Y. **Underwriters**—Hampstead Investing Corp., Aetna Securities Corp., and Atlas Securities Corp., N. Y.

Deer Park Baking Co. (1/8-12)

Oct. 27, 1961 filed 90,000 common, of which 10,000 shares are to be offered by the company and 80,000 shares by stockholders. **Price**—\$6.75. **Business**—Manufacture of Danish-style and ice-box cookies. **Proceeds**—For working capital and general corporate purposes. **Office**—

South Egg Harbor Rd., Hammonton, N. J. **Underwriter**—J. R. Williston & Beane, N. Y.

Delaware Barrel & Drum Co., Inc. (1/8-12)

Sept. 26, 1961 filed 100,000 common. **Price**—By amendment. **Business**—Manufacture of plastic shipping containers and tanks. **Proceeds**—For research and development and other corporate purposes. **Office**—Eden Park Gardens, Wilmington, Del. **Underwriter**—G. H. Walker & Co., N. Y.

Delford Industries, Inc. (1/15-19)

Sept. 28, 1961 filed 95,000 common. **Price**—\$3.50. **Business**—Manufacture of precision rubber extrusions. **Proceeds**—Plant expansion, equipment, debt repayment and working capital. **Office**—82-88 Washington St., Middletown, N. Y. **Underwriter**—I. R. E. Investors Corp., Levittown, N. Y.

• Delta Capital Corp.

Aug. 9, 1961 filed 500,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—610 National Bank of Commerce Building, New Orleans. **Underwriters**—Blair & Co., New York and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing). **Offering**—Expected sometime in March.

Delta Venture Capital Corp.

July 13, 1961 filed 520,000 common shares. **Price**—\$3.30. **Business**—An investment company. **Office**—1011 N. Hill St., Hopkins, Minn. **Underwriter**—None.

• Deluxe Homes, Inc. (1/15-19)

Dec. 11, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Construction and financing of shell homes. **Proceeds**—For working capital. **Address**—Allendale, S. C. **Underwriter**—Alessandrini & Co., Inc., N. Y.

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U. S. Controls, Inc. (N. A. Hart & Co.) \$270,000 Common
Valley Metallurgical Processing Co. (McDonnell & Co., Inc.) 70,000 shares Common
Van-Pak, Inc. (Hodgdon & Co., Inc.) \$2,100,000 Common
Widmann (L. F.), Inc. (Godfrey, Hamilton, Taylor & Co.) \$486,000 Common

January 23 (Tuesday)

Shamrock Oil & Gas Corp. (First Boston Corp.) \$25,000,000 Debentures
Texas Power & Light Co. (Bids 11:30 a.m.) \$10,000,000 Debentures

January 29 (Monday)

Aero-Dynamics Corp. (Cambridge Securities, Inc. and Edward Lewis Co., Inc.) \$500,000 Common
Airtronics International Corp. of Florida (Stein Bros. & Boyce and Vickers, McPherson & Warwick, Inc.) 199,000 shares Common
Alaska Pacific Lumber Co. (Dempsey-Tegeler & Co., Inc.) 250,000 shares Common
Alson Manufacturing Co. (Albion Securities Co., Inc.) \$300,000 Common
American Book-Stratford Press, Inc. (Bear, Stearns & Co.) 430,000 shares Common
American Realty & Petroleum Corp. (Troster Finger & Co.) \$2,000,000 Debentures
Atmospheric Controls, Inc. (First Investment Planning Co.) \$140,000 Common
Bacharach Industrial Instrument Co. (Arthurs, Lestrangle & Co.) 60,000 shares Common
Bay State Electronics Corp. (S. D. Fuller & Co.) 160,000 shares Common
Browning Arms Co. (Harriman Riple & Co., Inc.) 368,700 shares Common
Central Acceptance Corp. of Delaware (Armstrong & Co., Inc.) \$750,000 Common
Century Brick Corp. (Sandkuhl & Co., Inc.) \$300,000 Common
Consolidated Bowling Corp. (Doollittle & Co.) 200,000 shares Common
Cryplex Industries, Inc. (Herbert Young & Co., Inc.) \$300,000 Common
District Photo, Inc. (Auchincloss, Parker & Redpath) 100,000 shares Common
Eastern Properties Improvement Corp. (Woodcock, Moyer, Fricke & French, Inc.) \$2,500,000 Common
Eastern Properties Improvement Corp. (Woodcock, Moyer, Fricke & French, Inc.) \$1,500,000 Debens.
Fastline Inc. (G. Everett Parks & Co., Inc.) \$460,000 Units
Fidelity American Financial Corp. (Netherlands Securities Co., Inc.) \$500,000 Common
Flair Cards, Inc. (Amber, Burstein & Co., Inc.) \$224,001 Common
Florida Palm-Aire Corp. (Offering to stockholders—underwritten by Hardy & Co.) \$620,000 Common
Florida Palm-Aire Corp. (Hardy & Co.) \$306,000 Common
Harleysville Life Insurance Co. (No underwriting) \$600,000 Common
Hartman Marine Electronics Corp. (Charles Plohn & Co.) \$400,000 Common
Hydra-Loc, Inc. (McLaughlin, Kaufman & Co.) \$120,000 Common
Inpak Systems, Inc. (Stearns & Co. and Joseph Nadler & Co.) \$382,500 Common
Interworld Film Distributors, Inc. (General Securities Co., Inc. and S. Kasdan & Co., Inc.) \$425,000 Common
King Louie Bowling Corp. (George K. Baum & Co.) \$975,000 Common
Kollmorgen Corp. (Putnam & Co.) 100,000 shares Common
Krylon, Inc. (Eastman Dillon, Union Securities & Co.) 250,000 shares Common

Lido Corp. (Flomenhaft, Seidler & Co., Inc.) \$273,000 Common
MacLevy Associates, Inc. (Continental Bond & Share Corp.) \$300,000 Common
McCall Corp. (Offering to stockholders—underwritten by Goldman, Sachs & Co.) \$9,983,000 Debentures
Mobile Rentals Corp. (Kleiner, Bell & Co.) 215,000 shares Common
Plasticrete Corp. (Blair & Co., Inc.) 160,000 shares Common
RF Interonics, Inc. (Arnold Malkin & Co.) \$200,000 Common
Rodale Electronics, Inc. (Charles Plohn & Co.) \$300,000 Common
S. M. S. Instruments, Inc. (Lieberbaum & Co.) \$325,000 Common
Sav-Mor Oil Corp. (Amber, Burstein & Co., Inc.) \$230,000 Common
Sea-Wide Electronics, Inc. (Amos Treat & Co.) \$800,000 Common
Seg Electronics Co., Inc. (Searight, Ahalt & O'Connor, Inc.) 100,000 shares Common
Silo Discount Centers, Inc. (Boenning & Co. and Rodetsky, Walker & Co., Inc.) 165,000 shares Common
Sokol Brothers Furniture Co., Inc. (Continental Bond & Share Corp.) \$600,000 Common
Spandex Corp. (McLaughlin, Kaufman & Co.) \$270,000 Common
Texas Tennessee Industries, Inc. (S. D. Fuller & Co.) 175,000 shares Common
Tokyo Shibura Electric Co., Ltd. ("Toshiba") (Smith, Barney & Co. and Nomura Securities Co. Ltd.) 30,000,000 shares Common
Ultra Plastics Inc. (Amos Treat & Co.) \$600,000 Common
Vitamin Specialties Co. (Woodcock, Moyer, Fricke & French, Inc.) \$300,000 Capital
Worldwide Fund Ltd. (Burnham & Co.) \$10,000,000 Common

February 5 (Monday)

ABC Cellophane Corp. (Havener Securities Corp.) \$300,000 Common
Burton Mount Corp. (Reiner, Linburn & Co.) \$600,000 Common
Dynamic Toy, Inc. (Hancock Securities Corp.) \$243,000 Common
Equitable Credit & Discount Co. (Paul C. Kimball & Co.) \$1,100,000 Units
Gard (Andy) Corp. (Van Alstyne, Noel & Co.) 200,000 shares Common
Lunar Enterprises, Inc. (Ehrlich, Irwin & Co., Inc.) \$718,750 Common
Nigeria Chemical Corp. (Scott, Harvey & Co., Inc.) \$450,000 Common
Raritan Plastics Corp. (Gianis & Co., Inc.) \$500,000 Common
Shenk Industries, Inc. (Rodetsky, Walker & Co., Inc. and Boenning & Co.) \$900,000 Common
Sheraton Corp. of America (Paine, Webber, Jackson & Curtis and S. D. Lunt & Co.) \$8,000,000 Debentures
Stokely-Van Camp, Inc. (Reynolds & Co., Inc.) 100,000 shares Common
Stokely-Van Camp, Inc. (Reynolds & Co., Inc.) \$15,000,000 Debentures
Tech-Torch Co., Inc. (Scott, Harvey & Co., Inc.) \$325,000 Common
Vornado, Inc. (Bache & Co.) \$5,500,000 Debentures
Westates Land Development Corp. (Morris Cohen & Co.) \$3,000,000 Units
World Toy House, Inc. (Laren Co.) 150,000 shares Common
Wulpa Parking Systems, Inc. (Ehrlich, Irwin & Co., Inc.) \$300,000 Common

February 6 (Tuesday)

Elizabethtown Water Co. (Bids to be received) \$9,000,000 Debentures

February 7 (Wednesday)

El Paso Electric Co. (Bids to be received) \$10,500,000 Bonds

February 8 (Thursday)

Fluke (John) Mfg. Co., Inc. (White, Weld & Co.) 170,000 shares Common

February 13 (Tuesday)

Arwood Corp. (Bear, Stearns & Co.) 230,000 shares Common
Austin Continental Industries, Inc. (Raymond Moore & Co.) \$721,000 Common
Concord Products, Inc. (N. A. Hart & Co.) \$240,000 Common
Family Record Plan, Inc. (Bache & Co.) 200,000 shares Common
Filon Plastics Corp. (White, Weld & Co.) 200,000 shares Common
Honig's-Parkway, Inc. (Richard Bruce & Co., Inc.) \$300,000 Common
National Rolling Mills Co. (Drexel & Co.) 200,000 shares Common
Power Industrial Products Co. (S. D. Fuller & Co.) 160,000 shares Class A
Spiral Metal Co., Inc. (Flomenhaft, Seidler & Co.) \$250,000 Common
Youthcraft Creations, Inc. (Paine, Webber, Jackson, & Curtis) 130,000 shares Class A

February 14 (Wednesday)

American Telephone & Telegraph Co. (Bids to be received) \$300,000,000 Deb. Bonds

February 15 (Thursday)

Western California Telephone Co. (Offering to stockholders underwritten by Dean Witter & Co.) 84,000 shares Common

February 19 (Monday)

First Midwest Capital Corp. (Paine, Webber, Jackson & Curtis and Craig-Hallum, Kinnard, Inc.) 150,000 shares Common
Technibilt Corp. (Frank Karasik & Co.) \$600,000 Common

February 20 (Tuesday)

Duke Power Co. (Bids 11 a.m. EST) \$50,000,000 Bonds

February 26 (Monday)

Bridge Electronics Co., Inc. (Roth & Co., Inc. and Amos Treat & Co., Inc.) \$900,000 Common
Carmer Industries, Inc. (Godfrey, Hamilton, Taylor & Co., Inc.) 185,000 shares Common
Fields Plastics & Chemicals, Inc. (Sutro Bros. & Co.) 220,000 shares Common
First Scientific Corp. (Netherlands Securities Co., Inc.; Seymour Blauner Co. and Sprayregen, Haft & Co.) \$600,000 Class A
Honora, Ltd. (Sunshine Securities, Inc.) \$286,875 Common
Lithoid, Inc. (Godfrey, Hamilton, Taylor & Co., Inc.) \$360,000 Common
Oxford Finance Cos., Inc. (Blair & Co., Inc.) 200,000 shares Common
Sperti Products, Inc. (Blair & Co., Inc.) 230,000 shares Common
Tork Time Controls, Inc. (Godfrey, Hamilton, Taylor & Co. and Magnus & Co.) 150,000 shares Common
United Packaging Co., Inc. (Godfrey, Hamilton, Taylor & Co., Inc.) \$306,000 Common

March 1 (Thursday)

Oklahoma Gas & Electric Co. (Offering to stockholders—may be underwritten by Merrill Lynch, Pierce, Fenner & Smith, Inc.) 328,912 shares Common

March 5 (Monday)

Control Dynamics, Inc. (Brandtjen & Bayliss, Inc.) \$575,000 Common
West Penn Power Co. (Bids to be received) \$25,000,000 Bonds

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Dennis Real Estate Investment Trust

July 24, 1961 filed 100,000 shares of beneficial interest. **Price**—\$100. **Business**—A real estate investment company. **Office**—90 State Street, Albany, N. Y. **Underwriter**—None.

Dero Research and Development Corp.

Aug. 24, 1961 ("Reg. A") 54,000 common. **Price**—\$2.40. **Business**—The manufacture of FM Deviation Monitors. **Proceeds**—For development, expansion, advertising and working capital. **Office**—Broadway and Park Ave., Huntington, N. Y. **Underwriter**—James Co., N. Y. **Offering**—Imminent.

Deuterium Corp.

Sept. 28, 1961 filed 140,000 common with attached warrants to purchase an additional 140,000 shares to be offered for subscription by stockholders in units (of one share and one warrant) on the basis of 3 units for each 5% preferred share held, 2 units for each 5% preferred A stock held and one unit for each 10 class B shares held. **Price**—\$20 per unit. **Business**—Company plans to manufacture and utilize all kinds of chemical materials. **Proceeds**—For start-up expenses for a laboratory and small plant. **Office**—360 Lexington Ave., New York. **Underwriter**—None.

Dialight Corp.

Dec. 22, 1961 filed 367,000 common. **Price**—By amendment. **Business**—Design and manufacture of precision-engineered indicator lights for aircraft, missile and electronic instruments. **Proceeds**—For selling stockholders. **Office**—60 Stewart Ave., Brooklyn, N. Y. **Underwriter**—Burnham & Co., N. Y.

District Photo, Inc. (1/29-2/2)

Nov. 16, 1961 filed 100,000 common, of which 80,000 are to be offered by the company and 20,000 by a stockholder. **Price**—By amendment. **Business**—Processes and prints photographic film and distributes wholesale photographic equipment. **Proceeds**—For repayment of debt, plant expansion, and working capital. **Office**—3306 Wisconsin Ave., N. W., Washington, D. C. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C.

Diversified Discount & Acceptance Corp.

Dec. 13, 1961 filed 125,000 common. **Price**—\$4.50. **Business**—A small loan investment company. **Proceeds**—For expansion. **Office**—707 Northwestern Federal Bldg., Minneapolis. **Underwriter**—Bratter & Co., Inc., Minneapolis.

Diversified Small Business Investment Corp. (1/8-12)

Sept. 27, 1961 filed 600,000 common. **Price**—\$5. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—214 Engle St., Englewood, N. J. **Underwriters**—Lieberbaum & Co. and Morris Cohen & Co., N. Y.

Dixie Dinettes, Inc. (1/8-12)

Sept. 28, 1961 filed 144,000 common. **Price**—\$5. **Business**—Manufacture of tables and chairs for use in kitchens and dinettes. **Proceeds**—For selling stockholders. **Office**—Dabney Rd., Richmond, Va. **Underwriter**—Rubin, Rennert & Co., Inc., N. Y.

Dolphin-Miller Mines Ltd.

Oct. 3, 1961 filed 1,600,000 capital shares, of which 1,200,000 shares are to be offered by the company and 400,000 shares by stockholders. **Price**—50c. **Business**—The exploration and production of ores. **Proceeds**—For salaries and general corporate purposes. **Office**—25 Adelaide St., W., Toronto, Canada. **Underwriter**—Brewis & White Ltd., Toronto.

Don Mills, Inc.

Sept. 27, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Financing of shipments of business machines. **Proceeds**—General corporate purposes. **Office**—Red Rock Bldg., Atlanta, Ga. **Underwriter**—Stan-Bee & Co., Washington, D. C.

Dougherty Borthers Co. (1/15-19)

Oct. 24, 1961 filed 120,000 common. **Price**—By amendment. **Business**—Manufacture of medicine droppers and components and glass cartridges for the pharmaceutical industry. **Proceeds**—For debt repayment and general corporate purposes. **Address**—Buena, N. J. **Underwriters**—Suplee, Yeatman, Mosley Co., Inc., Philadelphia.

Dover Construction Co.

Dec. 21, 1961 filed \$750,000 convertible subordinated debentures due 1972, and 100,000 common. **Price**—By amendment. **Business**—Construction and sale of homes. **Proceeds**—For debt repayment and working capital. **Office**—2120 Green Rd., Cleveland. **Underwriter**—Merriell, Turben & Co., Inc., Cleveland.

Duralite Co., Inc.

Nov. 29, 1961 filed 128,000 common. **Price**—\$4. **Business**—Design and manufacture of aluminum-frame outdoor and porch furniture. **Proceeds**—For product development, equipment and working capital. **Office**—2 Barbour Ave., Passaic, N. J. **Underwriter**—Preiss, Cinder & Hoffman Inc., N. Y.

Dynamic Toy, Inc. (2/5-9)

June 30, 1961 ("Reg. A") 81,000 common. **Price**—\$3. **Business**—Manufacture of toys. **Proceeds**—Advertising, development of new products, expansion and working capital. **Address**—109 Ainslie St., Brooklyn, N. Y. **Underwriter**—Hancock Securities Corp., N. Y.

EMAC Data Processing Corp. (1/2-5)

Sept. 8, 1961 filed 100,000 common. **Price**—\$2.50. **Business**—The company conducts an electronic data processing service. **Proceeds**—Rental of additional data processing equipment, sales promotion, salaries, rent, furniture and working capital. **Office**—46-36 53rd Ave., Maspeth, N. Y. **Underwriter**—M. W. Janis Co., Inc., N. Y.

Eastern Properties Improvement Corp. (1/29-2/2)

Aug. 22, 1961 filed \$1,500,000 of subordinated debentures due 1981 and 250,000 common shares. **Price**—For debentures, \$1,000; for stock, \$10. **Business**—General real estate. **Proceeds**—For the acquisition and development of real properties, repayment of debt and engineering, etc. **Office**—10 E. 40th St., New York. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia.

Econ-O-Pay, Inc.

Oct. 26, 1961 filed 1,000,000 common. **Price**—\$3. **Business**—A dealer recourse finance business. **Proceeds**—General corporate purposes. **Office**—164 E. Main St., Valley City, N. D. **Underwriter**—Reserve Funds, Inc., Valley City, N. D.

Economy Food Enterprises Corp.

Nov. 29, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Sale and servicing of home food freezers and sale of bulk food to freezer owners. **Proceeds**—For general corporate purposes. **Office**—180 Babylon Turnpike, Roosevelt, L. I., N. Y. **Underwriter**—Sentinel Securities Planning Corp., Long Island City, N. Y.

Economy Water Conditioners of Canada Ltd.

Nov. 21, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Sale of water conditioning units to home owners. **Proceeds**—Rental of units, new distributorships and expansion. **Office**—36 Densley Ave., Toronto. **Underwriter**—S. I. Emrich Associates, Inc., N. Y.

Educational Aids Co., Inc.

Dec. 26, 1961 filed 100,000 common. **Price**—\$5. **Business**—Sale of school supplies, toys and notions. **Proceeds**—For equipment, inventories and working capital. **Office**—1125 Okie St., N. E., Washington, D. C. **Underwriter**—Wright, Myers & Bessell, Inc.

Edu-tronics, Inc.

Oct. 27, 1961 filed 80,000 common. **Price**—\$4. **Business**—Distribution of electronic parts and equipment. Company also plans to manufacture and sell electronic teaching machines. **Proceeds**—For product development and other corporate purposes. **Office**—136-05 35th Ave., Flushing, N. Y. **Underwriters**—Packer-Wilbur & Co., Inc. (mgr.) and Earle Securities Co., Inc., N. Y.

Educator & Executive Co.

Nov. 30, 1961 filed 174,900 common. **Price**—By amendment. **Business**—An holding company for insurance concerns. **Proceeds**—For general corporate purposes. **Office**—3857 N. High St., Columbus, Ohio. **Underwriter**—McDonald & Co., Cleveland.

Electro-Mec Instrument Corp.

Sept. 15, 1961 filed 176,480 common. **Price**—\$6. **Business**—The design, manufacture and sale of potentiometers, digitometers and goniometers used in airborne computing devices. **Proceeds**—For the selling stockholder, Walham Precision Instrument Co., Inc. **Office**—47-51 33rd St., Long Island City, N. Y. **Underwriter**—Sterling, Grace & Co., N. Y. **Note**—This registration was indefinitely postponed.

Electro-Tec Corp.

July 28, 1961 filed 91,000 common shares (par 10 cents). **Price**—By amendment. **Business**—The manufacture of slip rings and brush block assemblies, switching devices, relays, and precious metal products. **Proceeds**—For the selling stockholders. **Office**—10 Romanelli Ave., South Hackensack, N. J. **Underwriter**—Harriman Ripley & Co., Inc., N. Y. (mgr.). **Offering**—Expected in February.

Electromagnetics Corp.

Nov. 17, 1961 filed 75,000 common. **Price**—\$5. **Business**—Design and manufacture of precision nuclear magnetic instrumentation. **Proceeds**—For general corporate purposes. **Office**—Sawyer Lane, Hudson, Mass. **Underwriter**—Gianis & Co., Inc., N. Y.

Electronic Controls, Inc.

Nov. 29, 1961 filed 100,000 common. **Price**—\$3. **Business**—Design and manufacture of automatic electronic and computer controlled drives and systems, helicopter check-out, flight control and landing control systems and multi-contact relays and switches. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—67 Southfield Ave., Stamford, Conn. **Underwriter**—Seymour, Eernard & DeBoff, Inc., N. Y. **Offering**—Expected sometime in March.

Electronic Transmission Corp. (1/8-12)

Oct. 27, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Manufacture, design and field testing of closed-circuit television. **Proceeds**—For debt repayment and other corporate purposes. **Office**—103 Hawthorne Ave., Valley Stream, N. Y. **Underwriters**—V. S. Wickett & Co., Inc. and Thomas, Williams & Lee, Inc., N. Y.

Electrosolids Corp. (1/8-12)

Oct. 30, 1961 filed 100,000 cum. conv. preference shares. **Price**—By amendment. **Business**—Production of devices for converting AC-DC current for aircraft, missiles and ships. **Proceeds**—Debt repayment and other corporate purposes. **Office**—12740 San Fernando Rd., N., Sylmar, Calif. **Underwriter**—J. R. Williston & Beane, N. Y.

Elizabethtown Water Co. (2/6/62)

Dec. 21, 1961 filed \$9,000,000 of debentures due 1992. **Proceeds**—For debt repayment. **Office**—22 West Jersey St., Elizabeth, N. J. **Underwriters**—(Competitive). Probable bidders: W. C. Langley & Co.-Paine, Webber, Jackson & Curtis (jointly); Salomon Brothers & Hutzler-Eastman Dillon, Union Securities & Co. (jointly); White, Weld & Co.; Halsey, Stuart & Co. Inc. **Bids**—Expected Feb. 6.

Elmar Electronics Inc. (1/8-12)

Sept. 29, 1961 filed 200,000 common, of which 100,000 will be sold by the company and 100,000 by stockholders. **Price**—By amendment. **Business**—Distribution of electronic parts and equipment. **Proceeds**—Debt repayment, expansion and working capital. **Office**—140 Eleventh St.,

Oakland, Calif. **Underwriter**—Schwabacher & Co., San Francisco.

Empire Fund, Inc. (1/8-12)

June 28, 1961 filed 1,250,000 shares of capital stock to be offered in exchange for blocks of designated securities. **Business**—A "centennial-type" fund which plans to offer a tax free exchange of its shares for blocks of corporate securities having a market value of \$20,000 or more. **Office**—44 School Street, Boston, Mass. **Underwriter**—A. G. Becker & Co., Inc., Chicago.

Empire Precision Components, Inc. (1/8-12)

Aug. 29, 1961 ("Reg. A") 65,000 class A. **Price**—\$4. **Business**—The manufacture of metal component parts for precision electronic connectors. **Proceeds**—For moving expenses, a new plant, equipment, repayment of loans and working capital. **Office**—574 President St., Brooklyn, N. Y. **Underwriter**—Ezra Kureen Co., N. Y.

Eon Corp.

Oct. 2, 1961 filed 133,333 common. **Price**—By amendment. **Business**—Manufacture of equipment for radiation detection and measurements. **Proceeds**—For equipment, leasehold improvements and working capital. **Office**—175 Pearl St., Brooklyn. **Underwriter**—L. H. Rothchild & Co., N. Y.

Equitable Credit & Discount Co. (2/5-9)

Oct. 27, 1961 filed \$1,000,000 of 6½% jr. subord. conv. debentures due 1977 and 50,000 common shares to be offered in units consisting of \$500 of debentures and 25 shares. **Price**—\$550 per unit. **Business**—Lending and insurance. **Proceeds**—For working capital. **Office**—674 N. Broad St., Philadelphia. **Underwriter**—Paul C. Kimball & Co., Chicago.

Equity Capital Co.

Nov. 29, 1961 filed \$3,000,000 of 8% subordinate debentures due 1965. **Price**—At par. **Business**—The investment in mortgages and the making of construction loans to builders and property owners. **Proceeds**—For repayment of debt and working capital. **Office**—430 First Ave. North, Minneapolis. **Underwriter**—None.

Extrin Foods, Inc.

Nov. 29, 1961 filed 100,000 common. **Price**—\$3.25. **Business**—Creation and manufacture of flavors for the baking and confectionary industries. **Proceeds**—For additional personnel, new products and possible acquisitions. **Office**—70 Barclay St., N. Y. **Underwriters**—Hay, Fales & Co., and McLaughlin, Kaufman & Co., N. Y. **Offering**—Expected sometime in March.

Fairbanks Wire Co., Inc.

Oct. 30, 1961 filed 54,000 common. **Price**—\$3. **Business**—Manufactures specialized machinery and equipment. **Proceeds**—For debt repayment and general corporate purposes. **Office**—Walnut St., M D 23, Newburg, N. Y. **Underwriter**—First Madison Corp., N. Y.

Family Circle Associates, Inc. (1/8-12)

Aug. 30, 1961 filed 50,000 class A common. **Price**—\$7. **Business**—The operation of retail discount department stores. **Proceeds**—For repayment of loans and working capital. **Office**—30 Main St., Keyport, N. J. **Underwriter**—Russell & Saxe, Inc., N. Y.

Family Record Plan, Inc. (2/13-16)

Nov. 20, 1961 filed 200,000 common. **Price**—By amendment. **Business**—Sale of photographic portraits and albums. **Proceeds**—For selling stockholders. **Office**—2015 W. Olympic Blvd., Los Angeles. **Underwriter**—Bache & Co., N. Y.

Faradyn Electronics Corp.

Jan. 30, 1961 filed \$2,000,000 of 6% convertible subordinated debentures. **Price**—100% of principal amount. **Business**—The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. **Proceeds**—For the payment of debts and for working capital. **Office**—471 Cortlandt Street, Belleville, N. J. **Underwriter**—To be named. **Note**—July 11, the SEC instituted "Stop Order" proceedings challenging the accuracy and adequacy of this statement.

Fastline Inc. (1/29-2/2)

Sept. 28, 1961 filed \$400,000 of 6% conv. subord. debentures due 1971 and 40,000 common shares to be offered publicly in units of one \$500 debenture and 50 common. **Price**—\$575 per unit. **Business**—Manufacture of concealed zippers. **Proceeds**—Debt repayment, advertising and working capital. **Office**—8 Washington Place, N. Y. **Underwriter**—G. Everett Parks & Co., Inc., N. Y.

Fastpak, Inc.

Nov. 30, 1961 filed 125,000 common. **Price**—\$5. **Business**—The distribution of nuts, bolts and other fastening devices manufactured by others. **Proceeds**—For debt repayment and general corporate purposes. **Office**—8 Benson Place, Freeport, N. Y. **Underwriter**—Arnold Malkan & Co., Inc., N. Y.

Federal Mortgage Investors

Dec. 21, 1961 filed 1,700,000 shares of beneficial interest. **Price**—By amendment. **Business**—A business trust which plans to qualify as a real estate investment trust. **Proceeds**—For investment. **Office**—50 State St., Boston. **Underwriters**—Hemphill, Noyes & Co., N. Y. and Paine, Webber, Jackson & Curtis, Boston.

Fidelity America Financial Corp. (1/29)

Oct. 3, 1961 filed 100,000 common. **Price**—\$5. **Business**—Commercial finance company. **Proceeds**—General corporate purposes. **Office**—42 S. 15th St., Phila. **Underwriter**—Netherlands Securities Co., Inc., N. Y.

Fidelity Mining Investments Ltd.

Nov. 30, 1961 filed 800,000 common. **Price**—By amendment. **Business**—Exploration and testing of mining properties. **Proceeds**—For general corporate purposes. **Office**—62 Richmond St., Toronto. **Underwriter**—G. V. Kirby & Associates, Ltd., Toronto.

Fields Plastics & Chemicals, Inc. (2/26-3/2)
Nov. 29, 1961 filed 220,000 common. **Price**—By amendment. **Business**—Manufacture of vinyl plastic sheeting. **Proceeds**—For selling stockholders. **Office**—199 Garibaldi Ave., Lodi, N. J. **Underwriter**—Sutro Bros. & Co., N. Y.

Fifth Avenue Cards, Inc. (1/8-12)
Sept. 28, 1961 filed 115,000 class A capital shares. **Price**—By amendment. **Business**—Operation of a chain of retail greeting card stores. **Proceeds**—Debt repayment, working capital and expansion. **Office**—18 W. 34th St., N. Y. **Underwriters**—Hardy & Co. and Filor, Bullard & Smyth, N. Y.

Filon Plastics Corp. (2/13-17)
Dec. 4, 1961 filed 200,000 common, of which 50,000 are to be offered by the company and 150,000 by stockholders. **Price**—By amendment. **Business**—Manufactures translucent fiberglass panels for building and decorative purposes. **Proceeds**—For expansion and working capital. **Office**—333 North Van Ness Ave., Hawthorne, Calif. **Underwriter**—White, Weld & Co., N. Y.

First Federated Life Insurance Co.
Sept. 20, 1961 filed 10,000 capital shares being offered for subscription by stockholders at the rate of one new share for each two held of record Dec. 26 with rights to expire Jan. 9, 1962. **Price**—\$35. **Proceeds**—To increase capital. **Office**—Munsey Bldg., Baltimore, Md. **Underwriter**—None.

First Hartford Realty Corp.
Oct. 30, 1961 filed 500,000 common. **Price**—By amendment. **Business**—Real estate investment. **Proceeds**—For property acquisitions, debt repayment and other corporate purposes. **Office**—380-390 W. Middle Turnpike, Manchester, Conn. **Underwriter**—Putnam & Co., Hartford. **Offering**—In early February.

First Midwest Capital Corp. (2/19-23)
Sept. 28, 1961 filed 150,000 common. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—General corporate purposes. **Office**—512 Nicollet Ave., Minneapolis. **Underwriters**—Paine, Webber, Jackson & Curtis, N. Y., and Craig-Hallum, Kinard, Inc., Minneapolis.

First New York Capital Fund, Inc.
Oct. 27, 1961 filed 2,770,000 capital shares. **Price**—\$1. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—1295 Northern Blvd., Manhasset, N. Y. **Underwriter**—None.

First Republic Corp. of America
Dec. 19, 1961 filed \$9,400,000 of 6½% convertible subordinated debentures due 1982 and 188,000 class A shares to be offered for subscription by class A stockholders in 47,000 units, each consisting of \$200 of debentures and 4 class A shares. One right will be issued for each class A share held, and 40 rights will be needed to purchase one unit. **Price**—By amendment. **Business**—General real estate. **Proceeds**—For debt repayment and other corporate purposes. **Office**—375 Fifth Ave., N. Y. **Underwriters**—Morris Cohon & Co. and Lieberman & Co., N. Y.

First Scientific Corp. (2/26-3/2)
Dec. 6, 1961 filed 200,000 class A stock. **Price**—\$3. **Business**—Company plans to acquire, invest in, and finance patents and new scientific technology. **Proceeds**—For general corporate purposes. **Office**—375 Park Ave., N. Y. **Underwriters**—Netherlands Securities Co., Inc., Seymour Blauner Co., and Sprayregen, Haft & Co., N. Y.

Flair Cards, Inc. (1/29-2/2)
Nov. 14, 1961 ("Reg. A") 74,667 common. **Price**—\$3. **Business**—Manufactures greeting cards, greeting card trays, dishes, note paper, etc. **Proceeds**—For debt repayment and working capital. **Office**—537 W. 53rd St., N. Y. **Underwriter**—Amber, Burstein & Co., Inc., N. Y.

Fleetwood Securities Corp. of America (1/2-5)
Aug. 8, 1961 filed 70,000 common shares, of which 56,000 shares are to be offered by the company and 14,000 shares by stockholders. **Price**—\$10. **Business**—Distributor of Electronics Investment Corp., Contractual Plans and a broker-dealer registered with NASD. **Proceeds**—To increase net capital and for investment. **Office**—44 Wall St., N. Y. **Underwriter**—General Securities Co., Inc., N. Y.

Flex-I-Brush, Inc.
Nov. 27, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Manufacture of one piece disposable plastic toothbrushes. **Proceeds**—For general corporate purposes. **Office**—7400 N. W. Seventh Ave., Miami, Fla. **Underwriter**—Meadowbrook Securities, Inc., Hempstead, N. Y.

Florida Palm-Aire Corp. (1/29-2/2)
Oct. 19, 1961 filed 463,000 common, of which 310,000 shares are to be offered for subscription by the stockholders on a 1-for-3 basis, and 153,000 shares will be sold to the public. **Price**—\$2. **Business**—Purchase, development and sale of undeveloped real property and related activities. **Proceeds**—For debt repayment and general corporate purposes. **Office**—1790 N. Federal Highway, Pompano Beach, Fla. **Underwriter**—Hardy & Co., N. Y.

Flower City Industries, Inc.
Nov. 29, 1961 filed 100,000 common. **Price**—\$3.25. **Business**—Design and manufacture of plastic artificial foliage and flowers. **Proceeds**—For general corporate purposes. **Address**—St. Thomas, Virgin Islands. **Underwriter**—Seidman & Williams, N. Y.

Floyd Bennett Stores, Inc.
Aug. 30, 1961 filed 100,000 common. **Price**—By amendment. **Business**—The operation of discount department stores. **Proceeds**—For repayment of loans and working capital. **Office**—300 W. Sunrise Highway, Valley Stream, N. Y. **Underwriters**—Goodkind, Neufeld, Jordon Co., Inc. and Richter & Co., N. Y. (mgrs.). **Offering**—Imminent.

Fluke (John) Mfg. Co., Inc. (2/8)
Dec. 11, 1961 filed 170,000 common, of which 135,000 are to be offered by the company and 35,000 by stockholders. **Price**—By amendment. **Business**—Design and manufacture of precision electronic instruments, potentiometers, and related components. **Proceeds**—For debt repayment and working capital. **Office**—7100-220th St., S. W., Mountlake Terrace, Wash. **Underwriter**—White, Weld & Co., N. Y.

Fluorocarbon Co. (1/9-12)
Oct. 23, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Processing and fabrication of fluorocarbon plastic raw materials and parts. **Proceeds**—For debt repayment and general corporate purposes. **Office**—1754 S. Clementine St., Anaheim, Calif. **Underwriter**—D. A. Lomasney & Co., N. Y.

Folz Vending Co., Inc. (1/15-19)
Sept. 26, 1961 filed 55,000 common. **Price**—\$6. **Business**—The distribution of novelties, candy, etc. through vending machines. **Proceeds**—To repay loans, purchase machines, and increase working capital. **Office**—990 Long Beach Rd., Oceanside, N. Y. **Underwriter**—None.

Food Corp. of America
Oct. 5, 1961 filed 50,000 common. **Price**—\$2.50. **Business**—The acquisition of enterprises engaged in the food processing industry. **Proceeds**—For repayment of debt and working capital. **Office**—1207 Foshay Tower, Minneapolis, Minn. **Underwriter**—None.

Fram Corp. (1/8-12)
Sept. 1, 1961 filed 50,000 common. **Price**—By amendment. **Business**—The manufacture of oil and air filtration equipment for engines. **Proceeds**—To reimburse Treasury for a recent acquisition. **Office**—105 Pawtucket Ave., East Providence, R. I. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

Franklin Manufacturing Co.
Dec. 22, 1961 filed 349,590 common. **Price**—By amendment. **Business**—Design, manufacture and sale of household freezers, refrigerators, automatic washers and driers. **Proceeds**—For a selling stockholder. **Office**—65-22nd Ave., N. E., Minneapolis. **Underwriter**—Lehman Brothers, N. Y. **Offering**—In late February.

Futura Airlines (1/8-12)
Oct. 20, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Furnishing of scheduled air transportation service. **Proceeds**—For debt repayment and general corporate purposes. **Office**—8170 Beverly Rd., Los Angeles. **Underwriters**—Raymond Moore & Co., Los Angeles and Pacific Coast Securities Co., San Francisco.

Card (Andy) Corp. (3/5-9)
Dec. 15, 1961 filed 200,000 common. **Price**—By amendment. **Business**—Manufacture of molded plastic toys and housewares, and the custom molding of other plastic products. **Proceeds**—For general corporate purposes. **Address**—Leetsdale, Pa. **Underwriter**—Van Alstyne, Noel & Co., N. Y.

Garden State Small Business Investment Co. (1/15)
Oct. 27, 1961 filed 330,000 common. **Price**—\$3. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—1180 Raymond Blvd., Newark, N. J. **Underwriter**—Godfrey, Hamilton, Taylor & Co., N. Y.

Garrett Corp. (1/16)
Dec. 21, 1961 filed \$20,000,000 of debentures due Jan. 1, 1982. **Price**—By amendment. **Business**—A supplier of pressurization and air conditioning equipment for military and commercial aircraft and spacecraft; and the production of gas turbine engines and other aircraft equipment. **Proceeds**—For debt repayment. **Office**—9851 Sepulveda Blvd., Los Angeles. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

Gas Hills Uranium Co.
Aug. 29, 1961 filed 847,035 common to be offered for subscription by stockholders on a 1-for-10 basis. **Price**—By amendment. **Business**—The operation of uranium mines and a mill. **Proceeds**—For repayment of loans, acquisitions and working capital. **Office**—224 Iverson St., Laramie, Wyo. **Underwriter**—None. **Note**—This registration may be withdrawn.

Gateway Chemicals, Inc.
Nov. 22, 1961 filed 100,000 common, of which 50,000 are to be offered by the company and 50,000 by a stockholder. **Price**—By amendment. **Business**—Compounding and packaging of chemical products, primarily detergents. **Proceeds**—For working capital. **Office**—8136 S. Dobson Ave., Chicago. **Underwriter**—Federman, Stonehill & Co., N. Y.

General Corp. of America
Dec. 7, 1961 filed 266,000 common. **Price**—By amendment. **Business**—A holding company for an insurance firm. **Proceeds**—For general corporate purposes. **Office**—672 Hanna Bldg., Cleveland, O. **Underwriter**—Merrill, Turbin & Co., Inc., Cleveland.

Glass-Tite Industries, Inc. (1/22-26)
Sept. 27, 1961 filed 185,000 common, of which 135,000 are to be offered by the company and 50,000 by a stockholder. **Price**—By amendment. **Business**—Manufacture of glass-to-metal hermetic seals. **Proceeds**—For purchase of equipment, investment in a subsidiary, research and development, moving expenses, and working capital. **Office**—725 Branch Ave., Providence, R. I. **Underwriter**—Hemphill, Noyes & Co., N. Y.

Global Steel Products Corp.
Nov. 3, 1961 filed 68,000 common. **Price**—By amendment. **Business**—Manufacture of prefabricated metal toilet compartments. **Proceeds**—Debt repayment and general corporate purposes. **Office**—10014 Avenue D, Brooklyn, N. Y. **Underwriter**—Trebbick, Seiden & Forsyth, N. Y.

Globe Industries, Inc.
Oct. 30, 1961 filed 200,000 common, of which 100,000 are

to be offered by the company and 100,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of miniature electric motors, powdered metal products and devices for the missile and aircraft industries. **Proceeds**—For debt repayment and working capital. **Office**—1784 Stanley Ave., Dayton, Ohio. **Underwriter**—McDonald & Co., Cleveland.

Gluckin (Wm.) Co. Ltd. (1/10)
Aug. 25, 1961 filed 175,000 common. **Price**—\$10. **Business**—The manufacture of ladies' underclothing. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—Bank of Bermuda Bldg., Hamilton, Bermuda. **Underwriter**—Globus, Inc., N. Y. (mgr.)

Golf Courses, Inc.
Aug. 28, 1961 filed 100,000 capital shares. **Price**—\$6. **Business**—The company plans to operate a public golf course and a private country club. **Proceeds**—For purchase of land, construction and general corporate purposes. **Office**—1352 Easton Rd., Warrington, Bucks County, Pa. **Underwriter**—Metropolitan Securities, Inc., Philadelphia (mgr.)

Gotham Investment Corp.
Nov. 21, 1961 filed 100,000 common. **Price**—\$6. **Business**—Real estate investment. **Proceeds**—For working capital and other corporate purposes. **Office**—1707 H St., N. W., Washington, D. C. **Underwriter**—Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C.

Gould Paper Co. (1/15-19)
Sept. 28, 1961 filed 140,000 common. **Price**—\$11. **Business**—Manufacture of paper. **Proceeds**—Expansion and working capital. **Office**—Lyons Falls, N. Y. **Underwriter**—Amos Treat & Co., Inc., N. Y. **Offering**—In early Jan.

Graniteville Co.
Dec. 15, 1961 filed 796,716 common. **Price**—By amendment. **Business**—Manufacture of cotton fabrics. **Proceeds**—For acquisition of McCampbell & Co., Inc., a textile commission agent. **Address**—Graniteville, S. C. **Underwriter**—Shearson, Hammill & Co., N. Y. **Offering**—Expected in late February.

Grafco Industries, Inc. (1/8-12)
Sept. 27, 1961 filed 77,250 common. **Price**—\$4. **Business**—Manufacture of graphic arts equipment, chemicals and supplies. **Proceeds**—For the operation of a subsidiary, new product development, equipment and other corporate purposes. **Office**—291 Third Ave., N. Y. **Underwriter**—Philips, Rosen and Appel, N. Y.

Great Continental Real Estate Investment Trust
Aug. 3, 1961 filed 300,000 shares of beneficial interest. **Price**—\$10. **Business**—Real estate. **Proceeds**—For investment. **Office**—530 St. Paul Place, Baltimore. **Underwriter**—R. Baruch & Co., Inc., Washington, D. C. (mgr.). **Note**—This firm formerly was known as Continental Real Estate Investment Trust.

Great Southern Real Estate Trust
Nov. 30, 1961 filed 320,000 shares of beneficial interest. **Price**—By amendment. **Business**—Real estate investment. **Proceeds**—For general purposes of the Trust. **Office**—200 First National Bank Bldg. Annex, Atlanta. **Underwriter**—Courts & Co., Atlanta.

Greater Pittsburgh Capital Corp.
Nov. 14, 1961 filed 250,000 common. **Price**—\$11. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—952 Union Trust Bldg., Pittsburgh. **Underwriters**—Moore, Leonard & Lynch and Singer, Dean & Scribner, Pittsburgh.

Green (Henry J.) Instrument Co. (1/22-26)
Aug. 24, 1961 filed 140,000 common. **Price**—\$2.25. **Business**—The manufacture of precision meteorological instruments. **Proceeds**—For repayment of loans, equipment, salaries and general corporate purposes. **Office**—2500 Shames Dr., Westbury, N. Y. **Underwriter**—N. A. Hart & Co., Bayside, N. Y. **Offering**—In January.

Green Valley Construction Corp.
Nov. 29, 1961 filed 80,000 common. **Price**—\$5.25. **Business**—General contracting for landscaping and construction work. **Proceeds**—For debt repayment and other corporate purposes. **Office**—97-36 50th Ave., Corona, N. Y. **Underwriter**—Williamson Securities Corp., N. Y.

Griesedieck Co. (1/9-12)
Sept. 11, 1961 filed 100,000 common to be offered for subscription by stockholders on the basis of one new share for each three held. **Price**—By amendment. **Business**—A closed-end investment company. **Proceeds**—General corporate purposes. **Office**—314 N. B'way, St. Louis. **Underwriter**—Edward D. Jones & Co., St. Louis.

Guayaco Corp.
Nov. 29, 1961 ("Reg. A") 36,000 common. **Price**—\$5. **Business**—Manufacture and sale of hassocks, bench seats and leg rests. **Proceeds**—For debt repayment, equipment and working capital. **Address**—Guayanilla, Puerto Rico. **Underwriter**—I. R. E. Investors Corp., Levittown, N. Y. **Offering**—Imminent.

Gulf American Fire & Casualty Co. (1/22-26)
Sept. 28, 1961 filed 226,004 common to be offered for subscription by stockholders on the basis of three new shares for each 10 held. **Price**—\$2. **Business**—Writing of fire and casualty insurance. **Proceeds**—To increase capital and surplus. **Office**—25 S. Perry St., Montgomery, Ala. **Underwriter**—None.

Haltone Rental Corp.
Dec. 18, 1961 ("Reg. A") 150,000 common. **Price**—\$2. **Business**—Rental of furs and fur garments. **Proceeds**—For inventory, equipment, advertising and leasehold improvements. **Office**—350 Seventh Ave., N. Y. **Underwriter**—B. G. Harris & Co., Inc., N. Y.

Hannett Industries, Inc. (1/16)
Aug. 11, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Fabrication of components for missiles, jet

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engines, aircraft landing gears and precision machines. **Proceeds**—Machinery, research and development and working capital. **Office**—40 Sea Cliff Ave., Glen Cove, N. Y. **Underwriter**—Albion Securities Co., Inc., N. Y.

Happy House, Inc. (1/8-12)
July 28, 1961 filed 700,000 common shares. **Price**—\$1. **Business**—The marketing of gifts, candies and greeting cards through franchised dealers. **Proceeds**—For equipment, inventory and working capital. **Office**—11 Tenth Ave., S., Hopkins, Minn. **Underwriter**—None.

Hargrove Enterprises, Inc.
Dec. 8, 1961 filed 160,000 common. **Price**—\$5. **Business**—Company plans to own and operate an amusement park. **Proceeds**—For property development, advertising, and working capital. **Office**—3100 Tremont Ave., Chevy Chase, Md. **Underwriter**—Switzer & Co., Inc., Silver Springs, Md.

Harleysville Life Insurance Co. (1/29-2/2)
Sept. 21, 1961 filed 40,000 common. **Price**—\$15. **Business**—The writing of all types of life insurance and annuities. **Proceeds**—Working capital. **Office**—Harleysville, Pa. **Underwriter**—None.

• **Hartfield Stores, Inc. (1/10)**
Sept. 25, 1961 filed \$5,000,000 of conv. subord. debentures due 1981. **Price**—By amendment. **Business**—Operation of retail apparel and discount department stores. **Proceeds**—Repayment of debt, expansion and working capital. **Office**—5330 W. 102nd St., Los Angeles. **Underwriters**—Van Alstyne, Noel & Co., N. Y., and Johnston, Lemon & Co., Wash., D. C.

• **Hartman Marine Electronics Corp. (1/29-2/2)**
Oct. 27, 1961 filed 100,000 common, of which 75,000 are to be offered by the company and 25,000 by a selling stockholder. **Price**—\$4. **Business**—Manufacture of marine and mobile communications and electronic equipment and military transmitter-receivers. **Proceeds**—For general corporate purposes. **Office**—30-30 Northern Blvd., Long Island City, N. Y. **Underwriter**—Charles Plohn & Co., N. Y.

Harvey Radio Co., Inc.
Oct. 27, 1961 filed 200,000 common, of which 100,000 are to be offered by the company and 100,000 by a selling stockholder. **Price**—\$5. **Business**—Distribution of electronic components including high fidelity, radio and television parts and equipment. **Proceeds**—For working capital and general corporate purposes. **Office**—103 W. 43rd St., N. Y. **Underwriter**—Michael G. Kletz & Co., New York.

Hayden Publishing Co., Inc.
Nov. 29, 1961 filed 150,000 common, of which 20,000 are to be offered by the company and 130,000 by stockholders. **Price**—By amendment. **Business**—Publishes "Electronic Design," a trade magazine in the electronic field. **Proceeds**—For debt repayment. **Office**—850-3rd Ave., N. Y. **Underwriter**—Carl M. Loeb, Rhoades & Co., N. Y. **Offering**—Expected sometime in February.

Herman & Appley, Inc.
Oct. 27, 1961 filed 100,000 class A common. **Price**—By amendment. **Business**—General real estate. **Proceeds**—For investment. **Office**—16 Court St., Brooklyn, N. Y. **Underwriter**—Arnold, Wilkens & Co., N. Y.

• **Hickory Industries, Inc.**
Aug. 31, 1961 ("Reg. A") 40,000 common. **Price**—\$5. **Business**—The manufacture of barbecue machines and allied equipment. **Proceeds**—For equipment, inventory, sales promotion, expansion and working capital. **Office**—10-20 47th Rd., Long Island City, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., N. Y. **Offering**—Imminent.

High Temperature Materials, Inc. (1/8-12)
Sept. 28, 1961 filed 120,000 common. **Price**—By amendment. **Business**—Manufacture of products from test models. **Proceeds**—For equipment, research and development, leasehold improvements, repayment of debt and working capital. **Office**—130 Lincoln St., Brighton, Mass. **Underwriter**—L. F. Rothschild & Co., N. Y.

Hill Street Co.
Oct. 16, 1961 filed 2,265,138 common to be offered for subscription by stockholders of Union Bank of California on a share-for-share basis. **Price**—\$3. **Business**—A management investment company. **Proceeds**—For investment. **Office**—760 S. Hill St., Los Angeles. **Underwriter**—None.

Hillside Metal Products, Inc.
Dec. 15, 1961 filed 300,000 common, of which 200,000 shares are to be offered by the company and 100,000 shares by stockholders. **Price**—\$6. **Business**—Manufacture of steel office furniture. **Proceeds**—For debt repayment, plant expansion and working capital. **Office**—300 Passaic St., Newark, N. J. **Underwriters**—Milton D. Blauner & Co. and M. L. Lee & Co., Inc., N. Y.

Honig's-Parkway, Inc. (2/13-16)
Dec. 1, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Company owns and operates three discount stores in the Bronx selling bicycles, electric trains, toys, household appliances, etc. **Proceeds**—For general corporate purposes. **Office**—2717-25 White Plains Rd., Bronx, N. Y. **Underwriter**—Richard Bruce & Co., Inc. New York.

Honora, Ltd. (2/26-3/2)
Nov. 29, 1961 ("Reg. A") 76,500 common. **Price**—\$3.75. **Business**—Purchase of cultured pearls in Japan and their distribution in the U. S. **Proceeds**—For general corporate purposes. **Office**—42 W. 48th St., N. Y. **Underwriter**—Sunshine Securities, Inc., Rego Park, N. Y.

Hoosier Soil Service, Inc. (1/8-12)
Nov. 28, 1961 ("Reg. A") 41,939 common, of which 11,939 are to be offered to preferred and common stockholders and 30,000 to the public. **Price**—\$6.75. **Business**—Process-

ing and marketing of fertilizers. **Proceeds**—For redemption of preferred stock and working capital. **Address**—Bluffton, Ind. **Underwriter**—Patterson Securities & Investment Co., Inc., Fort Wayne, Ind.

House of Westmore, Inc.
Oct. 27, 1961 filed 150,000 common. **Price**—\$4. **Business**—Sale and distribution of cosmetics. **Proceeds**—For selling stockholders. **Office**—120 E. 16th St., N. Y. **Underwriters**—Brand, Grumet & Seigel, Inc. and Kesselman & Co., Inc., N. Y. **Offering**—Expected in January.

Hyatt Corp.
Oct. 20, 1961 filed 350,000 capital shares. **Price**—\$10. **Business**—Operates a chain of motor hotels. **Proceeds**—For debt repayment and general corporate purposes. **Office**—1290 Bayshore Highway, Burlingame, Calif. **Underwriters**—J. Barth & Co., San Francisco and Shearson, Hammill & Co., N. Y.

Hydra-Loc, Inc. (1/29-2/2)
Oct. 10, 1961 ("Reg. A") 60,000 common. **Price**—\$2. **Business**—Design, development and manufacture of a brake control. **Proceeds**—For debt repayment and general corporate purposes. **Office**—101 Park Ave., Hudson, N. Y. **Underwriter**—McLaughlin, Kaufman & Co., N. Y.

Hygiene Industries, Inc. (1/8-12)
Sept. 20, 1961 filed 200,000 common. **Price**—\$5. **Business**—Manufacturer of shower and window curtains. **Proceeds**—For selling stockholders. **Office**—261 5th Ave., N. Y. **Underwriter**—Milton D. Blauner & Co., N. Y.

★ **I. F. C. Collateral Corp.**
Dec. 22, 1961 filed \$1,500,000 of 10% registered subordinated debentures to be offered in five series due 1966 to 1970. **Price**—At par (\$1,000). **Business**—Purchase and sale of real estate mortgages. **Proceeds**—For investment. **Office**—630 Fifth Ave., N. Y. **Underwriter**—None.

• **Ihnen (Edward H.) & Son, Inc.**
May 16, 1961 filed 75,000 shares of common stock. **Price**—\$5 per share. **Business**—The construction of public and private swimming pools and the sale of pool equipment. **Proceeds**—To reduce indebtedness, to buy equipment, and for working capital. **Office**—Montvale, N. J. **Underwriter**—Amos Treat & Co., Inc., N. Y. **Note**—This registration was withdrawn.

• **Illinois Capital Investment Corp.**
Sept. 19, 1961 filed 250,000 common. **Price**—By amendment. **Business**—A small business investment company. **Office**—20 North Wacker Dr., Chicago, Ill. **Underwriter**—Blair & Co., Inc., N. Y. **Offering**—Imminent.

Imac Food Systems, Inc.
Nov. 17, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Operation of restaurants. **Proceeds**—For debt repayment, expansion and working capital. **Office**—711 Branch Ave., Providence, R. I. **Underwriter**—Freeman & Co., Brighton, Mass.

★ **Independent Telephone Corp.**
Dec. 22, 1961 filed 400,000 common. **Price**—By amendment. **Business**—A telephone holding company. **Proceeds**—For repayment and advances to subsidiaries. **Office**—25-27 South St., Dryden, N. Y. **Underwriter**—Burnham & Co., N. Y.

Industrial Finance & Thrift Corp.
Oct. 30, 1961 filed \$2,000,000 of 6% subordinated debentures due 1974. **Price**—At par. **Business**—A consumer finance firm. **Proceeds**—For repayment of debt and expansion. **Office**—339 Carondelet St., New Orleans, La. **Underwriter**—None.

Industrial Gauge & Instrument Co., Inc.
Nov. 9, 1961 ("Reg. A") 95,250 common. **Price**—\$3. **Business**—Purchase, distribution and sale of industrial gauges, thermometers, etc. **Proceeds**—For debt repayment and working capital. **Office**—1403-07 E. 180 St., Bronx, N. Y. **Underwriter**—R. F. Dowd & Co., Inc., N. Y.

★ **Industry Capital Corp.**
Dec. 26, 1961 filed 500,000 common. **Price**—\$15. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—208 S. La Salle St., Chicago. **Underwriter**—A. C. Allyn & Co., Chicago.

Information Systems, Inc.
Nov. 13, 1961 filed 1,266,000 common to be offered to preferred and common stockholders of Ling-Temco-Vought, Inc. (parent) of record Nov. 30, 1961. **Price**—By amendment. **Business**—Furnishes industrial information, handling and control systems. **Proceeds**—For selling stockholders. **Office**—10131 National Blvd., Los Angeles. **Underwriter**—None.

Inland Underground Facilities, Inc.
Dec. 7, 1961 filed 100,000 common. **Price**—\$10. **Business**—Mining of limestone and the operation of underground freezer and dry warehousing facilities. **Proceeds**—For debt repayment, equipment and other corporate purposes. **Office**—6500 Inland Dr., Kansas City, Kansas. **Underwriter**—Scherck, Richter Co., St. Louis.

Inpak Systems, Inc. (1/29-2/2)
Oct. 25, 1961 filed 90,000 common. **Price**—\$4.25. **Business**—Designs, develops, sells and leases automatic packaging machines. **Proceeds**—For debt repayment and general corporate purposes. **Office**—441 Lexington Ave., N. Y. **Underwriters**—Stearns & Co. and Joseph Nadler & Co., N. Y.

International Management Corp.
Aug. 21, 1961 ("Reg. A") 100,000 common (par \$1). **Price**—\$3. **Proceeds**—For loans to subsidiaries and working capital. **Office**—7510 B. Granby St., Norfolk, Va. **Underwriter**—J. B. McLean & Co., Inc., Norfolk. **Offering**—Imminent.

International Mech-Tronics, Inc. (1/8-12)
Sept. 1 1961 ("Reg. A") 120,000 common. **Price**—\$2. **Business**—The manufacture of precision instruments. **Proceeds**—For equipment and working capital. **Office**—176 E. 15th St., Paterson, N. J. **Underwriter**—Theodore

Arrin & Co., Inc., N. Y. **Note**—This firm formerly was known as Electronic International, Inc.

International Stretch Products Inc.
Nov. 27, 1961 filed 300,000 common. **Price**—By amendment. **Business**—Production and sale of extruded rubber thread and braided elastics. **Proceeds**—For debt repayment and general corporate purposes. **Office**—148 Madison Ave., N. Y. **Underwriter**—Burnham & Co., N. Y. **Offering**—Expected in early February.

Interphoto Corp. (1/22-26)
Sept. 15, 1961 filed 200,000 class A common. **Price**—\$9. **Business**—The wholesale distribution of photographic and sound equipment and supplies. **Proceeds**—For the selling stockholders. **Office**—45-17 Pearson St., Long Island City, N. Y. **Underwriters**—C. E. Unterberg, Towbin Co., and Arnold & S. Bleichroeder, Inc., N. Y.

Interstate Hosts, Inc. (1/15-19)
Oct. 2, 1961 filed \$2,550,000 of conv. subord. debentures due 1981 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 33 shares held. **Price**—At par. **Business**—The operation of restaurants, other food establishments and gift shops. **Proceeds**—For expansion. **Office**—11255 W. Olympic Blvd., Los Angeles. **Underwriters**—Glore, Forgan & Co., N. Y. and H. M. Byllesby & Co., Inc., Chicago.

Interworld Film Distributors, Inc. (1/29-2/2)
Sept. 29, 1961 filed 106,250 common. **Price**—\$4. **Business**—Theatrical distribution and co-production of foreign and domestic feature films. **Proceeds**—For acquisition, co-production, dubbing, adaptation and distribution of films, and working capital. **Office**—1776 B'way, N. Y. **Underwriters**—General Securities Co., Inc., and S. Kasdan & Co., Inc., N. Y.

Jackson Optical, Inc. (1/22-25)
Oct. 30, 1961 ("Reg. A") 75,000 common. **Price**—\$2. **Business**—Wholesale distribution of optical goods. **Proceeds**—For expansion and working capital. **Office**—64 N. Park Ave., Rockville Centre, N. Y. **Underwriter**—Stan-Bee & Co., Washington, D. C.

(The) **Japan Fund, Inc. (1/22-26)**
Oct. 19, 1961 filed 2,000,000 common. **Price**—\$12.50. **Business**—A diversified investment company. **Office**—25 Broad St., N. Y. **Proceeds**—For investment in Japanese securities. **Underwriters**—Bache & Co., and Paine, Webber, Jackson & Curtis, N. Y., and Nikko Securities Co., Ltd., Tokyo, Japan.

Jayark Films Corp. (1/22-26)
Aug. 24, 1961 filed 72,000 common, of which 50,000 are to be offered by the company and 22,000 by stockholders. **Price**—By amendment. **Business**—The distribution of motion picture and television films. **Proceeds**—For production of films and working capital. **Office**—15 E. 48th St., N. Y. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Jaylis Industries, Inc.
Oct. 18, 1961 filed \$850,000 of 6½% subord. debentures due 1971 and 212,500 class A common shares to be offered in units of one \$100 debenture and 25 class A shares. **Price**—\$200. **Business**—Manufactures patented traversing screens for use as window coverings, room dividers, folding doors, etc. **Proceeds**—For debt repayment and general corporate purposes. **Office**—514 W. Olympic Blvd., Los Angeles. **Underwriter**—D. E. Liederman & Co., Inc., N. Y. **Offering**—In January.

★ **Joanell Laboratories, Inc.**
Dec. 21, 1961 filed 114,500 common, of which 82,500 are to be offered by the company and 32,000 by stockholders. **Price**—By amendment. **Business**—Development of simulated weapons training devices for U. S. Armed Forces and the manufacture of electronic control equipment. **Proceeds**—For general corporate purposes. **Office**—102 Dorsa Ave., Livingston, N. J. **Underwriter**—Seairight, Ahalt & O'Connor, Inc., N. Y.

• **Johnson Electronics, Inc. (1/15-19)**
Sept. 8, 1961 filed 125,000 capital shares. **Price**—By amendment. **Business**—The design and production of special electronic components for the commercial and military market. **Proceeds**—For the repayment of debt, and working capital. **Address**—Box 7, Casselberry, Fla. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia.

Jomar Plastics, Inc.
See Ripley Industries, Inc., below.

Jorn's Greeting Card Co., Inc. (1/10)
Sept. 28, 1961 filed 110,000 common. **Price**—By amendment. **Business**—Manufacture and sale of greeting cards. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—106-11 157th St., Jamaica, N. Y. **Underwriter**—Godfrey Hamilton, Taylor & Co., Inc., N. Y.

Joyce Teletronics Corp.
Aug. 31, 1961 ("Reg. A") 55,000 common. **Price**—\$5. **Business**—The manufacture of electronic instruments used in communication. **Proceeds**—For working capital, new products and repayment of loans. **Office**—20 Madison Ave., Hicksville, N. Y. **Underwriter**—General Securities Co., Inc., N. Y. **Offering**—Indefinitely postponed.

Kann-Ellert Electronics, Inc.
Oct. 24, 1961 filed 108,000 common. **Price**—\$6.50. **Business**—Wholesaling of electronic parts and components and equipment. **Proceeds**—For debt repayment and general corporate purposes. **Office**—2050 Rockrose Ave., Baltimore. **Underwriter**—Rubin, Rennert & Co., Inc., N. Y.

Keeko, Inc.
Dec. 1, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Company plans to establish service stations and vending machine outlets in the Denver area. **Proceeds**—For debt repayment and general corporate purposes. **Office**—4970 Jackson St., Denver. **Underwriter**—Amos C. Sudler & Co., Denver.

Keller Corp.

June 29, 1961 filed \$1,200,000 of 6½% convertible subordinated debentures due 1968. Price—At 100%. Business—Development of land, construction of homes and related activities in Florida. Proceeds—Repayment of debt, acquisition of Yetter Homes, Inc., and general corporate purposes. Office—101 Bradley Place, Palm Beach, Fla. Underwriter—Casper Rogers & Co., Inc., N. Y. Note—This registration may be withdrawn.

Kelly Girl Service, Inc. (1/8-12)

Oct. 27, 1961 filed 100,000 common, of which 25,000 are to be offered by the company and 75,000 by a stockholder. Price—By amendment. Business—Furnishes temporary office clerical services. Proceeds—For working capital. Office—13314 Woodward Ave., Highland Park, Mich. Underwriter—Dean Witter & Co., San Francisco.

Kiddie Rides, Inc. (1/10)

Sept. 12, 1961 filed \$1,000,000 of 7% convertible subordinated debentures due 1971 and 30,000 common to be offered in units of \$1,000 debentures and 30 of common. Price—By amendment. Business—The operation of coin operated children's amusement equipment. Proceeds—For repayment of loans, equipment and general corporate purposes. Office—2557 W. North Ave., Chicago. Underwriter—Paul C. Kimball & Co., Chicago.

Kine Camera Co. Inc.

Nov. 21, 1961 filed 75,000 common. Price—\$5. Business—Importing and distribution of cameras, binoculars and photographic equipment. Proceeds—For debt repayment and working capital. Office—889 Broadway, N. Y. Underwriter—Underhill Securities Corp., N. Y. Offering—Expected in February.

King Louie Bowling Corp. (1/29-2/2)

Sept. 27, 1961 filed 325,000 common. Price—\$3. Business—Operates a chain of bowling centers. Proceeds—Repay debt and for other corporate purposes. Office—8788 Metcalfe Rd., Overland Park, Kan. Underwriter—George K. Baum & Co., Kansas City, Mo.

Knickerbocker Toy Co., Inc. (1/8-12)

Sept. 27, 1961 filed 100,000 common. Price—By amendment. Business—Design and manufacture of toys. Proceeds—For working capital. Office—401 Butler St., Brooklyn, N. Y. Underwriters—Netherlands Securities Co., Inc., and Herbert Young & Co., Inc., N. Y.

Kogel, Inc.

Dec. 8, 1961 filed 100,000 common. Price—\$1. Business—A holding company for three subsidiaries in the wall and floor coating business. Proceeds—For product development, advertising, and working capital. Office—26-32 Second St., Long Island City, N. Y. Underwriter—Globus, Inc. Offering—Expected in late March.

Kollmorgen Corp. (1/29-2/2)

Nov. 9, 1961 filed 100,000 common, of which 40,000 are to be sold by the company and 60,000 by stockholders. Price—By amendment. Business—Manufacture of optical equipment. Proceeds—For debt repayment. Office—347 King St., Northampton, Mass. Underwriter—Putnam & Co., Hartford.

Koster-Dana Corp. (1/5)

Sept. 28, 1961 filed 70,000 common. Price—\$5. Business—Publishing of informational booklets for financial, commercial and industrial organizations. Proceeds—Debt repayment and working capital. Office—76 Ninth Ave., N. Y. Underwriter—Gianis & Co., N. Y.

Kraft Planned Homes, Inc.

Dec. 14, 1961 filed 200,000 common. Price—\$5. Business—A holding company in "shell homes" field. Proceeds—For debt repayment and general corporate purposes. Office—126 W. Broadway, Girard, Ohio. Underwriter—Best & Garey & Co., Inc., Washington, D. C. Offering—Expected sometime in March.

Kratter Corp.

Sept. 27, 1961 filed \$100,000,000 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 at the rate of \$1,000 of debentures for each 50 shares held. Price—\$1,000. Business—Real Estate investment. Proceeds—Repayment of debt, investment, and corporate purposes. Office—521 5th Ave., N. Y. Underwriter—None. Note—This registration was withdrawn.

Krylon, Inc. (1/29-2/2)

Nov. 15, 1961 filed 250,000 common. Price—By amendment. Business—Manufacture of aerosol spray paints, protective coatings and other aerosol products. Proceeds—For selling stockholders. Office—Norristown, Pa. Underwriter—Eastman Dillon, Union Securities & Co., N. Y.

L. L. Drug Co., Inc. (1/16)

July 26, 1961 filed 100,000 common shares. Price—\$4.50. Business—The manufacture of pharmaceuticals. Proceeds—For repayment of a loan, purchase of equipment, research and development, advertising and working capital. Office—1 Bala Ave., Bala-Cynwyd, Pa. Underwriter—Stevens Investment Co., Bala-Cynwyd, Pa.

Laboratory Procedures, Inc. (1/15-19)

Sept. 29, 1961 ("Reg. A") 100,000 capital shares. Price—\$2.50. Proceeds—For debt repayment, equipment, advertising, leases, and working capital. Office—2701 Stocker St., Los Angeles. Underwriter—Pacific Coast Securities Co., San Francisco.

Layne & Bowler Pump Co.

Dec. 22, 1961 filed 108,666 capital shares. Price—By amendment. Business—Manufacture and sale of vertical turbine pumps and the sale of a domestic water system equipment manufactured by a subsidiary. Proceeds—For selling stockholders. Office—2943 Vail Ave., Los Angeles. Underwriter—Crowell, Weeden & Co., Los Angeles.

Leader-Durst Corp.

Dec. 1, 1961 filed 405,000 class A common. Price—\$5. Business—Real estate. Proceeds—For repayment of debt. Office—41 E. 42nd St., N. Y. Underwriter—None.

Lehigh Press, Inc.

Nov. 3, 1961 filed 155,000 common, of which 45,000 are to be offered by the company and 110,000 by stockholders. Price—By amendment. Business—A commercial printer. Proceeds—For a new plant, moving expenses and equipment. Office—2400 E. Huntingdon St., Philadelphia. Underwriter—Harrison & Co., Philadelphia.

Lembo Corp.

Dec. 21, 1961 filed 100,000 common. Price—\$3.50. Business—Manufactures steel re-inforced concrete utilities, sanitary structures, fallout shelters and play sculptures. Proceeds—For debt repayment, sales promotion and working capital. Office—145 W. 11th St., Huntington Station, L. I., N. Y. Underwriter—Blank, Lieberman & Co., Inc., N. Y.

Leslie (Joyce), Inc. (1/15-19)

Sept. 28, 1961 filed 100,000 common. Price—\$5.50. Business—Retailing of women's apparel. Proceeds—For expansion, inventories and working capital. Office—850 Flatbush Ave., Brooklyn. Underwriter—Seymour, Bernard & DuBoff, Inc., N. Y.

Lido Corp. (1/29-2/2)

Aug. 29, 1961 ("Reg. A") 84,000 common. Price—\$3.25. Business—The manufacture of toys, games and novelties. Proceeds—For new equipment, advertising, and repayment of loans. Office—349 Rider Ave., Bronx 51, N. Y. Underwriter—Flomenhaft, Seidler & Co., Inc., N. Y.

Linco International, Inc.

Nov. 15, 1961 ("Reg. A") 75,000 common. Price—\$4. Business—Operation of 20 departments in closed-door membership department stores. Proceeds—For general corporate purposes. Office—1510 Page Industrial Blvd., Overland, Mo. Underwriter—R. L. Warren Co., St. Louis.

Lincoln Fund, Inc. (1/16-19)

March 30, 1961 filed 951,799 shares of common stock. Price—Net asset value plus a 7% selling commission. Business—A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. Proceeds—For investment. Office—300 Main St., New Britain, Conn. Distributor—Horizon Management Corp., New York.

Lincoln Income Life Insurance Co.

Oct. 31, 1961 filed 45,000 common. Price—By amendment. Business—A life insurance company. Proceeds—For the selling stockholder. Office—Louisville, Ky. Underwriters—J. C. Bradford & Co., Nashville, Tenn. and W. L. Lyons & Co., Louisville, Ky.

Litho-Tone, Inc.

Nov. 17, 1961 filed \$247,500 of convertible subordinated 7% debentures due 1971 (with attached warrants) and 55,000 common shares to be offered in units consisting of one \$4.50 debenture (with one warrant) and one common share. Price—\$6 per unit. Business—Lithography printing and the manufacture of offset printing plates. Proceeds—For general corporate purposes. Office—333 Hudson St., N. Y. Underwriter—Continental Bond & Share, Maplewood, N. J. Note—This registration was withdrawn.

Lithoid, Inc. (2/26-3/2)

Nov. 22, 1961 filed 120,000 common. Price—\$3. Business—Development and manufacture of equipment and systems for the photographic data processing industry. Proceeds—For general corporate purposes. Office—232 Cleveland Ave., Highland Park, N. J. Underwriter—Godfrey, Hamilton, Taylor & Co., Inc., N. Y.

Little Ruffy Togs, Inc.

Nov. 29, 1961 filed 165,000 common. Price—By amendment. Business—Manufacture and sale of children's clothing. Proceeds—For debt repayment and working capital. Office—112 W. 34th St., N. Y. Underwriters—Glass & Ross, Inc. and Samson, Graber & Co., Inc., N. Y.

Lomart Perfected Devices, Inc. (1/15-19)

Sept. 14, 1961 filed 100,000 common. Price—\$5. Business—The manufacture of pool filters and accessories and tools, dies, metal stampings, etc. Proceeds—For moving expenses, purchase of equipment, promotion of a new product and working capital. Office—199 Bleeker St., Brooklyn, N. Y. Underwriter—None.

Lunar Enterprises, Inc. (2/5-9)

Aug. 31, 1961 filed 125,000 common. Price—\$5.75. Business—The production of television films. Proceeds—For filming and production and working capital. Office—1501 Broadway, N. Y. Underwriter—Ehrlich, Irwin & Co., Inc., 50 Broadway, N. Y.

MRM Co., Inc.

Nov. 29, 1961 ("Reg. A") 150,000 common. Price—\$2. Business—Design and manufacture of automatic filling machines and related equipment. Proceeds—For debt repayment and working capital. Office—191 Berry St., Brooklyn, N. Y. Underwriter—A. J. Gabriel Co., N. Y.

★ Macco Realty Co.

Dec. 21, 1961 filed \$4,000,000 of conv. subordinated debentures due 1977; also 150,000 common shares. Price—By amendment. Business—Construction and sale of homes. Proceeds—For debt repayment and general corporate purposes. Office—7844 E. Rosecrans Ave., Paramount, Calif. Underwriters—Kidder, Peabody & Co., N. Y. and Mitchum, Jones & Templeton, Los Angeles.

MacLevy Associates, Inc. (1/29-2/2)

July 20, 1961 ("Reg. A") 150,000 common shares (par one cent). Price—\$2. Business—The distribution of health, exercise and slenderizing equipment. Proceeds—For repayment of loans, equipment, new products, sales promotion and advertising, plant removal and working capital. Office—189 Lexington Ave., N. Y. 16, N. Y. Underwriter—Continental Bond & Share Corp., Maplewood, N. J.

Macoid Industries, Inc. (1/8-12)

Sept. 28, 1961 filed 300,000 common, of which 100,000 are to be offered by the company and 200,000 by stockholders. Price—\$5. Business—Molding of plastic products for the automobile, electrical utility and telephone industries. Proceeds—For working capital. Office—12340 Cloverdale, Detroit. Underwriter—Charles Plohn & Co., N. Y.

Magazines For Industry, Inc.

Aug. 2, 1961 filed 135,000 common shares. Price—By amendment. Business—The publishing of business periodicals. Proceeds—For promotion, a new publication and working capital. Office—660 Madison Ave., New York. Underwriter—To be named.

Mann Research Laboratories, Inc. (1/2-5)

Sept. 21, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Sale of scientifically tested biochemicals and pharmaceuticals. Proceeds—For new quarters, equipment, a laboratory, inventories and working capital. Office—136 Liberty St., N. Y. Underwriter—L. D. Sherman & Co., N. Y.

Maric Design & Mfg. Corp.

Nov. 14, 1961 ("Reg. A") 53,000 common. Price—\$4. Business—Manufacture of waste water filters and filtering systems. Proceeds—For debt repayment and working capital. Office—610 W. 18th St., Hialeah, Fla. Underwriters—Shawe & Co., Inc. and Terrio & Co., Inc., Washington, D. C.

Markite Corp. (1/22-26)

Oct. 26, 1961 filed 100,000 common. Price—By amendment. Business—Development, design, manufacture and sale of precision electromechanical devices. Proceeds—For debt repayment and working capital. Office—155 Waverly Place, N. Y. Underwriter—C. E. Unterberg, Towbin Co., N. Y.

Marks Polarized Corp. (1/22-26)

June 27, 1961 filed 95,000 common shares. Price—By amendment. Proceeds—For expansion, acquisition of new facilities and other corporate purposes. Office—153-16 Tenth Ave., Whitestone, N. Y. Underwriters—Ross, Lyon & Co., Inc. (mgr.), Glass & Ross, Inc., and Globus, Inc., N. Y. C.

Marlene Industries Corp.

Aug. 29, 1961 filed 225,000 common, of which 150,000 are to be offered by the company and 75,000 by stockholders. Price—\$7. Business—The manufacture of ladies' wear. Proceeds—For working capital. Office—141 W. 36th St., N.Y.C. Underwriter—Bernard M. Kahn & Co., Inc., N.Y.C. Offering—Imminent.

Marquette Capital Co.

Dec. 1, 1961 filed 250,000 common. Price—By amendment. Business—A small business investment company. Proceeds—For general corporate purposes. Office—91 South Seventh St., Minneapolis, Minn. Underwriter—None.

Marshall Electronics Co. (1/10)

Nov. 1, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Manufacture of rectifiers, regulators, thermocouple tubes, and thyatrons. Proceeds—For expansion, research and development, and working capital. Office—54 Summer Ave., Newark, N. J. Underwriter—Richard Bruce & Co., Inc., N. Y.

Masury-Young Co.

Dec. 4, 1961 filed 100,000 common. Price—\$6. Business—Manufactures commercial and industrial floor maintenance products. Proceeds—For repayment of debt, equipment, and other corporate purposes. Office—76 Roland St., Boston. Underwriter—Townsend, Dabney & Tyson, Boston.

Mathias (A. L.) Co.

Nov. 30, 1961 filed 200,000 common, of which 125,000 are to be offered by the company and 75,000 by a selling stockholder. Price—By amendment. Business—Operates private cafeterias and public restaurants. Proceeds—For debt repayment and general corporate purposes. Office—25 E. Lee St., Baltimore. Underwriter—Stein Bros. & Boyce, Baltimore. Offering—Expected in March.

Maust Coal & Coke Corp. (1/15-19)

Nov. 13, 1961 filed 250,000 common. Price—By amendment. Business—Mining of bituminous coal. Proceeds—For debt repayment and purchase of equipment. Office—530 Fifth Ave., N. Y. Underwriter—Eastman Dillon, Union Securities & Co., N. Y.

Maxam, Inc.

Oct. 26, 1961 filed 200,000 common, of which 100,000 shares are to be offered by the company and 100,000 shares by stockholders. Price—By amendment. Business—Operation of self-service discount department stores. Proceeds—For debt repayment and working capital. Office—525 Hyde Park Ave., Roslindale, Mass. Underwriter—McDonnell & Co., Inc., N. Y.

McCall Corp. (1/29-2/2)

Dec. 1, 1961 filed \$9,983,000 of convertible subordinated debentures due Feb. 1, 1992, to be offered for subscription by common stockholders at the rate of \$100 of debentures for each 13 shares held. Price—By amendment. Business—Magazine publishing. Proceeds—For possible expansion and diversification, and working capital. Office—230 Park Ave., N. Y. Underwriter—Goldman, Sachs & Co.

Medex, Inc.

Sept. 27, 1961 filed 110,000 common. Price—By amendment. Business—Development and manufacture of a limited line of hospital and surgical supplies. Proceeds—For construction, inventory, research and working capital. Office—1488 Grandview Ave., Columbus, Ohio. Underwriter—Globus, Inc., N. Y. Offering—In February.

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Medical Fund, Inc.

Oct. 26, 1961 filed 2,000,000 capital shares. Price—\$10. **Business**—A closed-end diversified investment company. **Proceeds**—For investment in firms serving modern medicine. **Address**—New York, N. Y. **Underwriter**—Fleetwood Securities Corp. of America, 44 Wall St., N. Y.

Medical Industries Fund, Inc.

Oct. 23, 1961 filed 25,000 common. Price—\$10. **Business**—A closed-end investment company which plans to become open-end. **Proceeds**—For investment in the medical industry and capital growth situations. **Office**—677 Lafayette St., Denver. **Underwriter**—Medical Associates, Inc., Denver.

Medical Video Corp.

Nov. 13, 1961 filed 250,000 common. Price—\$10. **Business**—Manufacture of medical electronic equipment. **Proceeds**—For general corporate purposes. **Office**—Studio City, Calif. **Underwriter**—Financial Equity Corp., Los Angeles.

Melnor Industries, Inc. (1/15-19)

Nov. 15, 1961 filed 152,500 common, of which 52,500 are to be offered by the company and 100,000 by stockholders. Price—\$11. **Business**—Manufacture of lawn and garden sprinkling equipment. **Proceeds**—For general corporate purposes. **Office**—Moonachie, N. J. **Underwriter**—Francis I. duPont & Co., N. Y.

Metallurgical International, Inc. (1/15-19)

Sept. 26, 1961 filed 145,000 class A. Price—\$3. **Business**—Reprocessing and manufacturing of rare refractory metals. **Proceeds**—Repay debt, taxes, purchase equipment, and working capital. **Office**—174 Main Ave., Wellington, N. J. **Underwriter**—Mortimer B. Burnside & Co., N. Y.

Metalfab, Inc.

Oct. 27, 1961 filed \$600,000 of 6% s. f. conv. debentures due 1976 and 100,000 common (of which 20,000 shares are to be offered by the company and 80,000 by stockholders). Price—By amendment. **Business**—Manufactures products and parts of the automotive and electrical industries. **Proceeds**—For debt repayment and working capital. **Office**—First and Elm Sts., Beaver Dam, Wis. **Underwriters**—Cruttenden, Podesta & Co., Chicago and Splaine & Frederic, Inc., Milwaukee. **Offering**—Expected sometime in January.

Metatronics Manufacturing Corp. (1/22-26)

Oct. 18, 1961 filed 100,000 common. Price—\$2. **Business**—Manufacture of electronic cases and containers, and precision sheet metal products. **Proceeds**—For debt repayment, and other corporate purposes. **Office**—111 Bloomingdale Rd., Hicksville, N. Y. **Underwriter**—Frank Karasik & Co., N. Y.

Meteor Enterprises, Inc.

Oct. 31, 1961 ("Reg. A") 100,000 common. Price—\$3. **Business**—Manufacture of electric barbecue motors, igniters, etc. **Proceeds**—For debt repayment and general corporate purposes. **Office**—5356 Riverton Ave., North Hollywood, Calif. **Underwriter**—Kolb & Lawrence, Inc., Las Vegas, Nev.

Metropolitan Acceptance Corp.

Oct. 2, 1961 filed \$300,000 of 6% subordinated convertibles due 1967 and 60,000 common shares to be offered in units consisting of \$100 of debentures and 20 common shares. Price—\$150 per unit. **Business**—Financing of retail sales. **Proceeds**—For working capital. **Office**—5422 Western Ave., Chevy Chase, Md. **Underwriter**—R. Baruch & Co., Washington, D. C.

★ Metropolitan Realty Trust

Dec. 20, 1961 filed 1,600,000 shares of beneficial interest. Price—\$6.50. **Business**—A real estate investment trust. **Proceeds**—For general corporate purposes. **Office**—1700 K St., N. W., Washington, D. C. **Underwriter**—Eisele & King, Libaire, Stout & Co., N. Y.

★ Michaels (J.), Inc.

Dec. 20, 1961 filed 103,000 common, of which 20,600 are to be offered by the company and 82,400 by stockholders. Price—By amendment. **Business**—Retail sale of furniture, major appliances, bedding, etc., through a chain of four stores. **Proceeds**—For construction of a new store. **Office**—182 Smith St., Brooklyn, N. Y. **Underwriter**—L. F. Rothschild & Co., N. Y.

● Micro-Lectric, Inc. (1/8-12)

June 12, 1961 ("Reg. A") 55,000 common shares (par 10 cents). Price—\$4. **Business**—The manufacture and design of potentiometers used in computers, ground control guidance systems and missiles. **Proceeds**—For tooling and production; repayment of loans; equipment; advertising; research and development and working capital. **Office**—19 Debevoise Avenue, Roosevelt, N. Y. **Underwriter**—Underhill Securities Corp., N. Y.

★ Mideast Aluminum Corp.

Dec. 19, 1961 ("Reg. A") 40,000 common. Price—To stockholders, \$6.75; to public, \$7.50. **Business**—Production of aluminum extrusions. **Proceeds**—For general corporate purposes. **Address**—U. S. 130, Dayton, N. J. **Underwriter**—None.

Midwest Medical Investment Trust

Dec. 11, 1961 ("Reg. A") 15,000 shares of beneficial interests. Price—\$20. **Business**—A real estate investment trust which plans to own interests in medical office buildings, hospitals, etc. **Proceeds**—For working capital. **Address**—Van West, Ohio. **Underwriter**—J. Allen McMeen & Co., Fort Wayne, Ind.

Midwestern Investment Corp.

Oct. 16, 1961 filed 200,000 common. Price—\$2. **Business**—Company plans to engage in the commercial finance and factoring business. **Proceeds**—General corporate purposes. **Office**—1730 K St., N. W., Washington, D. C. **Underwriter**—Affiliated Underwriters, Inc.

Milgray Electronics, Inc. (1/8-12)

Sept. 26, 1961 filed 166,667 common. Price—By amendment. **Business**—Wholesaler and distributor of electronic parts. **Office**—136 Liberty St., N. Y. **Underwriter**—Marion, Sloss & Co., Inc., N. Y.

Miller Brothers Hat Co., Inc.

Dec. 18, 1961 filed 126,000 common, of which 100,000 will be sold by the company and 26,000 by certain stockholders. Price—By amendment. **Business**—Manufacture of men's and boy's hats. **Proceeds**—For purchase of a building, plant equipment, and working capital. **Address**—2700 Canton St., Dallas. **Underwriter**—Eppler, Guerin & Turner, Inc., Dallas.

Milo Components, Inc.

Nov. 17, 1961 ("Reg. A") 150,000 class A shares. Price—\$1. **Business**—Manufacturer of precision metal components, assemblies and sub-assemblies. **Proceeds**—For debt repayment and working capital. **Office**—9-11 Cleveland St., Valley Stream, N. Y. **Underwriters**—T. M. Kirsch Co., Inc., N. Y. and I. R. E. Investors Corp., Levittown, N. Y.

Miss Eliette, Inc. (1/15)

Oct. 10, 1961 filed 100,000 common. Price—By amendment. **Business**—Design, manufacture and distribution of women's dresses. **Proceeds**—For debt repayment, inventory and expansion. **Office**—1919 S. Los Angeles St., Los Angeles. **Underwriter**—F. L. Rossmann & Co., N. Y.

● Missile Systems Corp. (1/4-8)

Sept. 11, 1961 filed 148,125 common, of which 100,000 are to be offered by the company and 48,125 by stockholders. Price—By amendment. **Business**—Manufacture of electro-mechanical assemblies and systems for weapons under government contracts; furnishing data processing and documentation services; the manufacture of multi-color harness and cable assemblies, and the manufacture of commercial lighting equipment. **Proceeds**—For working capital. **Office**—9025 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—George, O'Neill & Co., Inc., N. Y.

Missile Valve Corp.

Nov. 24, 1961 ("Reg. A") 300,000 common. Price—\$1. **Business**—Production and sale of new type butterfly valve. **Proceeds**—For purchase of the patent and production and development of the valve. **Office**—5909 Hollywood Blvd., Hollywood, Calif. **Underwriter**—Preferred Securities, Inc., Phoenix.

Mitron Research & Development Corp.

Nov. 21, 1961 filed 130,000 common. Price—\$3. **Business**—Research and development of new products for the electronic industry. **Proceeds**—For general corporate purposes, new products. **Office**—899 Main St., Waltham, Mass. **Underwriter**—Stanley Heller & Co., N. Y.

Mobile Estates, Inc.

June 27, 1961 filed 140,000 common shares. Price—\$6. **Proceeds**—To purchase land, construct and develop about 250 mobile home sites, form sales agencies and for working capital. **Office**—26 Dalbert, Carteret, N. J. **Underwriter**—Harry Odzer Co., N. Y. **Offering**—In mid-Jan.

Mobile Rentals Corp. (1/29-2/2)

Oct. 13, 1961 filed 215,000 common, of which 165,000 are to be offered by the company and 50,000 by a stockholder. Price—By amendment. **Business**—Sale and leasing of trailers. **Proceeds**—For expansion, repayment of debt, and working capital. **Office**—8472 S. Figueroa St., Los Angeles. **Underwriters**—Kleiner, Bell & Co., Beverly Hills, Calif. and Hardy & Co., N. Y.

Modern Pioneers' Life Insurance Co.

Nov. 6, 1961 ("Reg. A") 105,297 common. Price—\$2. **Business**—A life insurance company. **Proceeds**—To increase capital and surplus. **Office**—811 N. Third St., Phoenix. **Underwriter**—Associated General Agents of North America, Inc.

Molecular Dielectrics, Inc. (1/22-26)

Sept. 1, 1961 filed 150,000 common, of which 135,000 are to be offered by the company and 15,000 by Cardia Co. Price—\$5. **Business**—The manufacture of high-temperature electronic and electrical insulation materials. **Proceeds**—For equipment, a new product and working capital. **Office**—101 Clifton Blvd., Clifton, N. J. **Underwriters**—Street & Co., Inc. and Irving Weis & Co., N. Y.

Molecular Systems Corp.

Dec. 12, 1961 filed 140,000 common. Price—\$3. **Business**—Production of polyethylene materials of varying grades. **Proceeds**—For equipment, research and development and working capital. **Office**—420 Bergen Blvd., Palisades Park, N. J. **Underwriters**—Stone, Ackerman & Co., Inc., (mgr.) and Heritage Equity Corp., N. Y.

Motor Parts Industries, Inc. (1/22-26)

Oct. 30, 1961 filed 120,000 class A shares. Price—By amendment. **Business**—Distribution of automobile parts. **Proceeds**—For debt repayment and working capital. **Office**—900-908 S. Oyster Bay Rd., Hicksville, N. Y. **Underwriter**—Street & Co., Inc., N. Y.

Municipal Investment Trust Fund, First Pa.**Series (1/9-12)**

April 28, 1961 filed \$6,375,000 (6,250 units) of interests. Price—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political subdivisions. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, N. Y. C.

Municipal Investment Trust Fund, Series B

April 28, 1961 filed \$12,750,000 (12,500 units) of interests. Price—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, N. Y. C. **Offering**—Expected in early 1962.

Mutual Credit Corp.

Nov. 3, 1961 ("Reg. A") \$300,000 of 6½% convertible subord. debentures, due 1971. Price—At par. **Business**

—A finance company. **Proceeds**—For general corporate purposes. **Address**—Keene, N. H. **Underwriter**—Chilson, Newbery & Co., Inc., Kingston, N. Y.

Narrows Premium Corp. (1/8-12)

Sept. 25, 1961 filed 100,000 common. Price—\$4. **Business**—Financing of casualty insurance premiums in New York State. **Proceeds**—General corporate purposes. **Office**—9805 Fourth Ave., Brooklyn, N. Y. **Underwriter**—Pearson, Murphy & Co., Inc., N. Y.

● National Bowling Lanes, Inc. (1/15-19)

July 21, 1961 filed 150,000 capital shares. Price—\$5.50. **Business**—The operation of bowling centers. **Proceeds**—For expansion, repayment of loans, and working capital. **Office**—220 S. 16th Street, Philadelphia. **Underwriter**—Edward Lewis & Co., Inc., N. Y.

● National Capital Acceptance Corp. (1/15-19)

Oct. 20, 1961 ("Reg. A") 150,000 class A common. Price—\$2. **Business**—Purchase of second trust notes and other securities. **Proceeds**—For working capital. **Office**—8719 Colesville Rd., Silver Spring, Md. **Underwriter**—Guardian Investment Corp., Washington, D. C.

National Equipment & Plastics Corp. (1/15)

Sept. 28, 1961 filed 105,000 common. Price—\$5. **Business**—Operation of a cleaning and pressing plant and affiliated stores. **Proceeds**—For debt repayment, store expansion and working capital. **Address**—Portage, Pa. **Underwriter**—Cortlandt Investing Corp., N. Y.

★ National Family Insurance Co.

Dec. 26, 1961 filed 200,000 common. Price—\$5. **Business**—Writing of automobile insurance. **Proceeds**—For additional capital and reserves. **Office**—2147 University Ave., St. Paul, Minn. **Underwriter**—None.

● National Mercantile Clearing House, Inc.

Oct. 23, 1961 ("Reg. A") 75,000 common. Price—\$4. **Business**—A collection agency. **Proceeds**—For general corporate purposes. **Office**—4539 Ponce de Leon Blvd., Miami, Fla. **Underwriter**—Armstrong & Co., Inc., N. Y. **Offering**—Expected sometime in February.

National Real Estate Investment Trust**(1/22-26)**

Nov. 9, 1961 filed 1,000,000 common. Price—\$15. **Business**—A real estate investment company. **Proceeds**—For investment. **Office**—20 Broad St., New York City. **Underwriter**—Lee Higginson Corp., N. Y.

National Recreation Corp.

Sept. 27, 1961 filed 337,500 common. Price—\$8. **Business**—Operates a national chain of bowling centers. **Proceeds**—For the acquisition of new centers, repayment of debt and for working capital. **Office**—Time and Life Bldg., N. Y. **Underwriter**—Berger-Derman, Inc., N. Y.

National Rolling Mills Co. (2/13-16)

Nov. 22, 1961 filed 200,000 common, of which 120,000 are to be offered by the company and 80,000 by stockholders. Price—By amendment. **Business**—Manufacture of steel suspension systems, and other specialized roll formed metal products. **Proceeds**—For debt repayment and other corporate purposes. **Office**—Morehall Road, Malvern, Pa. **Underwriter**—Drexel & Co., Philadelphia.

National Semiconductor Corp.

May 11, 1961 filed 75,000 shares of capital stock. Price—To be supplied by amendment. **Business**—The design, development, manufacture and sale of quality transistors for military and industrial use. **Proceeds**—For new equipment, plant expansion, working capital, and other corporate purposes. **Office**—Mallory Plaza Bldg., Danbury, Conn. **Underwriters**—Lee Higginson Corp., N. Y. C. and Piper, Jaffray & Hopwood, Minneapolis (mgr.). **Note**—This registration has been indefinitely postponed.

National Tel-Tronics Corp. (1/22-26)

Sept. 11, 1961 filed 133,000 common. Price—\$3. **Business**—The manufacture of electronic components. **Proceeds**—For repayment of a loan, expansion, new products, working capital and general corporate purposes. **Office**—52 St. Casimer Ave., Yonkers, N. Y. **Underwriter**—Frank Karasik & Co., Inc., N. Y. (mgr.).

National Vended Ski Insurance Corp.

Oct. 30, 1961 filed 550,000 common. Price—By amendment. **Business**—Distribution of coin-operated insurance vending machines to brokers at sporting centers. **Proceeds**—For inventory, advertising and working capital. **Office**—420 Lexington Ave., N. Y. **Underwriter**—Pacific Coast Securities Co., San Francisco. **Offering**—Expected sometime in February.

● Nationwide Bowling Corp. (1/2-5)

Oct. 19, 1961 filed 100,000 capital shares (with attached warrants). Price—By amendment. **Business**—The operation of bowling centers. **Proceeds**—For a realty acquisition and working capital. **Office**—11 Commerce St., Newark, N. J. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia.

★ Natural Gas Pipeline Co. of America (1/10)

Dec. 21, 1961 filed \$30,000,000 of first mortgage pipeline bonds due Jan. 1, 1932. **Proceeds**—For debt repayment. **Office**—122 So. Michigan Ave., Chicago. **Underwriters**—Dillon, Read & Co., Inc., N. Y., and Halsey, Stuart & Co., Inc., Chicago.

New Campbell Island Mines Ltd.

Oct. 13, 1961 filed 475,000 common, of which 400,000 are to be offered by the company and 75,000 by a stockholder. Price—50c. **Business**—Exploration, development and mining. **Proceeds**—General corporate purposes. **Office**—90 Industry St., Toronto, Canada. **Underwriter**—A. C. MacPherson & Co., Toronto.

● New West Land Corp. (1/2-5)

June 30, 1961 ("Reg. A") 200,000 common shares (par \$1). Price—\$1.50. **Proceeds**—For repayment of notes and acquisition of real estate interests. **Office**—3252 Broadway, Kansas City, Mo. **Underwriter**—Barret, Fitch, North & Co., Kansas City, Mo.

New World Laboratories, Inc.

Nov. 13, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Manufacture of cosmetics and hair preparations. Proceeds—For debt repayment and general corporate purposes. Office—1610 14th St., N. W., Washington, D. C. Underwriter—T. J. McDonald & Co., Inc., Washington, D. C.

New York Telephone Co. (1/9)

Dec. 15, 1961 filed \$60,000,000 of refunding mortgage bonds, series M, due Jan. 1, 2002. Proceeds—For debt repayment and construction. Office—140 West St., N. Y. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc., and Morgan Stanley & Co. Bids—Expected Jan. 9 (11 a.m. EST) in Room 1600, 140 West St., N. Y.

Nigeria Chemical Corp. (2/5-9)

Dec. 7, 1961 filed 90,000 common. Price—\$5. Business—Company plans to construct a plant for production of ethyl alcohol and derivatives and to distill and sell industrial and potable alcohol in Nigeria. Proceeds—For equipment, debt repayment, and working capital. Office—1060 Broad St., Newark, N. J. Underwriter—Scott, Harvey & Co., Inc., Fairlawn, N. J.

North America Real Estate Trust

Nov. 13, 1961 filed 2,000,000 shares of beneficial interest. Price—\$10. Business—Real estate investment trust. Proceeds—For acquisition of property and working capital. Office—475 Fifth Ave., N. Y. Underwriter—None.

North Atlantic Industries, Inc. (1/8-22)

Sept. 26, 1961 filed 131,500 common, of which 120,000 will be sold by the company and 11,500 by a stockholder. Price—By amendment. Business—Manufacture of precision electronic instruments. Proceeds—Repayment of debt, new product development, inventory and working capital. Office—Terminal Dr., Plainview, N. Y. Underwriter—G. A. Saxton & Co., Inc., N. Y.

Northern Wood Products Corp.

Nov. 29, 1961 filed 78,000 common. Price—\$5. Business—Manufacture of wooden kitchen cabinets and related appliances. Proceeds—For debt repayment, expansion, and working capital. Office—201-221 Godwin Ave., Paterson, N. J. Underwriter—United Planning Corp., Newark, N. J.

Nutri-Bio Corp.

Oct. 17, 1961 filed 1,200,000 common. Price—\$5. Business—Distribution and sale of vitamins, minerals and dietary food supplements. Proceeds—For selling stockholders. Office—291 S. La Cienega Blvd., Beverly Hills, Calif. Underwriter—Vickers, McPherson & Warwick, Inc., N. Y.

• Nutri-Laboratories, Inc. (1/15-19)

Sept. 14, 1961 filed 100,000 common. Price—\$5. Business—The manufacture and distribution of animal foods and dog products. Proceeds—For marketing of "Doctor's Choice" brand, working capital and operating expenses. Office—1511 K St., N. W., Washington, D. C. Underwriter—Hirschel & Co., Silver Spring, Md.

Nuveen Tax-Exempt Bond Fund, Series 2

Feb. 23, 1961 filed \$10,000,000 (100,000 units) ownership certificates. Price—To be filed by amendment. Business—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. Proceeds—For investment. Office—135 South La Salle Street, Chicago. Sponsor—John Nuveen & Co., Chicago. Offering—Expected in early 1962. Note—This fund formerly was known as Tax-Exempt Public Bond Trust Fund, Series 2.

Nuveen Tax-Exempt Bond Fund, Series 3

Oct. 17, 1961 filed \$15,300,000 of units representing fractional interests in the fund. Price—By amendment. Business—The fund will invest in interest bearing obligations of states, counties and municipalities of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. Proceeds—For investment. Office—Chicago, Ill. Sponsor—John Nuveen & Co., 135 So. La Salle St., Chicago.

Nuveen Tax-Exempt Bond Fund, Series 4

Oct. 17, 1961 filed \$15,000,000 of units representing fractional interests in the fund. Price—By amendment. Business—The fund will invest in interest-bearing obligations of states, counties, and municipalities of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. Proceeds—For investment. Office—Chicago, Ill. Sponsor—John Nuveen & Co., 135 So. La Salle St., Chicago.

• Oceanic Instruments, Inc. (1/8-12)

Aug. 24, 1961 filed 140,000 common. Price—\$1. Business—The company plans to manufacture scientific marine instruments and provide consultation services. Proceeds—For organizational expenses and purchase of equipment. Office—1515 Norton Bldg., Seattle. Underwriter—Globus, Inc., N. Y.

• Olympia Mines, Inc. (1/22-26)

Sept. 1, 1961 filed 300,000 capital shares. Price—\$1.35. Business—The exploration and development of mines. Proceeds—For mining operations. Office—44 Court St., Brooklyn, N. Y. Underwriter—Gaumont Corp., Ltd., Toronto.

Orbit Industries, Inc. (1/8-12)

Aug. 22, 1961 filed 125,000 common shares. Price—\$4. Business—Research, development, engineering and manufacturing in the telephone, electronics and related fields. Proceeds—For repayment of loans, and equipment. Office—213 Mill St., N. E., Vienna, Va. Underwriter—Hodgdon & Co., Inc., Washington, D. C.

• Originala Inc. (1/22-26)

Aug. 29, 1961 filed 150,000 common. Price—\$9.25. Business—The manufacture of women's coats. Proceeds—For

the selling stockholders. Office—512 Seventh Ave., N. Y. Underwriter—To be named.

Orion Electronics Corp. (1/15-19)

Aug. 28, 1961 filed 100,000 common. Price—\$3.50. Business—The manufacture of precision electronic sub-systems for the generation, detection and control of frequencies up through the microwave region. Proceeds—For expansion, equipment and working capital. Address—Tuckahoe, N. Y. Underwriter—A. D. Gilhart & Co., Inc., N. Y. C.

Orlando Paper Corp.

Oct. 11, 1961 ("Reg. A") 80,000 common. Price—\$2.50. Business—Manufacturer of miscellaneous paper products. Proceeds—For debt repayment and general corporate purposes. Office—Oceanside, L. I., N. Y. Underwriter—Professional & Executive Planning Corp., Long Beach, N. Y., and E. J. Roberts & Co., East Orange, N. J.

Oxford Finance Cos., Inc. (2/26-3/2)

Nov. 28, 1961 filed 200,000 common. Price—By amendment. Business—A finance company. Proceeds—For expansion and debt repayment. Office—6701 N. Broad St., Philadelphia. Underwriter—Blair & Co., Inc., N. Y.

Oxford Trust Fund

Nov. 24, 1961 filed 5,000,000 units. Price—\$1. Business—An investment trust. Office—Atlanta, Ga. Sponsor—Oxford Distributor Corp., Atlanta.

• Ozon Products, Inc. (1/2-5)

Sept. 28, 1961 filed 105,000 common. Price—By amendment. Business—Manufacture of toiletries and cosmetics. Proceeds—For repayment of debt and working capital. Office—50 Wallabout St., Brooklyn, N. Y. Underwriter—Carter, Berlind, Potoma & Weill, N. Y.

PCS Data Processing, Inc.

Oct. 6, 1961 filed 100,000 common of which 50,000 are to be offered by the company and 50,000 by stockholders. Price—\$3.75. Business—Furnishing of statistical information. Proceeds—For training personnel, new equipment, expansion and working capital. Office—75 W. St., N. Y. Underwriters—Harry Odzer Co., N. Y., and Lenchner, Covato & Co., Inc., Pittsburgh, Pa. Offering—Expected in January.

P-G Products Manufacturing Co., Inc.

Oct. 10, 1961 filed 110,055 common. Price—By amendment. Business—Manufactures appliance replacement parts and accessories. Proceeds—For debt repayment, expansion and working capital. Office—230 E. 162nd St., N. Y. Underwriters—Kahn & Peck, Cohn & Co., N. Y.

P. & H. Tube Corp.

Oct. 25, 1961 filed 120,000 common (with attached warrants to purchase 60,000 additional shares) to be offered in units consisting of two shares and one warrant. Price—\$12 per unit. Business—Manufacture of electric resistance welded steel tubing. Proceeds—For debt repayment and working capital. Office—413 Hamilton Rd., Bossier City, La. Underwriters—Howard, Weil, Labouisse, Friedrichs & Co., New Orleans and Clark, Landstreet & Kirkpatrick, Inc., Nashville.

Pacific Big Wheel

Oct. 26, 1961 filed 100,000 common. Price—By amendment. Business—Sale and installation of automobile accessories. Proceeds—For expansion and working capital. Office—6125 El Cajon Blvd., San Diego. Underwriter—N. C. Roberts & Co., Inc., San Diego.

Pacific Nutrient & Chemical Co. (1/15-19)

Sept. 15, 1961 filed 120,000 common. Price—\$4. Business—The manufacture and sale of chemical fertilizers, animal nutrients, crop seeds, insecticides, etc. Proceeds—For additional equipment, a new plant and working capital. Office—North Oak and Hazel St., Burlington Wash. Underwriter—Paul Eisenberg & Co., Inc., and Magnus & Co., Inc., N. Y.

Pacific States Steel Corp.

June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. Price—\$6. Business—The manufacture of steel products. Proceeds—For the selling stockholder. Office—35124 Alvarado-Niles Road, Union City, Calif. Underwriters—First California Co., Inc., and Schwabacher & Co., San Francisco (mgr.). Offering—Indefinitely postponed.

Pal-Playwell Inc.

Nov. 28, 1961 filed 100,000 common. Price—\$4. Business—Design, assembly and manufacture of toys. Proceeds—For debt repayment and working capital. Office—179-30 93rd Ave., Jamaica, N. Y. Underwriter—Tyche Securities, Inc., N. Y.

Palmetto Pulp & Paper Corp.

June 28, 1961 filed 1,000,000 common. Price—\$3.45. Business—The growth of timber. Proceeds—Working capital and the possible purchase of a mill. Address—Box 199, Orangeburg, S. C. Underwriter—Stone & Co. c/o E. Lowitz & Co., 29 Broadway, N. Y.

★Fan-Video Productions, Inc.

Dec. 15, 1961 filed 100,000 common. Price—\$3. Business—Production of films. Proceeds—For general corporate purposes. Office—209 W. 57th St., N. Y. Underwriter—R. J. Curly Co., Brooklyn, N. Y.

Papekote, Inc. (1/22-26)

Dec. 1, 1961 ("Reg. A") 60,000 common. Price—\$5. Business—Development and sale of chemical processes used in the field of paper coating. Proceeds—For general corporate purposes. Office—443 W. 15th St., N. Y. Underwriter—Edward Lewis Co., Inc., N. Y.

Paragon Pre-Cut Homes, Inc.

Aug. 25, 1961 filed \$1,000,000 of 15-year sinking fund debentures due 1976 (with warrants attached) and 100,000 common to be offered in 10,000 units each consisting of 10 common and \$100 of debentures. Price—By amendment. Business—The packaging and direct sale of pre-cut home building materials. Proceeds—For repayment of loans and working capital. Office—499 Jericho

Turnpike, Mineola, N. Y. Underwriter—L. F. Rothschild & Co., N. Y. Note—This registration will be withdrawn.

• Paramount Foam Industries (1/10)

Sept. 25, 1961 filed 137,500 common. Price—By amendment. Business—The manufacture of polyester foams. Proceeds—Additional equipment, debt repayment and working capital. Office—Mercer and Arnot Sts., Lodi, N. J. Underwriter—Fialkov & Co., Inc., N. Y.

Parker Finance Corp.

Oct. 27, 1961 filed 135,000 common. Price—\$6. Business—Financing of commercial accounts receivable. Proceeds—For debt repayment. Office—8650 Cameron St., Silver Spring, Md. Underwriter—D. E. Liederman & Co., Inc., N. Y. Offering—Expected in February.

Parkway Laboratories, Inc.

Dec. 6, 1961 filed 160,000 common. Price—\$5. Business—Manufacture of drugs and pharmaceuticals. Proceeds—For an acquisition, research and other corporate purposes. Office—2301 Pennsylvania Ave., Philadelphia. Underwriter—Arnold Malkan & Co., Inc., N. Y.

Patent Merchandising Corp.

Nov. 22, 1961 filed 100,000 common (with attached five-year warrants to purchase an additional 100,000 shares) to be sold in units of one share and one warrant. Price—\$3.50 per unit. Business—Company plans to market patented products, or products which it considers to be patentable. Proceeds—For general corporate purposes. Office—521 5th Ave., N. Y. C. Underwriter—Hampstead Investing Corp., N. Y.

Pellegrino Aggregate Technico, Inc.

Aug. 10, 1961 filed 130,000 class A common shares. Price—\$5. Business—The manufacture of building materials. Proceeds—For payment of income taxes and loans and for working capital. Office—Woodbridge-Carteret Road, Port Reading, N. J. Underwriter—Mortimer B. Burnside & Co., Inc., N. Y. Offering—Temporarily postponed.

Pennon Electronics Corp.

Sept. 28, 1961 ("Reg. A") 135,000 common. Price—\$2.20. Business—Manufacture of solid state electronic devices. Proceeds—For working capital. Office—7500 S. Garfield Ave., Bell Gardens, Calif. Underwriter—Darius Inc., N. Y.

Perpetual Investment Trust

Nov. 9, 1961 filed 500,000 shares of beneficial interest. Price—(For the first 10,000 shares) \$10.80 per share. (For the balance) Net asset value plus 8% commission. Business—A real estate investment trust. Proceeds—For investment. Office—1613 Eye St., N. W., Washington, D. C. Underwriter—Sidney Z. Mench Securities Co., Washington, D. C.

• Personal Property Leasing Co.

Oct. 13, 1961 filed \$2,000,000 of conv. subord. debentures due 1976. Price—By amendment. Business—Leasing of equipment to industrial and commercial firms. Proceeds—For purchase of equipment and collateral for bank credit. Office—6381 Hollywood Blvd., Los Angeles. Underwriter—Dempsey-Tegeler & Co., Inc., St. Louis. Offering—Imminent.

Philippine Oil Development Co., Inc.

Sept. 25, 1961 filed 95,270,181 capital shares to be offered for subscription by common stockholders on the basis of one new share for each six held of record Sept. 9. Price—One cent. Business—Exploration for oil in the Philippines. Proceeds—Repayment of debt and the drilling of test wells. Office—Manila, Philippines. Underwriter—None.

★ Fierce Proctor Schutte & Taranton Investment Co., Inc.

Dec. 20, 1961 filed \$465,000 of 10-year 8% debentures. Price—\$15,000 per debenture. Business—The company plans to organize and sell real estate syndicates. Proceeds—For general corporate purposes. Office—1807 N. Central Ave., Phoenix. Underwriter—None.

★ Pioneer Restaurants, Inc.

Dec. 21, 1961 filed 125,000 common, of which 75,000 are to be offered by the company and 50,000 by a selling stockholder. Price—By amendment. Business—Operation of six restaurants in Sacramento. Proceeds—For expansion, debt repayment and working capital. Office—1626 J St., Sacramento. Underwriter—Stewart, Eubanks, Myerson & Co., San Francisco.

Pir-O-Wood Industries, Inc.

Nov. 28, 1961 filed 62,000 common. Price—\$5. Business—Sale of prefabricated wood and plastic specialized components. Proceeds—For general corporate purposes. Office—1182 Broadway, N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y. Offering—In February.

Plastcrete Corp. (1/29-2/2)

Nov. 15, 1961 filed 160,000 common. Price—By amendment. Business—Manufactures masonry units for the construction industry. Proceeds—For general corporate purposes. Office—1883 Dixwell Ave., Hamden, Conn. Underwriter—Blair & Co., Inc., N. Y. Offering—In Jan.

• Plymouth Discount Corp. (1/8-12)

Aug. 28, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Consumer sales financing. Proceeds—For repayment of notes and working capital. Office—2211 Church Ave., Brooklyn, N. Y. Underwriter—M. Posey Associates, Ltd., 50 Broadway, N. Y.

★ Pneumo Dynamics Corp.

Dec. 22, 1961 filed 150,000 common, of which 100,000 are to be offered by the company and 50,000 by stockholders. Price—By amendment. Business—Manufacture of precision hydraulic, pneumatic and mechanical equipment for marine, aircraft, ordnance and industrial use. Proceeds—For acquisition of a company and working capital. Office—3781 E. 77th St., Cleveland. Underwriter—Hemphill, Noyes & Co., N. Y. and Estabrook & Co., Boston.

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● Policy-Matic Affiliates, Inc. (1/15-19)

Oct. 16, 1961 filed 200,000 capital shares. Price—\$3.25. **Business**—Leasing of insurance vending machines. **Proceeds**—General corporate purposes. **Office**—1001 15th St., N. W., Washington, D. C. **Underwriter**—Balogh & Co., Inc., Washington, D. C.

● Polytronic Research, Inc.

June 7, 1961 filed 193,750 common shares, of which 150,000 will be sold for the company and 43,750 for stockholders. **Price**—By amendment. **Business**—Research and development, engineering and production of certain electronic devices for aircraft, missiles, oscilloscopes, electronic vending machines and language teaching machines. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—7326 Westmore Rd., Rockville, Md. **Underwriters**—Jones, Kreeger & Co., and Balogh & Co., Washington, D. C. **Note**—This offering was postponed indefinitely.

● Popular Library, Inc. (1/15-19)

Oct. 17, 1961 filed 127,500 capital shares. **Price**—By amendment. **Business**—Publishing of paperback books and magazines. **Proceeds**—General corporate purposes. **Office**—355 Lexington Ave., N. Y. **Underwriter**—Sutro Bros. & Co., N. Y.

● Power Industrial Products Co. (2/13-16)

Nov. 22, 1961 filed 160,000 class A common, of which 133,333 are to be offered by the company and 26,667 by present stockholders. **Price**—By amendment. **Business**—Warehouse distribution of corrosion resistant stainless steel pipe, tubing, valves, etc. **Proceeds**—For repayment of debt, expansion, and working capital. **Office**—352 Harrison St., Passaic, N. J. **Underwriter**—S. D. Fuller & Co., N. Y.

● President Airlines, Inc.

June 13, 1961 ("Reg. A") 150,000 class A common shares (par one cent). **Price**—\$2. **Business**—Air transportation of passengers and cargo. **Proceeds**—For payment of current liabilities and taxes; payment of balance on CAB certificate and working capital. **Office**—630 Fifth Avenue, Rockefeller Center, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J. **Note**—This offering has been temporarily postponed.

● Prestige Capital Corp.

Oct. 19, 1961 filed 200,000 common. **Price**—\$5. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—485 Fifth Ave., N. Y. **Underwriters**—D. Gleich & Co., N. Y., and Laird, Bissell & Meeds, Wilmington, Del.

● Pride Industries, Inc. (1/16)

Aug. 29, 1961 filed 75,000 common. **Price**—\$5. **Business**—The sale of pet foods. **Proceeds**—For inventory, repayment of a loan, machinery, new products, advertising. **Office**—4408 Fairmount Ave., Philadelphia. **Underwriter**—Steven Investment Corp., Bala Cynwyd, Pa.

● Primex Equities Corp.

Nov. 27, 1961 filed 400,000 shares of 60c cumulative convertible preferred, and 400,000 of class A common, to be offered in units of one share each. **Price**—By amendment. **Business**—A real estate investment firm. **Proceeds**—For property acquisitions and working capital. **Office**—66 Hawley St., Binghamton, N. Y. **Underwriter**—None.

● Product Research of Rhode Island, Inc. (1/8-12)

July 28, 1961 filed 330,000 common shares. **Price**—\$2.05. **Business**—The manufacture of vinyl plastic products used in the automotive, marine and household fields. **Proceeds**—For repayment of debt, new equipment and working capital. **Office**—184 Woonasquatucket Avenue, Nort Providence, R. I. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

● Programming and Systems, Inc.

Oct. 11, 1961 filed 40,000 common. **Price**—\$3.50. **Business**—Instructs classes in computer programming and the operation of electronic data processing machines. **Proceeds**—For expansion. **Office**—45 W. 35th St., N. Y. **Underwriter**—D. M. Stuart & Co., Inc., N. Y.

● Programs For Television, Inc.

Aug. 29, 1961 filed 150,000 common. **Price**—By amendment. **Business**—The distribution of films for motion pictures and television. **Proceeds**—For repayment of debt and working capital. **Office**—1150 Avenue of the Americas, N. Y. **Underwriter**—To be named.

● Publishers Co., Inc.

Nov. 28, 1961 filed 541,000 common. **Price**—By amendment. **Business**—Book publishing. **Proceeds**—For an acquisition and other corporate purposes. **Office**—1106 Connecticut Ave., N. W., Washington, D. C. **Underwriters**—Amos Treat & Co., Inc., N. Y. and Roth & Co., Inc., Philadelphia. **Offering**—Expected sometime in Feb.

● Puerto Rico Capital Corp. (1/10)

Sept. 13, 1961 filed 750,000 common. **Price**—\$10. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Address**—San Juan, Puerto Rico. **Underwriter**—Hill, Darlington & Grimm, N. Y.

● Puerto Rico Land and Development Corp.

Nov. 24, 1961 filed \$4,000,000 of 5% conv. subord. debentures due 1971 and 200,000 class A shares to be offered in 25,000 units, each consisting of \$160 of debentures and eight shares. **Price**—\$200 per unit. **Business**—Real estate and construction. **Proceeds**—For general corporate purposes. **Office**—San Juan, Puerto Rico. **Underwriters**—Lieberbaum & Co., and Morris Cohon & Co., New York.

● Pulp Processes Corp. (1/8-12)

Sept. 20, 1961 filed 140,000 common. **Price**—\$5. **Business**—Development of pulping and bleaching devices. **Proceeds**—General corporate purposes. **Office**—Hoge Bldg.,

Seattle, Wash. **Underwriter**—Wilson, Johnson & Higgins, San Francisco.

● Pyramid Publications, Inc. (1/8-12)

Nov. 24, 1961 filed 115,000 common. **Price**—By amendment. **Business**—Publication and sale of pocket-size paperback books and a man's magazine. **Proceeds**—For expansion, debt repayment, and working capital. **Office**—444 Madison Ave., N. Y. **Underwriter**—Milton D. Blauner & Co., Inc., N. Y.

● Pyrometer Co. of America, Inc.

Sept. 26, 1961 filed 300,000 common. **Price**—By amendment. **Business**—Design and manufacture of thermocouple temperature transducers and electronic indicating and controlling instruments. **Proceeds**—To finance the purchase of Hamilton Manufacturing Co., Inc. **Office**—600 E. Lincoln Highway, Penndel, Pa. **Underwriter**—Arnold Malkan & Co., Inc., N. Y. **Offering**—February.

● Quaker City Industries, Inc.

Nov. 28, 1961 filed 87,500 common. **Price**—\$4. **Business**—Design and manufacture of metal cabinets, boxes, boiler and radiator enclosures. **Proceeds**—For equipment, advertising and working capital. **Office**—234 Russell St., Brooklyn, N. Y. **Underwriter**—M. J. Merritt & Co., Inc., N. Y.

● Quartite Creative Corp. (1/8)

Sept. 27, 1961 filed 100,000 common. **Price**—\$5. **Business**—Manufacture of home furnishing products. **Proceeds**—For research, new products and working capital. **Office**—34-24 Collins Place, Flushing, N. Y. **Underwriters**—Shell Associates, Inc. and Godfrey, Hamilton, Taylor & Co., N. Y.

● RF Interionics, Inc. (1/29-2/2)

Oct. 30, 1961 filed 40,000 common. **Price**—\$5. **Business**—Manufacture of radio frequency interference filters and capacitors. **Proceeds**—For equipment, working capital and other corporate purposes. **Office**—15 Neil Court, Oceanside, N. Y. **Underwriter**—Arnold Malkan & Co., N. Y.

● Racing Inc.

Oct. 16, 1961 filed 1,250,000 common. **Price**—Up to \$4. **Business**—Company plans to build and operate an automobile racing center. **Proceeds**—General corporate purposes. **Office**—21 N. 7th St., Stroudsburg, Pa. **Underwriter**—None.

● Rainbow Photo Laboratories, Inc. (1/8-12)

Sept. 28, 1961 filed 150,000 common. **Price**—By amendment. **Business**—Processing of film and distributing of photographic equipment. **Proceeds**—For moving, expenses, expansion, advertising and promotion, repayment of debt and working capital. **Office**—29-14 Northern Blvd., Long Island City, N. Y. **Underwriter**—Rodetsky, Walker & Co., Inc., N. Y.

● Rapid-American Corp.

Nov. 1, 1961 filed \$3,367,000 of conv. subord. debentures due 1976, being offered for subscription by common stockholders and 5% conv. debenture holders at the rate of \$100 of new debts. for each 25 common held and \$100 of new debts. for each 25 common into which the outstanding 5% conv. debts. are convertible of record Dec. 14, with rights to expire Jan. 11, 1961. **Price**—At par. **Business**—Manufacture of metal signs, plastic toys, novelties, etc. **Proceeds**—To increase ownership in McCrory Corp. and general corporate purposes. **Office**—711 Fifth Ave., N. Y. **Underwriter**—None.

● Rapid Film Technique, Inc. (1/2-5)

Sept. 19, 1961 filed 70,000 common. **Price**—\$4. **Business**—The rejuvenating and repairing of motion picture film. **Proceeds**—For debt repayment and general corporate purposes. **Office**—37-02 27th St., Long Island City, N. Y. **Underwriter**—Herbert Young & Co., Inc., N. Y.

● Raritan Plastics Corp. (2/5-9)

Sept. 28, 1961 filed 100,000 class A common. **Price**—\$5. **Business**—Extrusion of plastic sheets. **Proceeds**—Equipment, debt repayment and working capital. **Office**—1 Raritan Rd., Oakland, N. J. **Underwriter**—Gianis & Co., Inc., N. Y.

● Real Estate Fund, Inc.

Sept. 28, 1961 ("Reg. A") 14,634 units each consisting of seven common shares and one 20-year 6% convertible subordinated debenture. **Price**—\$20.50 per unit. **Business**—Development and operation of shopping centers and other properties. **Proceeds**—General corporate purposes. **Address**—Greenville, S. C. **Underwriter**—McCarley & Co., Inc., Asheville, N. C. **Offering**—Imminent.

● Realty Equities Corp. of New York (1/8-12)

Sept. 28, 1961 filed \$1,675,800 of subord. debentures due 1971 (with warrants attached) to be offered for subscription by stockholders in 16,758 units, each consisting of \$100 of debentures and a warrant to purchase 12.5 shares on the basis of one unit for each 20 shares held. **Price**—\$100 per unit. **Business**—General real estate and construction. **Proceeds**—General corporate purposes. **Office**—666 Fifth Ave., N. Y. **Underwriter**—Sutro Bros. & Co., New York.

● Recco, Inc. (1/8-12)

Oct. 19, 1961 filed 75,000 class A shares. **Price**—By amendment. **Business**—Operates record, card and stationery departments in discount stores. **Proceeds**—For expansion. **Office**—1211 Walnut St., Kansas City, Mo. **Underwriter**—Midland Securities Co., Inc., Kansas City, Mo.

● Red Wing Fiberglass Products, Inc.

July 28, 1961 ("Reg. A") 260,000 common. **Price**—\$1.15. **Proceeds**—Debt repayment, building improvements, equipment, research and development, and working capital. **Office**—Industrial Park, Red Wing, Minn. **Underwriter**—York & Mavroulis, Minneapolis. **Note**—This letter was temporarily postponed.

● Reher Simmons Research, Inc. (1/8-12)

May 8, 1961 filed 150,000 shares of capital stock. **Price**—\$6 per share. **Business**—The research and development

of processes in the field of surface and biochemistry. **Proceeds**—For plant construction, equipment, research and development, sales promotion and working capital. **Office**—545 Broad St., Bridgeport, Conn. **Underwriter**—McLaughlin, Kaufmann & Co., N. Y. (mgr.).

★ Richmond Corp.

Dec. 21, 1961 filed 142,858 common. **Price**—\$7. **Business**—A real estate investment company. **Proceeds**—For debt repayment and general corporate purposes. **Office**—220 K St., N. W., Washington, D. C. **Underwriter**—Hirschel & Co., Silver Spring, Md.

● Ripley Industries, Inc., and Jomar Plastics, Inc. (1/22-26)

Oct. 27, 1961 filed 100,000 common shares of Ripley and 100,000 of Jomar to be offered in units consisting of one share of each company. **Price**—By amendment. **Business**—Manufacture of wood and plastic heels for women's shoes, metal molds and dies, bowling pins, bowling shoes and related products. **Proceeds**—For general corporate purposes. **Office**—4067 Folsom Ave. St. Louis and Rio Piedras, Puerto Rico. **Underwriters**—Paine, Webber, Jackson & Curtis and American Securities Corp., N. Y.

● Roberts & Porter, Inc.

Nov. 20, 1961 filed 80,200 common, of which 16,680 are to be offered by the company and 63,520 by stockholders. **Price**—By amendment. **Business**—Sale of specialized photographic, plate making and press room supplies and equipment to the graphic arts industry. **Proceeds**—For working capital. **Office**—4140 W. Victoria Ave., Chicago, Ill. **Underwriters**—Blunt Ellis & Simmons, Chicago, and Schmidt, Roberts & Parke, Philadelphia.

● Rochester Capital Leasing Corp.

Oct. 30, 1961 filed \$625,000 of 6% convertible subordinated debentures due 1972 and 100,000 class A to be offered in 12,500 units each consisting of \$50 of debentures and eight shares. **Price**—\$90 per unit. **Business**—Manufacture and sale of furniture, equipment, and supplies to schools, hotels, hospitals and industrial companies. **Proceeds**—For working capital. **Office**—8 Jay St., Rochester, N. Y. **Underwriter**—Saunders, Stiver & Co., Cleveland.

● Rocket Power, Inc. (1/8-12)

Sept. 20, 1961 filed 200,000 common. **Price**—By amendment. **Business**—Development and manufacture of solid propellants, rocket motors, rocket catapults and related products. **Proceeds**—To repay debt. **Office**—Falcon Field, Mesa, Ariz. **Underwriters**—Paine, Webber, Jackson & Curtis and Prescott & Co., N. Y.

● Rodale Electronics, Inc. (1/29-2/2)

Sept. 29, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Manufacture of electronic equipment. **Proceeds**—Debt repayment, new products, equipment, sales promotion and advertising. **Office**—562 Grand Blvd., Westbury, N.Y. **Underwriter**—Charles Plohn & Co., N.Y.

★ Roadcraft Corp.

Dec. 26, 1961 filed 400,000 common. **Price**—By amendment. **Business**—Design, manufacture and sale of mobile homes and office trailers. **Proceeds**—For general corporate purposes. **Office**—139 W. Walnut Ave., Gardena, Calif. **Underwriter**—Vickers, MacPherson & Warwick, Inc., N. Y.

● Rogers (John) Co.

Oct. 24, 1961 filed \$600,000 of 6% conv. subord. debentures due 1976 and 120,000 common shares to be offered in units consisting of one debenture and two shares. **Price**—\$25 per unit. **Business**—Sale of rebuilt automobile engines and reground crankshafts to automobile parts jobbers. **Proceeds**—For working capital and general corporate purposes. **Office**—1060 Huff Rd., N. W., Atlanta, Ga. **Underwriters**—Robinson-Humphrey Co., Inc., and Courts & Co., Atlanta.

● Rona Plastic Corp.

Dec. 15, 1961 filed 200,000 common. **Price**—\$5. **Business**—Manufactures plastic housewares, baby products and other plastic items. **Proceeds**—For debt repayment and other corporate purposes. **Office**—1517 Jarrett Place, Bronx, N. Y. **Underwriter**—Arnold Malkan & Co., Inc., N. Y.

● Roto Cylinders, Inc. (1/22-26)

Nov. 16, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Custom gravure engraving. **Proceeds**—For debt repayment and working capital. **Address**—Palmyra, N. J. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia.

● Royaltone Photo Corp.

Nov. 29, 1961 filed 300,000 common, of which 100,000 are to be offered by the company and 200,000 by stockholders. **Price**—By amendment. **Business**—Develops and prints color, and black and white photographic film. **Proceeds**—For equipment and working capital. **Office**—245 7th Ave., N. Y. **Underwriter**—Federman, Stonehill & Co., N. Y.

● Rubber & Fibre Chemical Corp. (1/15-19)

Sept. 25, 1961 filed 120,000 common. **Price**—\$5. **Business**—Exploitation of a new process for reclaiming unvulcanized rubber. **Proceeds**—Purchase of equipment and existing plant building, repayment of debt, and working capital. **Office**—300 Butler St., Brooklyn, N. Y. **Underwriter**—Armstrong & Co., Inc., N. Y.

● S. M. S. Instruments, Inc. (1/29-2/2)

Nov. 28, 1961 filed 100,000 common. **Price**—\$3.25. **Business**—Repair and maintenance of aircraft instruments and accessories. **Proceeds**—For equipment, debt repayment, and other corporate purposes. **Office**—Idlewild International Airport, Jamaica, N. Y. **Underwriter**—Lieberbaum & Co., N. Y.

● S. O. S. Photo-Cine-Optics, Inc. (1/2-5)

June 29, 1961 filed \$50,000 of 6% subordinated debentures due 1969 and 50,000 common shares to be offered in units consisting of \$10 of debentures and 10 common

shares. Price—\$40 per unit. Business—The manufacturing, renting and distributing of motion picture and television production equipment. Proceeds—For new equipment, advertising, research and development, working capital and other corporate purposes. Office—602 W. 52nd St., New York. Underwriter—William, David & Motti, Inc., N. Y.

Sabre, Inc. (1/8-12)
Sept. 25, 1961 ("Reg. A") 50,000 common. Price—\$2. Business—Manufacture of pre-painted aluminum siding and accessories. Proceeds—For inventory, dies, inventory equipment and working capital. Office—4990 E. Asbury, Denver. Underwriter—Schmidt, Sharp, McCabe & Co., Inc., Denver.

Saegertown Classeals, Inc.
Sept. 27, 1961 filed 210,500 common, of which 100,000 are to be offered by the company and 110,500 by stockholders. Price—By amendment. Business—Manufacture of electronic parts, including diodes and rectifiers. Proceeds—For general corporate purposes. Office—South Main St., Saegertown, Pa. Underwriter—Carl M. Loeb, Rhoades & Co., N. Y. Note—This company plans to merge with Glass-Tite Industries, Inc., subject to approval of stockholders. Offering—In February.

San Diego Imperial Corp. (1/16)
Dec. 5, 1961 filed 350,091 common. Price—By amendment. Business—A holding company for 14 savings and loan associations, and other firms. Proceeds—For the selling stockholders. Office—1400 Fifth Ave., San Diego, Calif. Underwriters—White, Weld & Co., Inc., N. Y., and J. A. Hogle & Co., Salt Lake City.

Sav-Mor Oil Corp. (1/29-2/2)
July 5, 1961 ("Reg. A") 92,000 common shares (par one cent). Price—\$2.50. Business—Wholesale distribution of gasoline and oil to service stations. Proceeds—For expansion. Office—151 Birchwood Park Dr., Jericho, L. I., N. Y. Underwriter—Amber, Burstein & Co., Inc., N. Y.

Savin Business Machines Corp. (1/9-12)
Sept. 28, 1961 filed 150,000 common. Price—\$10. Business—Distribution of products for use in photocopy machines. Proceeds—For initial production of xerographic machines, additional equipment, expansion and working capital. Office—161 Ave. of the Americas, N. Y. Underwriter—Ira Haupt & Co., N. Y.

Schultz Sav-O-Stores, Inc.
Nov. 13, 1961 filed 160,000 common, of which 75,000 are to be offered by the company and 85,000 by stockholders. Price—By amendment. Business—Wholesale food distribution and operation of supermarkets. Proceeds—For expansion. Office—2215 Union Ave., Sheboygan, Wis. Underwriter—Blunt Ellis & Simmons, Chicago.

Seashore Food Products, Inc.
Aug. 29, 1961 ("Reg. A") 75,000 common. Price—\$4. Business—The manufacturing and processing of assorted food products. Office—13480 Cairo Lane, Opa Locka, Fla. Underwriters—Terrio & Co., and Shane & Co., Washington, D. C. Offering—Expected in January.

Sea-Wide Electronics, Inc. (1/29-2/2)
Sept. 26, 1961 filed 200,000 common. Price—\$4. Business—Importing of goods from Japan. Proceeds—For debt repayment. Office—Stokely St., and Roberts Ave., Philadelphia, Pa. Underwriter—Amos Treat & Co., N. Y.

Security Acceptance Corp.
March 7, 1961 filed 100,000 shares of class A common stock and \$400,000 of 7½% 10-year debenture bonds, to be offered in units consisting of \$100 of debentures and 25 shares of stock. Price—\$200 per unit. Business—The purchase of conditional sales contracts on home appliances. Proceeds—For working capital and expansion. Office—724 9th St., N. W., Washington, D. C. Underwriter—None.

Security Equity Fund, Inc.
Dec. 14, 1961 filed 400,000 capital shares. Price—Net asset value plus 6%. Business—A mutual fund. Proceeds—For investment. Office—700 Harrison St., Topeka, Kan. Underwriter—Security Management Co., Inc., Topeka.

Seg Electronics Co., Inc. (1/29-2/2)
Sept. 28, 1961 filed 110,000 common. Price—By amendment. Business—Design and manufacture of networks for data and program transmission, filters, transceivers and related electronic equipment. Proceeds—For equipment, research and development, repayment of loans and working capital. Office—12 Hinsdale St., Brooklyn. Underwriter—Searight, Ahalt & O'Connor, Inc., N. Y.

Sel-Rex Corp. (1/8-12)
Sept. 27, 1961 filed 200,000 common, of which 33,000 will be sold by the company and 167,000 by a stockholder. Price—By amendment. Business—Production of gold compounds and chemicals for electroplating. Office—Nutley, N. J. Underwriter—Eastman Dillon, Union Securities & Co., N. Y.

Selective Financial Corp.
Dec. 8, 1961 filed 500,000 common. Price—\$6. Business—Engaged in real estate mortgage field, and the financing of intangibles and chattels. Proceeds—For general corporate purposes. Office—830 N. Central Ave., Phoenix. Underwriter—None.

Sell 'N Serv Dispensers, Inc. (1/2)
Oct. 17, 1961 ("Reg. A") 60,000 common. Price—\$5. Business—Manufacture of dispensers for hot and cold beverages. Proceeds—For debt repayment and general corporate purposes. Office—20 Simmons St., Boston. Underwriter—Goldsmith, Heiken & Co., Inc., Brooklyn, N. Y.

Semicon, Inc. (1/3)
June 30, 1961 filed 125,000 class A common shares. Price—\$4. Business—The manufacture of semiconductor devices for military, industrial and commercial use. Proceeds—For equipment, plant expansion and new

products. Address—Sweetwater Avenue, Bedford, Mass. Underwriter—S. D. Fuller & Co., New York (managing).

Servonuclear Corp. (1/8-12)
Sept. 12, 1961 ("Reg. A") 100,000 common. Price—\$2. Business—Manufacture of medical electronic products. Proceeds—For plant relocation, equipment, inventory, new products, debt repayment and working capital. Office—28-21 Astoria Blvd., Astoria, L. I., N. Y. Underwriter—Rothenberg, Heller & Co., Inc., N. Y.

Servotron Corp. (1/8-12)
Sept. 25, 1961 filed 100,000 common. Price—\$5. Business—Sale of automatic film processing machines and other electronic products. Proceeds—Purchase of equipment and inventory, sales promotion, research and development, and working capital. Office—29503 West Nine Mile Rd., Farmington, Mich. Underwriter—None.

Shamrock Oil and Gas Corp. (1/23)
Dec. 13, 1961 filed \$25,000,000 of sinking fund debentures due Jan. 1, 1937. Price—By amendment. Business—Production of natural gas, natural gasoline and petroleum. Proceeds—For prepayment of loans and working capital. Office—First National Bank Bldg., Amarillo, Tex. Underwriter—First Boston Corp., N. Y.

Shasta Minerals & Chemical Co.
April 24, 1961 filed 500,000 shares of common stock. Price—\$2.50 per share. Business—Acquisition, development, and exploration of mining properties. Proceeds—For general corporate purposes. Office—1406 Walker Bank Bldg., Salt Lake City, Utah. Underwriter—None. Note—The SEC has ordered "stop order" proceedings challenging the accuracy and adequacy of this registration statement.

Shatterproof Glass Corp. (1/8-12)
Oct. 27, 1961 filed 215,000 common. Price—By amendment. Business—Manufactures and distributes laminated safety glass. Proceeds—For selling stockholders. Office—4815 Cabot Ave., Detroit. Underwriter—Shields & Co., N. Y.

Shaver Food Marts, Inc.
Dec. 19, 1961 filed 170,000 class A common, of which 30,000 will be sold by the company and 140,000 by certain stockholders. Price—By amendment. Business—Operation of seven supermarkets in the Omaha-Council Bluffs area. Proceeds—For expansion. Office—139 S. 40th St., Omaha, Neb. Underwriters—J. Cliff Rahel & Co., and Storz-Wachob-Bender Co., Omaha.

Shenk Industries, Inc. (2/5-9)
Nov. 28, 1961 filed 150,000 common, of which 135,000 shares are to be offered by the company and 15,000 by a stockholder. Price—\$6. Business—Manufacturer of rebuilt automobile parts. Proceeds—For debt repayment and working capital. Office—2101 S. High St., Columbus, Ohio. Underwriters—Rodetsky, Walker & Co., Inc., N. Y. and Boenning & Co., Philadelphia.

Sheraton Corp. of America (2/5-9)
Oct. 30, 1961 filed \$8,000,000 of 7½% capital income sinking fund debentures due 1989. Price—By amendment. Business—Operates hotels and other real estate properties. Proceeds—For general corporate purposes. Office—470 Atlantic Ave., Boston. Underwriters—Paine, Webber, Jackson & Curtis, Boston and S. D. Lunt & Co., Buffalo, N. Y.

Siconor Mines Ltd.
Sept. 18, 1961 filed 250,000 common. Price—By amendment. Business—The exploratory search for silver in northern Ontario. Proceeds—For general corporate purposes. Office—62 Richmond St., West, Toronto, Canada. Underwriter—None.

Sierra Capital Corp. (1/2-3)
Sept. 5, 1961 filed 1,000,000 capital shares. Price—By amendment. Business—A small business investment company. Proceeds—For general corporate purposes. Office—105 Montgomery St., San Francisco. Underwriter—C. E. Unterberg, Towbin Co., N. Y.

Silo Discount Centers, Inc. (1/29-2/2)
Nov. 15, 1961 filed 165,000 common. Price—By amendment. Business—Operation of retail discount stores. Proceeds—For general corporate purposes. Office—2514 N. Broad St., Philadelphia, Pa. Underwriters—Boenning & Co., Philadelphia, and Rodetsky, Walker & Co., Inc., N. Y.

Sokol Brothers Furniture Co., Inc. (1/29-2/2)
Sept. 28, 1961 filed 240,000 common. Price—\$2.50. Business—The installment retailing of furniture, appliances and other household goods. Proceeds—For expansion and modernization of buildings, repayment of debt and working capital. Office—253 Columbia St., Brooklyn, N. Y. Underwriter—Continental Bond & Share Corp., Maplewood, N. J.

Sonic Development Corp. of America
Oct. 27, 1961 filed 56,000 common, of which 30,000 are to be offered by the company and 26,000 by stockholders. Price—\$5. Business—Design, development and manufacture of devices using sound or fluids as a source of energy. Proceeds—For general corporate purposes. Office—260 Hawthorne Ave., Yonkers, N. Y. Underwriter—Meadowbrook Securities Inc., Hempstead, N. Y.

Sonic Systems, Inc. (1/8-12)
Oct. 30, 1961 ("Reg. A") 75,000 common. Price—\$2. Business—Manufacture of ultrasonic cleaning equipment, systems and transducers. Proceeds—For expansion and working capital. Office—1250 Shames Dr., Westbury, N. Y. Underwriter—Keene & Co., Inc., N. Y.

Southeastern Towing & Transportation Co., Inc.
Nov. 29, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Construction and operation of towing boats. Proceeds—For debt repayment, conversion of a boat, and working capital. Office—3300 N. W. North River Drive, Miami, Fla. Underwriter—Irwin Karp & Co., Inc., 68 William St., N. Y.

Southern California Edison Co. (1/15-19)
Dec. 11, 1961 filed 1,500,000 common. Price—By amendment. Proceeds—For debt repayment and redemption of outstanding 4.88% preferred. Office—601 W. Fifth St., Los Angeles. Underwriters—First Boston Corp., N. Y. and Dean Witter & Co., San Francisco.

Southern California Plastic Co.
Nov. 16, 1961 ("Reg. A") 85,714 common. Price—\$3.50. Business—Manufacturer of plastic products. Proceeds—For debt repayment, equipment and working capital. Office—1805 Flower St., Glendale, Calif. Underwriter—Sutro & Co., San Francisco.

Southern Frontier Finance Co. (1/2-5)
Sept. 22, 1961 filed \$1,000,000 of sinking fund subordinated debentures due 1976 with warrants to purchase 200,000 shares of common stock, to be offered in units consisting of \$100 of debentures with a warrant to purchase 20 common shares. Price—By amendment. Business—Repurchase of mortgage notes, contracts, leases, etc. Proceeds—Repayment to debt, investments and other corporate purposes. Office—615 Hillsboro St., Raleigh, N. C. Underwriter—J. C. Wheat & Co., Richmond, Va.

Southern Growth Industries, Inc. (1/3-5)
June 28, 1961 filed 100,000 common shares. Price—\$6. Business—A small business investment company. Proceeds—For investment. Office—Poinsett Hotel Building, Greenville, S. C. Underwriter—Capital Securities Corp., Greenville, S. C.

Southern Realty & Utilities Corp. (1/15-19)
May 26, 1961 filed \$4,140,000 of 6% convertible debentures due 1976, with warrants to purchase 41,000 common shares, to be offered for public sale in units of \$500 of debentures and warrants for five common shares. Price—At 100% of principal amount. Business—The development of unimproved land in Florida. Proceeds—For the repayment of debt, the development of property, working capital and other corporate purposes. Office—1674 Meridian Avenue, Miami Beach, Fla. Underwriters—Hirsch & Co., and Lee Higginson Corp., N. Y.

Southern Syndicate, Inc. (1/8-12)
Sept. 13, 1961 filed 300,000 common. Price—By amendment. Business—Real estate investment. Proceeds—For repayment of loans and working capital. Office—2501 Bank of Georgia Bldg., Atlanta. Underwriter—Johnson, Lane, Space Corp., Savannah.

Southwest Recreation Associates, Inc.
Nov. 29, 1961 ("Reg. A") \$150,000 6% convertible subordinated sinking fund debentures due 1973; and 30,000 common shares. Price—For the debentures: \$500. For the stocks: \$5. Business—Operation of bowling alleys. Proceeds—For debt repayment and working capital. Office—2711 N. 24th St., Phoenix. Underwriter—A. G. Edwards & Sons, St. Louis.

Southwest Factories, Inc.
Oct. 10, 1961 ("Reg. A") 100,000 capital shares. Price—\$3. Proceeds—For debt repayment, equipment, research and development and general corporate purposes. Office—1432 W. Main St., Oklahoma City, Okla. Underwriter—Best & Garey Co., Inc., Washington, D. C. Offering—Imminent.

Southwestern Insurance Co.
Dec. 26, 1961 filed 220,000 common. Price—By amendment. Business—Writes automobile casualty insurance in Oklahoma and Arkansas. Proceeds—For redemption of surplus fund certificates and expansion. Office—5620 N. Western Ave., Oklahoma City. Underwriters—Eppler, Guerin & Turner, Inc., Dallas and R. J. Edwards, Inc., Oklahoma City.

Space Age Materials Corp. (SAMCO) (1/8-12)
Sept. 19, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—The manufacture of high temperature materials for the space, nuclear and missile fields, and components used in the communications field. Proceeds—For equipment, research and development, and working capital. Office—31-26 Greenpoint Avenue, Long Island City, N. Y. Underwriter—Durum Securities Corp., 511 5th Ave., N. Y.

Space Financial Corp.
Nov. 24, 1961 ("Reg. A") 100,000 common. Price—\$2. Business—A small business investment company. Proceeds—For working capital. Office—113 W. 2nd St., Casa Grande, Ariz. Underwriters—Preferred Securities, Inc., and Brown & Co. Investment Securities, Phoenix.

Spandex Corp. (1/29-2/2)
Oct. 25, 1961 ("Reg. A") 90,000 common. Price—\$3. Business—Manufacture of a synthetic elastic yarn and other synthetic fibres. Proceeds—For general corporate purposes. Office—186 Grand St., N. Y. Underwriter—McLaughlin, Kaufman & Co., N. Y. Offering—In January.

Spartan International Inc.
Dec. 22, 1961 filed 175,000 common. Price—\$4. Business—Manufacture of metal shower receptors, precast concrete receptors, prefabricated metal showers and baseboard radiators. Proceeds—For a new plant in Canada. Office—52-55 74th Ave., Maspeth, L. I., N. Y. Underwriter—M. H. Woodhill, Inc., N. Y.

Spears (L. B.), Inc.
Oct. 30, 1961 filed 65,000 common. Price—\$5. Business—Operation of retail furniture stores. Proceeds—For working capital. Office—2212 Third Ave., N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y.

Sperli Products, Inc. (2/26-3/2)
Nov. 29, 1961 filed 230,000 common of which 200,000 are to be offered by the company and 30,000 by stockholders. Price—By amendment. Business—Manufacture of drug and food products, electrical and electronic devices and precision machinery. Proceeds—For the purchase of certain patents, repayment of debt, and working capital.

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Office—730 Grand St., Hoboken, N. J. **Underwriter**—Blair & Co., N. Y.

• **Spiral Metal Co., Inc. (2/13-16)**

Dec. 7, 1961 ("Reg. A") 100,000 common. **Price**—\$2.50. **Business**—Broker and silver in gold and silver bullion and other non-ferrous metals. It also does processing and smelting. **Proceeds**—For a new refinery, debt repayment and working capital. **Office**—E. William St., Hopelawn (Woodbridge), N. J. **Underwriter**—Flomenhaft, Seidler & Co., N. Y.

• **Sportsmen, Inc. (1/8-12)**

Nov. 29, 1961 filed \$100,000 of 6% subordinated convertible debentures due 1977 and 50,000 common to be offered in units, each consisting of \$20 of debentures and 10 shares. **Price**—\$60 per unit. **Business**—Design and manufacture of fishing and archery equipment and fiber glass household items. **Proceeds**—For general corporate purpose. **Office**—131 Saw Mill River Rd., Yonkers, N. Y. **Underwriter**—William, David & Motti, Inc., N. Y.

• **Standard Industries, Inc.**

Oct. 13, 1961 filed 210,000 common, of which 183,000 are to be offered by the company and 27,000 by a stockholder. **Price**—By amendment. **Business**—Production of crushed limestone, gravel, and ready-mix concrete and construction of highways, etc. **Proceeds**—General corporate purposes. **Office**—731 Mayo Bldg., Tulsa, Okla. **Underwriter**—Allen & Co., N. Y. **Offering**—In Jan.

• **Standard & Poor's Corp. (1/4-5)**

Nov. 13, 1961 filed 261,896 common. **Price**—By amendment. **Business**—Publishers of financial information. **Proceeds**—For selling stockholders. **Office**—345 Hudson St., N. Y. **Underwriter**—Smith, Barney & Co., N. Y.

• **Stanley Industries Corp.**

Oct. 26, 1961 filed 80,000 common. **Price**—\$4. **Business**—Design, manufacture and sale of heavy-duty stainless steel equipment. **Proceeds**—For debt repayment and general corporate purposes. **Office**—454 Livonia Ave., Brooklyn, N. Y. **Underwriter**—Edwards & Hanly, Hempstead, N. Y.

• **Star Home and Shelter Corp.**

June 28, 1961 filed 133,000 common and 133,000 warrants to be offered in units, each unit consisting of one common share and one warrant. **Price**—\$3 per unit. **Business**—The construction and sale of shell homes. **Proceeds**—For repayment of loans, advances to a subsidiary, establishment of branch sales offices and working capital. **Office**—336 S. Salisbury Street, Raleigh, N. C. **Underwriter**—D. E. Liederman & Co., Inc., N. Y. (mgr.). **Note**—This firm formerly was known as Star Homes, Inc. **Offering**—In late January.

• **Starmatic Industries, Inc.**

Nov. 3, 1961 filed 100,000 common. **Price**—By amendment. **Business**—Manufacture of boxes, brochures, packaging materials and packaging machines. **Proceeds**—For debt repayment and general corporate purposes. **Office**—252 W. 30th St., N. Y. **Underwriter**—N. A. Hart & Co., Bayside, N. Y. **Offering**—In February.

• **Steel Plant Equipment Corp. (1/8-12)**

Oct. 2, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Proceeds**—For equipment and working capital. **Address**—Norristown, Pa. **Underwriter**—Joseph W. Hurley & Co., Norristown, Pa.

• **Sterling Extruder Corp. (1/8-12)**

Sept. 12, 1961 filed 90,000 common, of which 20,000 are to be offered by the company and 70,000 by the stockholders. **Price**—\$10. **Business**—The manufacture of plastic extrusion machinery and auxiliary equipment. **Proceeds**—For working capital. **Office**—1537 W. Elizabeth Ave., Linden, N. J. **Underwriter**—Marron, Sloss & Co., N. Y.

• **Stevens Markets, Inc.**

Dec. 8, 1961 ("Reg. A") 13,559 class A common. **Price**—\$7.37. **Business**—Operation of supermarkets. **Proceeds**—For selling stockholders. **Office**—5701 N. W. 35th Ave., Miami, Fla. **Underwriter**—Floyd D. Cerf Jr., Co., Inc., Chicago.

• **Stokley-Van Camp, Inc. (2/5-9)**

Nov. 29, 1961 filed \$15,000,000 of convertible subordinated debentures due 1982 to be offered by the company, and 100,000 common shares by a stockholder. **Price**—By amendment. **Business**—Processing and distributing of various canned and frozen food products. **Proceeds**—For debt repayment and working capital. **Office**—941 N. Meridian St., Indianapolis. **Underwriter**—Reynolds & Co., Inc., N. Y.

• **Struthers Scientific & International Corp. (1/2-5)**

Oct. 23, 1961 filed 150,000 class A common. **Price**—By amendment. **Business**—Company was recently formed by Struthers Wells Corp., to take over latter's recent developments in saline water conversion and certain manufacturing, international engineering and sales activities. **Proceeds**—For general corporate purpose. **Office**—111 W. 50th St., N. Y. **Underwriter**—Hirsch & Co., Inc., N. Y.

• **Sun City Dairy Products, Inc.**

Oct. 27, 1961 filed 120,000 common. **Price**—\$5. **Business**—Distribution of eggs and dairy products in Florida and other southeastern states. **Proceeds**—General corporate purposes. **Office**—3601 N. W. 50th St., Miami, Fla. **Underwriter**—Seymour Blauner Co., N. Y.

• **Sunset Industries, Inc.**

Nov. 24, 1961 ("Reg. A") 75,000 common. **Price**—\$3.75. **Business**—Wholesale and retail sale of builders' supplies. **Proceeds**—For general corporate purposes. **Office**—1029 Sunset Blvd., Los Angeles. **Underwriter**—Costello, Russotto & Co., Los Angeles.

• **Super Valu Stores, Inc. (1/3)**

Oct. 11, 1961 filed 115,000 common. **Price**—By amendment. **Business**—Distributes food and related products

to franchised retail stores. **Proceeds**—Debt repayment, inventories, expansion and other corporate purposes. **Office**—101 Jefferson Ave., Hopkins, Minn. **Underwriters**—White, Weld & Co., Inc., N. Y. and J. M. Dain & Co., Inc., Minneapolis.

• **Susan Crane Packaging, Inc. (1/4)**

Aug. 28, 1961 filed 150,000 common. **Price**—\$10. **Business**—The manufacture of gift wrap, packaging materials and greeting cards. **Proceeds**—For repayment of loans, expansion, working capital and general corporate purposes. **Office**—8107 Chancellor Row, Dallas. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. **Note**—This statement has become effective.

• **Swift Homes, Inc. (1/2-5)**

Sept. 15, 1961 filed 240,000 common, of which 80,000 will be sold by the company and 160,000 by stockholders. **Price**—By amendment. **Business**—The manufacture, sale and financing of factory-built homes. **Proceeds**—To expand credit sales and open new sales offices. **Address**—1 Chicago Ave., Elizabeth, Pa. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

• **Taylor Publishing Co.**

Dec. 21, 1961 filed 152,000 common. **Price**—By amendment. **Business**—Production and distribution of school year-books and commercial printing. **Proceeds**—For selling stockholders. **Office**—6320 Denton Dr., Dallas. **Underwriter**—Dallas Rupe & Son, Inc., Dallas, Tex.

• **Technibilt Corp. (2/19-21)**

Nov. 28, 1961 filed 150,000 common. **Price**—\$4. **Business**—Manufacture of shopping carts and related products. **Proceeds**—For debt repayment, equipment and working capital. **Office**—905 Air Way, Glendale, Calif. **Underwriter**—Frank Karasik & Co., N. Y.

• **Technical Animations, Inc.**

Nov. 30, 1961 filed \$211,400 of 7% conv. subord. debentures due 1972 (with warrants) to be offered for subscription by holders of class A and class B common at the rate of \$100 of debentures for each 280 shares held. **Price**—\$100 per unit (\$100 of debentures and one warrant to purchase 14 class A shares). **Business**—Design and manufacture of animated transparencies and other technical training aids and displays. **Proceeds**—For debt repayment, expansion, research, and working capital. **Office**—11 Sintsink Dr., East Port Washington, N. Y. **Underwriters**—Bull & Low; John R. Maher Associates; and R. Topik & Co., Inc., N. Y.

• **Tec-Torch Co., Inc. (2/5-9)**

Nov. 28, 1961 filed 100,000 common. **Price**—\$3.25. **Business**—Design and manufacture, of inert gas welding equipment. **Proceeds**—For debt repayment, expansion and working capital. **Office**—153 Union Ave., East Rutherford, N. J. **Underwriter**—Scott, Harvey & Co., Inc., Fairlawn, N. J.

• **Tel-A-Sign, Inc.**

Oct. 30, 1961 filed \$900,000 of convertible subordinated debentures due 1974 and 180,000 common to be offered in units consisting of \$100 of debentures and 20 common. **Price**—By amendment. **Business**—Manufactures illuminated and non-illuminated signs and other advertising material. **Proceeds**—For debt repayment and working capital. **Office**—3401 W. 47th St., Chicago. **Underwriter**—Clayton Securities Corp., Boston.

• **Tele-Communications Corp. (1/8)**

Sept. 29, 1961 ("Reg. A") 100,000 class A common. **Price**—\$3. **Proceeds**—For debt repayment, advertising, research and development, plant improvement and working capital. **Office**—41 E. 42nd St., N. Y. **Underwriter**—Edward Lewis Co., Inc., N. Y.

• **Texas Electro-Dynamic Capital, Inc.**

Oct. 16, 1961 filed 250,000 common. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—General corporate purposes. **Office**—1947 W. Gray Ave., Houston. **Underwriter**—Moroney, Beissner & Co., Inc., Houston.

• **Texas Power & Light Co. (1/23)**

Dec. 13, 1961 filed \$10,000,00 of sinking fund debentures due 1987. **Proceeds**—For debt repayment and construction. **Office**—1511 Bryan St., Dallas. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.-Blyth & Co., Inc.-Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Lehman Brothers; White, Weld & Co.; First Boston Corp.; Eastman Dillon, Union Securities & Co.-Salomon Brothers & Hutzler (jointly). **Bids**—Expected Jan. 23, 1962 at 11:30 a.m.

• **Texas Tennessee Industries, Inc. (1/29-2/2)**

Oct. 26, 1961 filed 175,000 common, of which 150,000 shares are to be offered by the company and 25,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of water coolers, water cans and portable hot beverage dispensers. **Proceeds**—For debt repayment and general corporate purposes. **Office**—6502 Rusk Ave., Houston. **Underwriter**—S. D. Fuller & Co., N. Y.

• **Thompson Manufacturing Co., Inc.**

Dec. 22, 1961 filed 90,000 common, of which 80,000 shares are to be offered by the company and 10,000 by stockholders. **Price**—\$4. **Business**—Design and manufacture of special machinery for bowling alleys and related equipment. **Proceeds**—For debt repayment and general corporate purposes. **Office**—Canal St., Lancaster, Pa. **Underwriter**—Packer-Wilbur Co., Inc., N. Y.

• **Tidewater Lumber Co.**

Oct. 23, 1961 filed 200,000 common. **Price**—\$5. **Business**—Wholesale lumber company. **Proceeds**—For debt repayment and working capital. **Office**—1600 Hillside Ave., New Hyde Park, N. Y. **Underwriter**—Rubin, Renert & Co., Inc., N. Y.

• **Tokyo Shibaura Electric Co., Ltd. ("Toshiba") (1/29-2/2)**

Dec. 5, 1961 filed 30,000,000 common to be offered for public sale in the U. S., in the form of 600,000 American

Depository Shares, each representing 50 common shares of the company. **Price**—By amendment. **Business**—Manufactures a broad line of electrical and electronic equipment including home appliances, radio and TV, heavy duty equipment, tubes and semi-conductors. **Proceeds**—For the account of a subsidiary. **Office**—Tokyo, Japan. **Underwriters**—Smith, Barney & Co., and the Nomura Securities Co. Ltd., N. Y.

• **Tokyo Shibaura Electric Co., Ltd. ("Toshiba")**

Dec. 8, 1961 filed 50,000,000 common shares to be offered to stockholders on the basis of one new share for each two held of record Dec. 30. **Price**—\$0.125. **Business**—Manufactures a broad line of electrical and electronic equipment. **Proceeds**—For expansion. **Office**—Tokyo, Japan. **Underwriters**—None.

• **Tonka Toys, Inc.**

Dec. 8, 1961 ("Reg. A") 6,450 common. **Price**—By amendment. **Business**—Design and manufacture of toys. **Proceeds**—For the selling stockholders. **Address**—Mound, Minn. **Underwriter**—Bache & Co., N. Y.

• **Tri-State Displays, Inc.**

July 24, 1961 ("Reg. A") 200,000 common. **Price**—\$1.15. **Proceeds**—For working capital. **Office**—1221 Glenwood Ave., Minneapolis. **Underwriter**—Continental Securities, Inc., Minneapolis.

• **Tork Time Controls, Inc. (2/26-3/2)**

Dec. 12, 1961 filed 150,000 common. **Price**—By amendment. **Business**—Design and manufacture of time controlled switches. **Proceeds**—For debt repayment, expansion, and working capital. **Office**—1 Grove St., Mount Vernon, N. Y. **Underwriters**—Godfrey, Hamilton, Taylor & Co., and Magnus & Co., N. Y.

• **Trans-Alaska Telephone Co.**

Nov. 29, 1961 filed 265,000 common, of which 250,000 are to be offered by the company and 15,000 by a stockholder. **Price**—\$6. **Proceeds**—For construction, and acquisition, repayment of debt, and other corporate purposes. **Office**—110 E. 6th Ave., Anchorage, Alaska. **Underwriter**—Milton D. Blauner & Co., Inc., N. Y.

• **Transdata, Inc.**

Nov. 29, 1961 filed 100,000 common. **Price**—\$5. **Business**—Research and development in the data and image processing and transmission field. **Proceeds**—For debt repayment and other corporate purposes. **Office**—1000 N. Johnson Ave., El Cajon, Calif. **Underwriter**—N. C. Roberts & Co., Inc., San Diego.

• **Trans-Pacific Research & Capital, Inc.**

Nov. 27, 1961 filed 47,000 common. **Price**—By amendment. **Business**—Manufacture of high pressure valves and accessories. **Proceeds**—For expansion, working capital, and possible acquisitions. **Office**—Pacific National Bank Bldg., Bellevue, Wash. **Underwriter**—Hill, Darlington & Grimm, N. Y. **Offering**—In February.

• **Tri-Point Industries, Inc. (1/10)**

Sept. 28, 1961 filed 160,000 common, of which 80,000 are to be offered by the company and 80,000 shares by stockholders. **Price**—By amendment. **Business**—Manufacture of precision, plastic components. **Proceeds**—For repayment of loans, advertising, equipment and working capital. **Office**—175 I. U. Willets Rd., Albertson, L. I., N. Y. **Underwriter**—Hill, Darlington & Grimm, N. Y.

• **Triotech, Inc. (1/8-12)**

Oct. 6, 1961 ("Reg. A") 100,000 common. **Price**—\$2. **Business**—Manufacture of Electronic Parts and Equipment. **Proceeds**—For debt repayment, machinery, new products, leasehold improvements and working capital. **Office**—3410 W. Cohasset St., Burbank, Calif. **Underwriter**—Ezra Kureen Co., N. Y.

• **Tripoli Co., Inc. (1/8-12)**

Oct. 20, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Manufacture of a wide variety of cosmetics. **Proceeds**—For equipment, inventory and working capital. **Office**—1215 Walnut St., Philadelphia. **Underwriter**—D. L. Greenbaum & Co., Philadelphia.

• **Triton Electronics, Inc.**

Sept. 26, 1961 filed 108,000 common, of which 76,500 will be offered by the company and 31,500 by stockholders. **Price**—\$4.50. **Business**—Manufacture of magnetic recording tape and metallic yarns. **Proceeds**—For research and development, advertising, and working capital. **Office**—62-05 30th Ave., Woodside, N. Y. **Underwriter**—To be named.

• **Trygon Electronics Inc.**

Dec. 22, 1961 filed 100,000 common, of which 52,000 are to be offered by the company and 48,000 by stockholders. **Price**—\$6. **Business**—Design, manufacture and sale of power supplies. **Proceeds**—For debt repayment and working capital. **Office**—111 Pleasant Ave., Roosevelt, L. I., N. Y. **Underwriter**—William, David & Motti, Inc., N. Y.

• **Turbodyne Corp.**

May 10, 1961 filed 127,500 shares of common stock. **Price**—\$5 per share. **Business**—The research, development, manufacturing and marketing of space and rocket engines, and related activities. **Proceeds**—For research and development, and working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—Sandkuhl & Co., Inc., Newark, N. J., and N. Y. C. **Offering**—Expected sometime in March.

• **Turner Engineering & Automation Corp. (1/15-19)**

Sept. 27, 1961 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Manufactures electronic devices and components. **Office**—209 Glenside Ave., Wyncote, Pa. **Underwriter**—Valley Forge Securities Co., Inc., Phila.

• **Twentieth Century Capital Corp.**

Nov. 24, 1961 filed 250,000 common. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—134 S. La Salle St., Chicago. **Underwriter**—Bacon, Whipple & Co., Chicago.

★ **21 Brands, Inc.**

Dec. 22, 1961 filed 800,000 common, of which 550,000 are to be offered by the company and 250,000 by stockholders. **Price**—By amendment. **Business**—Distribution of imported and American wines and whiskies. **Proceeds**—For debt repayment, expansion and working capital. **Office**—23 W. 52nd St., N. Y. **Underwriters**—A. C. Allyn & Co., Chicago and Hornblower & Weeks, N. Y.

● **Tyson Metal Products, Inc. (1/15-19)**

Oct. 26, 1961 filed 70,000 common, of which 21,000 shares are to be offered by the company and 49,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of food and beverage service equipment. **Proceeds**—For working capital. **Office**—6815 Hamilton Ave., Pittsburgh. **Underwriter**—Arthurs, Lestrangle & Co., Pittsburgh.

● **Ultra Plastics Inc. (1/29-2/2)**

Sept. 19, 1961 filed 150,000 class A common. **Price**—\$4. **Business**—The manufacture of outdoor plastic signs and urethane foam. **Proceeds**—For equipment, repayment of debt, inventory, additional personnel, advertising and **Underwriter**—Amos Treat & Co., N. Y.

● **Unedea Vending Service, Inc.**

Dec. 14, 1961 ("Reg. A") 73,500 common. **Price**—\$3. **Business**—Purchase of new and used coin-operated vending and recreational machines. **Proceeds**—For general corporate purposes. **Office**—166 Clymer St., Brooklyn, N. Y. **Underwriter**—Capital Consultants Corp., N. Y.

● **Union Title Co. (1/9-12)**

Aug. 28, 1961 filed 150,000 capital shares. **Price**—\$7.50. **Business**—The insuring of real estate titles. **Proceeds**—For working capital and expansion. **Office**—222 N. Central Ave., Phoenix. **Underwriter**—None.

● **Union Trust Life Insurance Co. (1/9-12)**

Sept. 25, 1961 filed 300,000 common. **Price**—By amendment. **Business**—Sale of life, and health and accident insurance. **Proceeds**—For investment. **Office**—611 N. Broadway St., Milwaukee. **Underwriters**—None. **Note**—This statement has become effective.

● **Unison Electronics Corp.**

Nov. 27, 1961 filed 250,000 common. **Price**—\$2.50. **Business**—Manufacture of high-precision instrument components for missile and aircraft guidance systems. **Proceeds**—For general corporate purposes. **Office**—Grand Haven, Mich. **Underwriter**—Strathmore Securities, Inc., Pittsburgh, Pa. **Note**—This registration was withdrawn.

● **United Aero Products Corp. (1/22-26)**

Sept. 28, 1961 filed \$600,000 of 6% conv. subord. debentures due 1971. **Price**—At par. **Business**—Manufacture of precision machined parts for the aircraft, missile, electronics and nuclear industries. **Proceeds**—Debt repayment, research and development, expansion and working capital. **Office**—Columbus Rd., Burlington, N. J. **Underwriters**—Hess, Grant & Remington, Inc., Philadelphia and Arthurs, Lestrangle & Co., Pittsburgh.

● **United Investors Life Insurance Co.**

Dec. 15, 1961 filed 562,500 common, of which 472,100 shares are to be offered for subscription by stockholders of Waddell & Reed, Inc., parent, on the basis of one United share for each two Waddell shares held. The remaining 90,400 shares will be offered to certain persons associated with the parent company or its subsidiaries. **Price**—By amendment. **Business**—A legal reserve life insurance company. **Proceeds**—For the account of Waddell & Reed. **Office**—20 W. 9th St., Kansas City, Mo. **Underwriter**—Kidder, Peabody & Co., N. Y.

● **United Packaging Co., Inc. (2/26-3/2)**

Nov. 29, 1961 filed 102,000 common. **Price**—\$3. **Business**—A general packaging business. **Proceeds**—For new machinery, debt repayment and working capital. **Office**—4511 Wayne Ave., Philadelphia. **Underwriter**—Godfrey, Hamilton, Taylor & Co., Inc., N. Y.

● **United Scientific Laboratories, Inc. (1/16)**

Aug. 18, 1961 filed 360,000 common shares. **Price**—\$2. **Business**—The manufacture of high fidelity stereo tuners and amplifiers and amateur radio transceivers. **Proceeds**—For repayment of debt, increase in sales personnel, tooling and production and working capital. **Office**—35-15 37th Ave., Long Island City, N. Y. **Underwriter**—Fred F. Sessler Co., Inc., N. Y.

● **U. S. Controls, Inc. (1/22-26)**

Sept. 28, 1961 filed 120,000 common. **Price**—\$2.25. **Business**—The manufacture of automatic control systems. **Proceeds**—For repayment of debt, a sales and advertising program, research and development, equipment and working capital. **Office**—410 Fourth Ave., Brooklyn. **Underwriter**—N. A. Hart & Co., Bayside, N. Y.

● **United States Crown Corp. (1/8-12)**

Aug. 22, 1961 filed 150,000 common. **Price**—\$8. **Business**—The manufacture of specialized bottle caps. **Proceeds**—For equipment, working capital and general corporate purposes. **Office**—437 Boulevard, East Paterson, N. J. **Underwriter**—Adams & Peck, N. Y. (mgr.)

● **U. S. Electronic Publications, Inc.**

Sept. 26, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Publishing of military and industrial handbooks. **Proceeds**—Debt repayment, expansion and working capital. **Office**—480 Lexington Ave., N. Y. **Underwriter**—Douglas Enterprises, 8856 18th Ave., Brooklyn.

★ **U. S. Realty Investments**

Dec. 21, 1961 filed 600,000 shares of beneficial interests. **Price**—By amendment. **Business**—A real estate investment trust. **Proceeds**—For general corporate purposes. **Office**—720 Euclid Ave., Cleveland. **Underwriter**—Hornblower & Weeks, N. Y.

● **United Variable Annuities Fund, Inc.**

April 11, 1961 filed 2,500,000 shares of stock. **Price**—\$10 per share. **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—20 W. 9th Street, Kansas City, Mo. **Underwriter**—Waddell & Reed, Inc., Kansas City, Mo. **Offering**—Expected in early March.

● **Univend Corp. (1/8-12)**

Sept. 29, 1961 ("Reg. A") 115,000 common. **Price**—\$2.50. **Business**—Operates coin-vending machines for food and drink. **Proceeds**—For expansion and working capital. **Office**—28 O'Brien Place, Brooklyn, N. Y. **Underwriter**—Ezra Kureen Co., N. Y.

● **Universal Electronics Laboratories Corp.**

Sept. 28, 1961 filed 90,250 common, of which 76,250 will be sold by the company and 14,000 by stockholders. **Price**—By amendment. **Business**—Design, development and production of teaching machines. **Proceeds**—For production expenses, advertising, marketing etc. **Office**—510 Hudson St., Hackensack, N. J. **Underwriters**—To be named.

● **Universal Lighting Products, Inc.**

Sept. 21, 1961 filed 175,000 common. **Price**—\$1. **Business**—Manufacturer of lighting fixtures and display and merchandising equipment for use in gasoline service stations. **Proceeds**—Repayment of debt and working capital. **Office**—55 Bergenline Ave., Westwood, N. J. **Underwriter**—Globus, Inc., N. Y. **Offering**—Sometime in February.

● **Universal Waterproofing Corp.**

Nov. 17, 1961 ("Reg. A") 60,000 common. **Price**—\$3. **Business**—Application of water-proofing materials, remedial work to buildings. **Proceeds**—For working capital. **Office**—613 E. 12th St., N. Y. **Underwriter**—Professional & Executive Planning Corp., Long Beach, N. Y., and E. J. Roberts & Co., East Orange, N. J.

● **Uropa International, Inc. (1/8-12)**

Sept. 28, 1961 filed 120,000 common. **Price**—\$2.50. **Business**—Importing of compact appliances and stereophonic radio and phonograph consoles. **Proceeds**—For working capital. **Office**—16 W. 32nd St., N. Y. **Underwriter**—Dean Samitas & Co., N. Y.

● **U-Tell Corp. (1/8-12)**

Sept. 18, 1961 ("Reg. A") 31,097 common. **Price**—\$5. **Business**—Operation of a discount department store. **Office**—3629 N. Teutonia Ave., Milwaukee, Wis. **Underwriter**—Continental Securities Corp., Milwaukee, Wis.

● **Val-U Homes Corp. of Delaware (1/15-19)**

Aug. 28, 1961 filed 100,000 common. **Price**—\$5. **Business**—The manufacture of prefabricated buildings and shell homes. **Proceeds**—For working capital. **Office**—765 River St., Paterson, N. J. **Underwriter**—To be named.

★ **Valle's Steak House**

Dec. 22, 1961 filed 78,812 common, of which 55,736 are to be offered by the company and 23,076 shares by a stockholder. **Price**—By amendment. **Business**—The operation of four restaurants in Maine and Mass. **Proceeds**—For expansion, debt repayment and general corporate purposes. **Office**—646 Forest Ave., Portland, Maine. **Underwriters**—H. M. Payson & Co., Portland, and R. W. Pressprich & Co., N. Y.

● **Valley Metallurgical Processing Co. (1/22-26)**

Oct. 23, 1961 filed 70,000 common. **Price**—By amendment. **Business**—Production of metal powders for the rocket, munitions and pyrotechnics industries. **Proceeds**—For debt repayment and general corporate purposes. **Office**—Essex, Conn. **Underwriter**—McDonnell & Co. Inc., N. Y.

● **Van Der Hout Associates Ltd.**

Nov. 29, 1961 filed 100,000 common. **Price**—By amendment. **Business**—National distributor of automotive parts in Canada. **Proceeds**—For selling stockholders. **Office**—1480 Lake Shore Rd., Toronto. **Underwriter**—Rosmar Corp., Ltd., Toronto.

● **Van-Pak, Inc. (1/22-26)**

Sept. 15, 1961 filed 140,000 common. **Price**—\$15. **Business**—A nation-wide and overseas non-regulated freight forwarder engaged in the forwarding of household goods. **Proceeds**—To repay debt, purchase metal containers, and increase working capital. **Office**—542 Insurance Exchange Bldg., Des Moines, Iowa. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

● **Varicraft Industries, Inc. (1/3-5)**

Nov. 7, 1961 ("Reg. A") 120,000 common. **Price**—\$2.25. **Business**—Custom design and manufacture of furniture. **Proceeds**—For debt repayment and working capital. **Office**—45th St. and Crescent Blvd., Pennsauken, N. J. **Underwriter**—Mayo & Co., Inc., Philadelphia.

● **Vending International, Inc.**

Nov. 30, 1961 ("Reg. A") 70,588 common. **Price**—\$4.25. **Business**—Automatic vending of food, beverages and cigarettes. **Proceeds**—For debt repayment, equipment and foreign expansion. **Office**—436 Fourth Ave., Mansfield, O. **Underwriter**—H. P. Black & Co., Washington, D. C. **Offering**—Imminent.

● **Vendotronics Corp.**

Sept. 1, 1961 ("Reg. A") 150,000 common. **Price**—\$2. **Business**—The manufacture of automatic popcorn vending machines. **Proceeds**—For repayment of loans, advertising, inventory, working capital and general corporate purposes. **Office**—572 Merrick Rd., Lynbrook, N. Y. **Underwriter**—B. G. Harris & Co., Inc., N. Y. **Offering**—Imminent.

● **Venus Drug Distributors, Inc.**

Oct. 2, 1961 filed 168,000 common, of which 120,000 are to be sold by the company and 48,000 by stockholders. **Price**—\$5. **Business**—Wholesale distribution of cosmetics. **Proceeds**—For new product development, advertising and working capital. **Office**—4206 W. Jefferson Blvd., Los Angeles, Calif. **Underwriter**—Garat & Polonitz, Inc., Los Angeles.

● **Vic Tanny Enterprises, Inc. (1/15)**

May 11, 1961 filed 200,000 shares of class A common to be sold by Mr. Vic Tanny, a stockholder, who will use proceeds to repay debt to company. **Price**—\$6.25. **Business**—The operation of a national chain of gymnasiums and health centers for men and women. **Office**—

375 Park Ave., N. Y. **Underwriters**—Globus, Inc., and Ross, Lyon & Co., Inc., N. Y.

● **Virginia Dare Stores Corp. (1/2-5)**

Oct. 27, 1961 filed 154,000 common, of which 100,000 shares are to be offered by the company and 54,000 shares by stockholders. **Price**—By amendment. **Business**—Operation of stores selling women's, misses and children's apparel. **Proceeds**—For working capital. **Office**—111 Eighth Ave., N. Y. **Underwriter**—Lehman Brothers, N. Y.

★ **Visual Arts Industries, Inc.**

Dec. 26, 1961 filed 95,000 common. **Price**—\$2. **Business**—Design, assembly, production and sale of creative arts, crafts, hobbies and educational toys. **Proceeds**—For debt repayment. **Office**—68 Thirty-third St., Brooklyn, N. Y. **Underwriters**—Ross, Lyon & Co., and Globus, Inc., N. Y.

● **Vitamin Specialties Co. (1/29-12/2)**

Nov. 6, 1961 ("Reg. A") 100,000 capital shares. **Price**—\$3. **Business**—Sale of vitamin products and proprietary drugs. **Proceeds**—For debt repayment and working capital. **Office**—3610-14 N. 15th St., Philadelphia. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia.

● **Voldale, Inc. (1/8-12)**

Oct. 20, 1961 ("Reg. A") 54,000 common. **Price**—\$4.25. **Business**—Acquisition and development of new patents. **Proceeds**—For debt repayment and working capital. **Office**—35-10 Astoria Blvd., Long Island City, N. Y. **Underwriter**—Peters, Writer & Christensen, Inc., Denver.

● **Volume Distributors, Inc.**

Nov. 24, 1961 filed 90,000 common. **Price**—By amendment. **Business**—Operation of a self-service family shoe store chain and shoe departments in discount department stores. **Proceeds**—For debt repayment and other corporate purposes. **Office**—115 W. Crane St., Topeka, Kan. **Underwriter**—Stern Brothers & Co., Kansas City, Mo.

● **Vornado, Inc. (2/5-9)**

Dec. 7, 1961 filed \$5,500,000 of convertible subordinated debentures due 1982, to be offered to common stockholders at the rate of \$100 of debentures for each 25 shares held. **Price**—By amendment. **Business**—Operates a chain of retail "discount" stores and manufactures electric appliances. **Proceeds**—For expansion. **Office**—174 Passaic St., Garfield, N. J. **Underwriter**—Bache & Co., N. Y.

● **Voron Electronics Corp. (1/15-19)**

July 28, 1961 filed 100,000 class A shares. **Price**—\$3. **Business**—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnishing of background music. **Proceeds**—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. **Office**—1230 E. Mermaid Lane, Wyndmoor, Pa. **Underwriters**—John Joshua & Co., Inc., and Reuben Rose & Co., New York.

● **Walston Aviation, Inc.**

Oct. 30, 1961 filed 90,000 common, of which 60,000 are to be offered by the company and 30,000 by a stockholder. **Price**—\$6.25. **Business**—Sells Cessna Airplanes and supplies; also repairs and services various type airplanes. **Proceeds**—For expansion and general corporate purposes. **Office**—Civic Memorial Airport, E. Alton, Ill. **Underwriter**—White & Co., Inc., St. Louis.

● **Waterman Steamship Corp.**

Aug. 29, 1961 filed 1,743,000 common. **Price**—By amendment. **Business**—The carrying of liner-type cargoes. **Proceeds**—For the purchase of vessels, and working capital. **Office**—71 Saint Joseph St., Mobile, Ala. **Underwriter**—Shields & Co. Inc., N. Y. (mgr.). **Offering**—Expected sometime in March.

● **Weiss Bros. Stores, Inc. (1/15-19)**

Oct. 27, 1961 filed 140,000 class A shares, of which 25,000 are to be offered by the company and 115,000 by stockholders. **Price**—By amendment. **Business**—Operates 12 women's apparel stores and sells men's and women's apparel in leased departments of other specialty stores. **Proceeds**—For debt repayment. **Office**—1 W. 39th St., N. Y. **Underwriter**—Francis I. duPont & Co., N. Y.

● **West Coast Bowling Corp.**

May 26, 1961 filed 100,000 common. **Price**—\$5. **Business**—The company plans to acquire and operate bowling centers primarily in California. **Proceeds**—For general corporate purposes. **Office**—3300 West Olive Avenue, Burbank, Calif. **Underwriter**—Hill Richards & Co. Inc., Los Angeles (mgr.). **Offering**—Imminent.

● **West Coast Telephone Co. (1/15-19)**

Dec. 11, 1961 filed 110,000 common. **Price**—By amendment. **Proceeds**—For debt repayment and construction. **Office**—1714 California St., Everett, Wash. **Underwriter**—Blyth & Co., Inc., N. Y.

● **West Falls Shopping Center Limited Partnership**

Nov. 14, 1961 filed \$444,000 of limited partnership interests to be offered in 444 units. **Price**—\$1,000. **Business**—Development of a shopping center at Falls Church, Va. **Proceeds**—For general corporate purposes. **Office**—1411 K St., N. W., Washington, D. C. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C. **Offering**—In February.

● **Westates Land Development Corp. (2/5-9)**

Sept. 28, 1961 filed 1,500,000 of 7% convertible subord. debentures due 1976 and 300,000 common shares to be offered in units, each consisting of \$100 of debentures and 20 common shares. **Price**—\$200 per unit. **Business**—General real estate. **Proceeds**—For debt repayment and working capital. **Office**—9412 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—Morris Cohon & Co., N. Y.

● **Western California Telephone Co. (2/15)**

Dec. 18, 1961 filed 84,000 common to be offered for subscription by preferred and common stockholders of rec-

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ord Feb. 15, on the basis of one right for each common share held and two-fifths of a right for each preferred share held. Two rights will be required to purchase one new share. **Price**—By amendment. **Proceeds**—For construction. **Office**—15909 San Jose-Los Gatos Rd., Los Gatos, Calif. **Underwriter**—Dean Witter & Co., San Francisco.

Western Land Corp.
Oct. 24, 1961 filed 400,000 common. **Price**—\$2.25. **Business**—Acquisition, construction and leasing of shopping centers. **Proceeds**—For general corporate purposes. **Office**—2205 First National Bank Bldg., Minneapolis. **Underwriter**—None.

Western Semiconductors, Inc. (1/8-12)
Sept. 20, 1961 ("Reg. A") 100,000 capital shares. **Price**—\$3. **Business**—Manufacture of semi-conductors for commercial and military use. **Office**—605-G Alton St., Santa Ana, Calif. **Underwriter**—Currier & Carlsen, Inc., San Diego, Calif.

Western States Real Investment Trust
Nov. 13, 1961 filed 32,000 shares of beneficial interest. **Price**—\$6.25. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—403 Ursula St., Aurora, Colo. **Underwriter**—Westco Corp., Aurora, Colo.

Westland Capital Corp. (1/15-19)
Sept. 21, 1961 filed 985,500 common. **Price**—\$11. **Business**—A small business investment company. **Proceeds**—For working capital. **Office**—9229 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Bear, Stearns & Co., N. Y.

White Electromagnetics, Inc.
Oct. 5, 1961 filed 65,000 common. **Price**—\$3.75. **Business**—Rendering of consulting services pertaining to electronic system analysis. **Proceeds**—For expansion, publication of technical papers, marketing, product development and working capital. **Office**—4903 Auburn Ave., Bethesda, Md. **Underwriter**—Weil & Co., Inc., Washington, D. C.

Wiatt (Norman) Co. (1/8-12)
Nov. 28, 1961 filed 135,000 common, of which 45,000 shares are to be offered by the company and 90,000 by stockholders. **Price**—By amendment. **Business**—Design and manufacture of ladies' dresses. **Proceeds**—For general corporate purposes. **Office**—124 E. Olympic Blvd., Los Angeles. **Underwriters**—Schwabacher & Co., and J. Barth & Co., San Francisco; and Bear, Stearns & Co., N. Y.

Widmann (L. F.), Inc. (1/22-26)
Oct. 27, 1961 filed 162,000 common, of which 102,000 are to be offered by the company and 60,000 by stockholders. **Price**—\$3. **Business**—Operates a chain of retail drug stores. **Proceeds**—Expansion, equipment and working capital. **Office**—738 Bellefonte Ave., Lock Haven, Pa. **Underwriter**—Godfrey, Hamilton, Taylor & Co., N. Y.

• **Wiggins Plastics, Inc.**
Oct. 20, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Custom compression, transfer and injection molding of plastic materials. **Proceeds**—For debt repayment and general corporate purposes. **Office**—180 Kingsland Rd., Clifton, N. J. **Underwriter**—Investment Planning Group, Inc., East Orange, N. J. **Offering**—Expected in mid-February.

• **Winchell Donut House, Inc. (1/8-12)**
Sept. 26, 1961 filed 90,000 common. **Price**—By amendment. **Business**—Sale of doughnut mixes to franchised operators of doughnut shops leased from the company. **Proceeds**—For the selling stockholder. **Office**—1140 W. Main St., Alhambra, Calif. **Underwriter**—McDonnell & Co., Inc., N. Y.

• **Windsor (Kay), Inc. (1/8-12)**
Sept. 28, 1961 filed 200,000 class A common. **Price**—By amendment. **Business**—Manufacture and sale of women's dresses. **Proceeds**—For a selling stockholder. **Office**—Deane St., New Bedford, Mass. **Underwriter**—Lee Higginson Corp., N. Y.

Windsor Texprint, Inc.
Aug. 25, 1961 filed 265,000 common, of which 250,000 are to be offered by the company and 15,000 by stockholders. **Price**—\$2. **Business**—The printing of towels and other textile products. **Proceeds**—For repayment of loans. **Office**—2357 S. Michigan Ave., Chicago. **Underwriter**—D. E. Liederman & Co., Inc., N. Y. **Offering**—In Feb.

World Scope Publishers, Inc. (1/9-12)
July 31, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The publishing of encyclopedias and other reference books. **Proceeds**—For repayment of debt, working capital and general corporate purposes. **Office**—290 Broadway, Lynbrook, N. Y. **Underwriter**—Standard Securities Corp., N. Y.

World Toy House, Inc. (2/5-9)
Nov. 24, 1961 filed 150,000 common. **Price**—By amendment. **Business**—A manufacturers' broker specializing in the sale of toys, hobby goods and related items. **Proceeds**—For general corporate purposes. **Office**—408 St. Peter St., St. Paul, Minn. **Underwriter**—Laren Co., N. Y.

• **Worldwide Fund Ltd. (1/29-2/2)**
Sept. 19, 1961 filed 100,000 common. **Price**—\$100. **Business**—The Fund plans to invest primarily in equity securities of foreign issuers. **Office**—Bank of Bermuda Bldg., Hamilton, Bermuda. **Underwriter**—Burnham & Co., N. Y.

Writing Toys Corp.
Nov. 8, 1961 ("Reg. A") 65,650 common. **Price**—\$3.25. **Business**—Design and assembly of toys. **Proceeds**—For equipment and working capital. **Office**—354 Griggs-Midway Bldg., St. Paul, Minn. **Underwriter**—Pewters, Donnelly & Jansen, Inc., St. Paul.

Wulpa Parking Systems, Inc. (2/5-9)

Oct. 13, 1961 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Company plans to manufacture a parking device called the "Wulpa Lift." **Proceeds**—To open locations and increase working capital. **Office**—370 Seventh Ave., N. Y. **Underwriter**—Ehrlich, Irwin & Co., Inc., N. Y.

Wynlit Pharmaceuticals, Inc.

Nov. 27, 1961 filed 150,000 common. **Price**—By amendment. **Business**—Manufacture and distribution of ethical drugs and pharmaceuticals. **Proceeds**—For a new plant, product expansion and working capital. **Office**—91 Main St., Madison, N. J. **Underwriter**—Andresen & Co., N. Y.

Yankee Plastics, Inc.

Sept. 8, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Manufactures plastic hangers and forms. **Proceeds**—For acquisition of manufacturing facilities and working capital. **Office**—29 W. 34th St., N. Y. **Underwriter**—Sunshine Securities Inc., Rego Park, N. Y. **Offering**—Imminent.

Youthcraft Creations, Inc. (2/13-16)

Dec. 6, 1961 filed 130,000 class A shares, of which 20,000 are to be offered by the company and 110,000 by stockholders. **Price**—By amendment. **Business**—Design and manufacture of foundation garments for "juniors" and women. **Proceeds**—To finance increased accounts receivable and for other corporate purposes. **Office**—21-09 Borden Ave., Long Island City, N. Y. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y.

Zenith Laboratories, Inc.

Nov. 22, 1961 filed 120,000 common. **Price**—\$4.50. **Business**—Development and manufacture of ethical pharmaceuticals, non-prescription drugs, vitamins, etc. **Proceeds**—For repayment of debt and working capital. **Office**—150 S. Dean St., Englewood, N. J. **Underwriter**—Sulco Securities, Inc., N. Y.

Zim Israel Navigation Co., Ltd.

Oct. 5, 1961 filed 20,000 of 7% participating preferred. **Price**—\$500. **Business**—Furnishing of passenger and dry-cargo freight services. **Proceeds**—For construction and working capital. **Office**—Haifa, Israel. **Underwriter**—None.

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Prospective Offerings

Alberto-Culver Co.

Dec. 20, 1961 it was reported that a full filing will be made shortly covering 125,000 common. **Business**—Manufacture and national sale of cosmetic and toiletry preparations, particularly in the hair care field. **Proceeds**—For the selling stockholders. **Office**—Melrose Park, Ill. **Underwriter**—Shields & Co., N. Y.

American Telephone & Telegraph Co. (2/14)

Dec. 20, 1961 it was reported that the company plans to sell \$300,000,000 of debenture bonds due Feb. 1, 1994. **Proceeds**—For expansion. **Office**—195 Broadway, N. Y. **Underwriters**—(Competitive). Probable bidders: Morgan Stanley & Co.; First Boston Corp., and Halsey, Stuart & Co. Inc. (jointly). **Bids**—Expected Feb. 14.

Baltimore Gas & Electric Co.

Aug. 30, 1961 it was reported that this company plans to issue about \$25,000,000 of first mortgage bonds in the first half of 1962. **Office**—Lexington and Liberty Streets, Baltimore 3, Md. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co., and First Boston Corp. (jointly); Harriman Ripley & Co., Inc., and Alex. Brown & Sons (jointly).

Bebell & Bebell Color Laboratories, Inc.

Nov. 6, 1961 it was reported that a "Reg. A" will be filed shortly covering 75,000 common. **Price**—\$4. **Business**—Operates a color photo processing laboratory. **Proceeds**—For expansion, equipment and other corporate purposes. **Office**—108 W. 24th St., N. Y. **Underwriter**—Stevens, Hickey & Co., N. Y.

Cincinnati Gas & Electric Co.

Feb. 16, 1961 it was stated in the company's 1960 annual report that this utility plans to sell both first mortgage bonds and common stock in 1962 to finance its \$45,000,000 construction program. **Office**—Fourth & Main Sts., Cincinnati, O. **Underwriter**—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. and Lehman Brothers (jointly); Morgan Stanley & Co. and W. E. Hutton & Co. (jointly); Blyth & Co., Inc., and First Boston Corp. (jointly); Eastman Dillon, Union Securities & Co., and White, Weld & Co. (jointly). The last issue of common stock (81,510 shares) was sold privately to employees in August, 1960.

Columbus Capital Corp.

Dec. 11, 1961 it was reported that this newly formed Small Business Investment Co., plans to sell \$10 to \$20 million of common stock in the late spring. **Office**—297 South High St., Columbus, O. **Underwriter**—To be named.

Commonwealth Edison Co.

Nov. 17, 1961 it was reported that this company plans to sell \$30,000,000 of first mortgage bonds early in 1962; \$20,000,000 of additional debt securities in 1963 and \$25,-

000,000 in both 1964 and 1965. No new common or preferred stock financing is contemplated in the four year period. **Proceeds**—For construction. **Office**—72 West Adams St., Chicago. **Underwriters**—Competitive. Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Glore, Forgan & Co.

Corporate Funding Corp.

Dec. 12, 1961 it was reported that this company plans to file a "Reg. A" covering 75,000 class A common shares. **Price**—\$2. **Business**—A financial investment and holding company. **Proceeds**—For general corporate purposes. **Office**—39 Broadway, N. Y. **Underwriter**—R. F. Dowd & Co. Inc., N. Y.

Delaware Power & Light Co.

Feb. 7, 1961 it was reported that the company has postponed until early 1962 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Sept. 30, 1960, the sale would involve about 418,536 shares valued at about \$14,600,000. **Proceeds**—For construction. **Office**—600 Market St., Wilmington, Del. **Underwriter**—(Competitive). Probable bidders: Carl M. Loeb, Rhoades & Co., N. Y.; W. C. Langley & Co., and Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co., and Shields & Co. (jointly); Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Diversified Vending, Inc.

Sept. 13, 1961 it was reported that a registration statement will be filed shortly covering 100,000 common. **Price**—\$4. **Business**—The servicing of vending machines and coin operated kiddie-rides. **Proceeds**—For equipment, inventory and general corporate purposes. **Office**—Philadelphia, Pa. **Underwriter**—T. Michael McDarby & Co., Inc., Washington, D. C.

Duke Power Co. (2/20/62)

Dec. 6, 1961 it was reported that this company plans to sell \$50,000,000 of 30-year first mortgage bonds in February. **Offices**—422 So. Church St., Charlotte, N. C., and 30 Rockefeller Plaza, N. Y. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Stone & Webster Securities Corp.; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Expected Feb. 20, 1962 at 11 a.m. (EST).

El Paso Electric Co. (2/7/62)

Nov. 22, 1961 it was reported that this company plans to sell \$10,500,000 of first mortgage bonds in February. **Proceeds**—For construction and possible refunding of \$3,500,000 outstanding amount of 5½% bonds due 1989. **Office**—215 North Stanton St., El Paso, Texas. **Underwriters**—(Competitive). Probable bidders: Stone & Webster Securities Corp.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co. Inc.; White, Weld & Co.; Shields & Co. (jointly); Equitable Securities Corp.-R. W. Pressprich & Co. (jointly). **Bids**—Expected Feb. 7, 1962.

Electro Spectrum Corp.

Sept. 14, 1961 it was reported that this company plans to file a "Reg. A" covering 100,000 common. **Price**—\$3. **Business**—Research, development, manufacture and marketing in the fields of optics, electronics, chemistry and photography. **Proceeds**—For organizational expenses, building lease, machinery, inventory and working capital. **Office**—300 Gramatan Ave., Mt. Vernon, N. Y. **Underwriter**—Harry Rovno (same address).

Florida Power & Light Co.

Sept. 18, 1961, it was reported that the company may issue \$25,000,000 of bonds in the second half of 1962. **Office**—25 S. E. 2nd Ave., Miami, Fla. **Underwriter**—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc.

Gateway Transportation Co., Inc.

Dec. 13, 1961 it was reported that this company plans to file a registration statement covering 200,000 common, of which 50,000 shares will be sold by the company and 150,000 by stockholders. **Business**—A truck transportation company. **Proceeds**—To purchase terminal facilities. **Office**—La Crosse, Wis. **Underwriter**—Blyth & Co., Inc., N. Y.

General Public Utilities Corp.

March 14, 1961 it was stated in the company's 1960 annual report that the utility expects to sell additional common stock to stockholders in 1962 through subscription rights on the basis of one share for each 20 shares held. Based on the 22,838,454 common shares outstanding on Dec. 31, 1960, the offering will involve a minimum of 1,141,922 additional shares. **Office**—67 Broad St., New York 4, N. Y. **Underwriter**—None.

Georgia Bonded Fibers, Inc.

Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and N. Y. C.

Government Employees Corp.

Nov. 29, 1961 it was reported that the company plans to offer stockholders the right to subscribe for \$2,675,000 of 4½% convertible capital debentures on the basis of \$100 of debentures for each seven common shares held of record April 6, 1962 with rights to expire April 30. **Business**—The company and its subsidiary provide automobile and mobile home financing service on a nationwide basis to government employees and officers of the military. **Office**—Govt. Employees Insurance Bldg., Washington, D. C. **Underwriters**—Johnston, Lemon & Co., Washington, D. C., and Eastman, Dillon, Union Securities & Co., N. Y.

House of Koshu, Inc.

Nov. 13, 1961 it was reported that this company plans to file a registration covering 65,000 common. **Price**—\$5. **Business**—Importers of Japanese liquors and liqueurs. **Proceeds**—For expansion. **Office**—Beverly Hills, Calif. **Underwriter**—P. J. Gruber & Co., Inc., N. Y.

Houston Lighting & Power Co.

Oct. 17, 1960 Mr. T. H. Wharton, President, stated that between \$25-\$35 million dollars is expected to be raised publicly sometime in 1962, probably in the form of preferred and debt securities, with the precise timing depending on market conditions. **Office**—Electric Building, Houston, Texas. **Underwriter**—Previous financing was handled by Lehman Brothers, Eastman Dillon, Union Securities & Co. and Salomon Brothers & Hutzler.

Illinois Terminal RR.

Jan. 16, 1961 it was reported that this company plans the sale later this year of about \$8,500,000 of first mortgage bonds. **Office**—710 North Twelfth Blvd., St. Louis, Mo. **Underwriter**—Halsey, Stuart & Co. Inc., Chicago.

Jaap Penraat Associates, Inc.

(and Visual Education, Inc.)
Dec. 12, 1961 it was reported that a full registration will be filed shortly covering 100,000 common. **Price**—\$3. **Business**—Industrial designing and the production of teaching machines. **Proceeds**—To expand teaching machine subsidiary, and for other corporate purposes. **Office**—315 Central Park West, N. Y. **Underwriter**—R. F. Dowd & Co. Inc., N. Y.

John's Bargain Stores Corp.

July 27, 1961 it was reported that this company plans to file a registration statement covering an undisclosed number of common shares. **Business**—The operation of a chain of discount stores selling household goods. **Office**—1200 Zerega Ave., Bronx, N. Y. **Underwriter**—Hayden, Stone & Co., N. Y. **Offering**—Expected in early 1962.

Laclede Gas Co.

Nov. 15, 1960 Mr. L. A. Horton, Treasurer, reported that the utility will need to raise \$33,000,000 externally for its 1961-65 construction program, but the current feeling is that it will not be necessary to turn to long-term securities until May 1962. **Office**—1017 Olive St., St. Louis, Mo.

Litton Industries, Inc.

Dec. 26, 1961 it was reported that this company plans to file a registration shortly covering about \$50,000,000 of convertible subordinated debentures to be offered for subscription by common stockholders. **Business**—Company is engaged in advanced research and development in electronic field and manufactures diverse electronic and electro-mechanical products. **Office**—336 North Foothill Rd., Beverly Hills, Calif. **Underwriters**—Lehman Brothers and Clark, Dodge & Co., N. Y.

Masters Inc.

Jan. 6, 1961 it was reported that this corporation is contemplating its first public financing. **Business**—The operation of a chain of discount houses. **Office**—135-21 38th Avenue, Flushing 54, L. I., N. Y.

McDaniel Equipment, Inc.

Dec. 20, 1961 it was reported that this company plans to file shortly on 100,000 common shares. **Price**—\$3. **Business**—The sale, servicing and installation of laundry and dry cleaning equipment and the operation of such centers at military bases, trailer parks and apartment houses. **Proceeds**—For debt repayment and other corporate purposes. **Office**—San Diego, Calif. **Underwriter**—California Investors, Los Angeles.

Mercantile National Bank at Dallas (Tex.)

Nov. 15, 1961 it was reported that stockholders are to vote Jan. 16, 1962 on increasing authorized stock to provide for a 10% stock dividend sale of 100,000 additional shares to stockholders on the basis of one new share for each 15 shares held of record Jan. 16. **Price**—\$36. **Proceeds**—To increase capital funds. **Underwriters**—Rauscher, Pierce & Co., and First Southwest Co., Dallas.

Monterey Gas Transmission Co.

April 24, 1961 it was reported that Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, and Lehman Brothers, had formed this new company to transport natural gas from southwest Texas to Alexandria, La., for sale to United Fuel Gas Co., principal supplier to other Columbia Gas System companies. It is expected that the pipeline will be financed in part by public sale of bonds. **Underwriter**—Lehman Brothers, New York City (managing).

National Airlines, Inc.

May 8, 1961, it was reported that the CAB had approved the company's plan to sell publicly 400,000 shares of Pan American World Airway's Inc., subject to final approval of the Board and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Price**—About \$20 per share. **Proceeds**—To repay a \$4,500,000 demand loan, and other corporate purposes. **Office**—Miami International Airport, Miami 59, Fla. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

National Steel Corp.

Dec. 27, 1961 it was reported that stockholders are to vote Jan. 25 on a proposed 2-for-1 split of the common. If approved, directors will consider offering 1,500,000 of

the new shares to stockholders through subscription rights on a 1-for-10 basis. **Business**—Company is one of the major U. S. steel producers. **Proceeds**—For expansion. **Office**—Grant Bldg., Pittsburgh, Pa. **Underwriters**—To be named. The last financing for the company was handled by Kuhn, Loeb & Co., Harriman, Ripley & Co., Inc., and First Boston Corp., N. Y.

Nautech Corp.

Nov. 6, 1961 it was reported that the company plans to sell \$3,000,000 of convertible debentures to be offered on a pro rata basis to common stockholders. **Business**—Manufactures parking meters, truck winches, fiberglass boats, steel towers, etc. **Proceeds**—For debt repayment and working capital. **Office**—350 5th Ave., N. Y. **Underwriter**—Bear, Stearns & Co., N. Y.

New England Electric System

Oct. 2, 1961 it was reported that this company plans to sell additional common stock to stockholders through subscription rights, early in 1962. **Office**—441 Stuart St., Boston, Mass. **Underwriters**—To be named. The last rights offering in April 1958 was underwritten by Carl M. Loeb, Rhoades & Co., Ladenburg, Thalmann & Co., and Wertheim & Co., N. Y.

Oceania International, Inc.

Dec. 27, 1961 it was reported that this company plans to file a registration covering about 150,000 common shares. **Price**—\$5.50. **Business**—Manufacture of simulated pearl buttons. **Proceeds**—For a new plant. **Office**—Brooklyn, N. Y. **Underwriter**—Baruch Brothers & Co., Inc., N. Y.

Oklahoma Gas & Electric Co. (3/1)

Dec. 13, 1961 it was reported that the company plans to offer stockholders the right to subscribe for 328,912 additional common shares on the basis of one new share for each 20 held of record about March 1. **Proceeds**—For construction. **Office**—321 North Harvey St., Okla. City. **Underwriter**—The last rights offering in March, 1956 was underwritten by Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

Pacific Gas & Electric Co.

Nov. 10, 1961 it was reported that the company plans to sell some \$98,000,000 of securities, probably bonds, in 1962 to help finance its proposed \$208,000,000 construction program. **Office**—245 Market St., San Francisco. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.—Halsey, Stuart & Co. Inc. (jointly); Blyth & Co., Inc.

Pacific National Bank of San Francisco

Dec. 20, 1961 it was reported that the bank plans to offer stockholders the right to subscribe to 119,220 additional shares on a 1-for-5 basis to raise about \$6,000,000. Action is subject to approval of stockholders on Jan. 9 and the Comptroller of the Currency. **Proceeds**—To increase capital and surplus. **Office**—333 Montgomery St., San Francisco. **Underwriters**—Blyth & Co., N. Y., and Elworthy & Co., San Francisco.

Pan American Beryllium Corp.

Dec. 12, 1961 it was reported that a full filing will be made covering 100,000 common. **Price**—\$3. **Business**—Operation of beryllium mines in Argentina. **Proceeds**—For mining expenses. **Offices**—39 Broadway, N. Y. **Underwriter**—R. F. Dowd & Co. Inc., N. Y.

Pan American World Airways, Inc.

Oct. 30, 1961 it was reported that the CAB had approved the company's plan to sell its 400,000 share holdings of National Airlines, Inc. However, it said Pan Am must start selling the stock within one year and complete the sale by July 15, 1964. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and lease of each other's jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Office**—135 East 42nd St., N. Y. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc.

Panhandle Eastern Pipe Line Co.

March 8, 1961 it was reported that this company expects to sell about \$72,000,000 of debentures sometime in 1962, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

Penthouse Club, Inc.

June 1, 1961 it was reported that this company plans to issue 60,000 common shares. **Price**—\$5. **Business**—The operation of dining clubs. **Proceeds**—For expansion and working capital. **Office**—15th and Locust St., Philadelphia. **Underwriter**—To be named.

Public Service Co. of Colorado

Aug. 22, 1961 it was reported that the previously announced plan to sell about \$20,000,000 of common stock to stockholders through subscription rights had been postponed until about June 1962. **Office**—900 15th St., Denver, Colo. **Underwriter**—To be named. The last equity financing was handled on a negotiated basis by First Boston Corp.

Resin Research Laboratories, Inc.

Dec. 20, 1961 it was reported that a full filing will be made covering 105,000 common. **Price**—\$3.50. **Business**—Company is engaged in applied research and development in field of resin's polymer chemistry and plastics technology. **Proceeds**—For expansion, diversification and working capital. **Office**—400-06 Adams St., Newark, N. J. **Underwriter**—Keene & Co., Inc., N. Y.

Dividend Advertising Notices

Appear on Page 16.

Rooke Engineering Corp.

Dec. 20, 1961 it was reported that a "Reg. A" will be filed covering 120,000 common. **Price**—\$2.50. **Business**—The fabrication of exotic metals. **Proceeds**—For expansion. **Office**—Los Angeles, Calif. **Underwriter**—Adams & Co., Los Angeles.

Roth Greeting Cards Co.

Oct. 18, 1961 it was reported that this company is planning its first public sale of common stock. **Office**—Glendale, Calif. **Underwriter**—R. E. Bernhard & Co., Beverly Hills, Calif.

San Diego Gas & Electric Co.

Sept. 12, 1961 it was reported that this company plans to sell about 500,000 common to stockholders in mid-1962 to raise some \$17,500,000. **Office**—861 Sixth Ave., San Diego, Calif. **Underwriter**—Blyth & Co., Inc., N. Y.

(Jos.) Schlitz Brewing Co.

Dec. 20, 1961 it was reported that a full filing will be made covering about 692,000 outstanding common shares. **Price**—About \$31.75. **Business**—Production and distribution of beer. **Proceeds**—For the selling stockholders. **Office**—Milwaukee, Wis. **Underwriter**—Glore, Forgan & Co., Chicago. **Registration**—Expected in January.

Southern Natural Gas Co.

Oct. 17, 1961 it was reported that the utility is contemplating the sale of \$35,000,000 of 20-year first mortgage bonds early in 1962. **Proceeds**—To retire bank loans. **Office**—Watts Bldg., Birmingham, Ala. **Underwriter**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co. and Kidder, Peabody & Co. (jointly).

Southwestern Public Service Co.

July 19, 1961, Herbert L. Nichols, Chairman, stated that the company plans to issue about \$13,000,000 of common stock in March 1962. The shares will be offered for subscription by common stockholders on the basis of one new share for each 20 shares held. **Proceeds**—For construction. **Office**—720 Mercantile Dallas Bldg., Dallas 1, Texas. **Underwriter**—To be named. The last rights offering to stockholders in January 1957 was underwritten by Dillon, Read & Co., New York City.

Subway Bowling & Recreation Enterprises, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$1,200,000 of common stock. **Business**—The company has an exclusive franchise from the City of New York to build bowling and recreation centers in the subways. **Proceeds**—To build the first three centers. **Office**—New York City. **Underwriter**—Rodetsky, Walker & Co., Inc., Jersey City.

Varigraphics, Inc.

Dec. 20, 1961 it was reported that a "Reg. A" will be filed covering 50,000 common. **Price**—\$4. **Business**—Publication of technical manuals. **Proceeds**—For expansion. **Office**—Los Angeles, Calif. **Underwriter**—Adams & Co., Los Angeles.

Virginia Electric & Power Co.

Oct. 2, 1961 it was reported that this company plans to sell \$30,000,000 to \$40,000,000 of securities in mid-1962 but no decision has been made yet as to type. **Office**—Richmond 9, Va. **Underwriters**—To be named. The last sale of bonds in June 1961 was handled by Halsey, Stuart & Co., Inc. and associates.

West Penn Power Co. (3/5)

Feb. 10, 1961, J. Lee Rice, Jr., President of Allegheny Power System, Inc., parent company, stated that West Penn expects to sell about \$25,000,000 of bonds in 1962. **Office**—800 Cabin Hill Drive, Hempfield Township, Westmoreland County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co.; Lehman Brothers; Eastman Dillon, Union Securities & Co., and First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). Bids—Expected March 5. **Information Meeting**—March 2, at 10:30 a.m. (EST) at 55 Wall St., 5th Floor, N. Y.

Western Union Telegraph Co.

Nov. 15, 1961 it was reported that this company plans to sell \$50,000,000 of debentures early in 1962. **Proceeds**—To repay short-term loans. **Office**—60 Hudson St., N. Y. **Underwriters**—Kuhn, Loeb & Co., and Lehman Brothers, N. Y.

Wisconsin Southern Gas Co.

Dec. 12, 1960 it was reported in a company prospectus that an undetermined amount of capital stock or bonds will be sold in 1961-1962. **Proceeds**—For the repayment of short-term bank loans incurred for property additions. **Office**—Sheridan Springs Road, Lake Geneva, Wis. **Underwriter**—The Milwaukee Co., Milwaukee, Wis.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—A record total dollar volume of construction—new, maintenance and repair—apparently lies ahead of 1962. For the first time in history the volume is expected to go above the \$80 billion mark.

This means that the building trades industries generally should have a favorable year. The Associated General Contractors of America, a trade association based in Washington, after a nationwide survey, is convinced that the construction outlook for the New Year is in keeping with the general expectation that 1962 will be a very good year for business in general.

Of course there must always be a qualification, such as a disruptive international crisis or a serious inflationary situation.

The Associated General Contractors' estimate for 1962 is a total of \$80.9 billion, including \$59.9 billion in new construction put in place, and \$21 billion in maintenance and repair work.

The tremendous highway construction program—the primary, secondary and interstate highways—will represent a substantial part of the new construction, maintenance and repair.

Both Government and private economists in Washington are predicting with very few "ifs" that the coming year will be a march of progress year. Secretary of Commerce Luther H. Hodges is optimistic generally.

The grand total dollar construction volume in 1961 is estimated at about \$77.8 billion. However, if the 1962 expectations are reached, it would mean an increase of 4½% over the record-breaking dollar volume of 1961.

One Dark Spot

There is one obstacle looming on the economic front, which may not amount to any serious setback. There is a possibility there will be a big hassle in the steel-labor situation. The Federal Government reportedly may step in if the situation becomes critical.

In 1956 when there was a forced settlement after a long scrap between the unions and the steel industry, the steel makers were able to continue their fair share of profits by raising prices. In 1960 there was no price increase after another scrap. The unions are now insisting that the steel companies do not need to raise their prices to meet an increased wage cost.

However, qualified sources declare that, judging by earnings picture, the industry will have to raise prices again in order to make a fair return to stockholders if labor wages go up again this year.

Government Should Not Intervene

Editor-in-Chief Tom Campbell of the authoritative *Iron Age*, demanding that the Federal Government stay out of the picture and let there be absolutely free bargaining between the unions and the steel industry, said recently:

"Why should the rumor—or fact—that Mr. Kennedy will step in to prevent a long steel strike be going around now? As long as the union thinks he will step in, no real effort will be made to reach a reasonable agreement. As long as steel companies feel that they will get it in the neck again, how can they expect real collective bargaining?"

"The Government should stay out of the picture and let the two giants swing, negotiate and test

each other, always hoping of course, that the union will know a new day has come in which continual increases in wage costs can't help but injure the industry and itself."

Meanwhile, the fallout shelter program, which has run into some controversial battles, will figure in the overall construction total the coming year. The Kennedy Administration has under consideration a \$700,000,000 appropriation recommendation to Congress. The Federal funds would be used as matching local and state funds for community shelters, primarily at schools and hospitals.

If such a program gets under way, it could add several hundred million dollars to the construction volume. However, there is considerable doubt about the program at this time.

Help From Housing?

The liberalized housing legislation passed by Congress in 1961 did not have much effect on the overall housing program during the year, but it is expected to be a marked stimulant in 1962.

At the same time it must be borne in mind that the housing shortage which prevailed for a time is no longer in existence. There are isolated exceptions of course. This fact may have a restraining factor on private housing.

Practically all categories of public construction are expected to show increases, but none is likely to be spectacular, according to the SGC survey. Highway construction is the big item.

At the start of the next fiscal year, highway authorizations of funds will increase yearly for several years.

The peak of authorizations under the legislation will be reached at \$3 billion of federal funds annually in 1968-70. Increases will range from \$400,000,000 in 1964 to \$1.5 billion in 1968.

When these Federal funds are matched by state funds, it is obvious the highway construction program alone is a giant and will continue to be. Highway construction totaling federal, state and local funds is expected to involve around \$6.1 billion in 1962 as compared with \$5.7 billion this year.

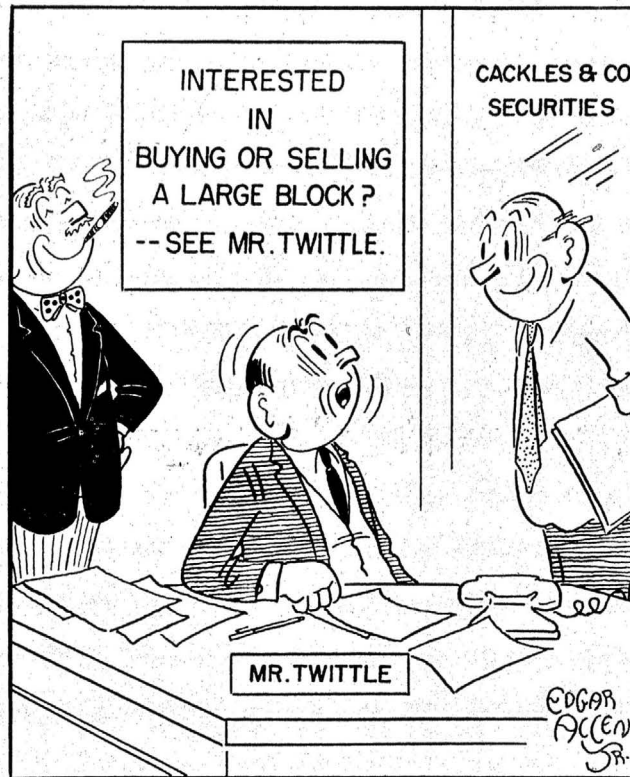
Increased Competition in Construction Industry

Although the construction business is booming along in dollar volume, there is another side of the construction coin, said M. Clare Miller of McPherson, Kan., president of the AGC. Said he:

"The growing volume of construction has attracted more new contracting firms into the industry than the work warrants. Too many of the newer contracting firms are lacking in experience and resources, and reckless and ruinous bidding increases. Consequently, many firms fail and, some others, including long-established contractors of recognized skill and ability, reach the conclusion that the game is no longer worth the candle and voluntarily retire from business."

Of course the contracting business is like nearly everything else—there are successes and failures. Most of them and the building materials industries should have a good year in 1962, barring unforeseen developments.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]



"I wish Mr. Cackles would stop referring to me as 'our block head'!"

James Talcott Elects Asst. V.-Ps.

George H. Fairberg and Richard F. Agor have been elected Assistant Vice-Presidents of James Tal-



Richard Agor George H. Fairberg

cott, Inc., the industrial finance company has announced.

Mr. Fairberg, manager of the Industrial Time Sales Division's New York operations, was counsel for the Credit America Corporation from 1953 to 1958, when the firm was acquired by Talcott.

Mr. Agor, senior credit executive for the Rediscount Division, joined Talcott in 1949 after 10 years with the American Business Credit Corporation, New York.

Office in Great Neck

GREAT NECK, N. Y.—Capital Syndication Corporation has opened an office at 260 Northern Boulevard.

Opens N. Y. C. Office

Equity Securities Corporation has opened an office at 37 Wall Street, New York City.

Now Johnson Inv. Co.

ARVADA, Colo.—H. E. Johnson, Jr. is now conducting his investment business under the firm name of Johnson Investment Co., from offices at 5622 Yukon.

Form Derman, Wolfson

Derman, Wolfson & Co., Inc. has been formed with offices at 15 East 40th Street, New York City, to engage in a securities business.

Baron, Black Branch

INGLEWOOD, Calif.—Baron, Black, Kolb & Lawrence, Inc., has opened a branch office at 718 East Manchester under the management of J. Philip Bambara.

With Bingham, Walter

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Carlton R. Bingham is now with Bingham, Walter & Hurry, Inc., 629 South Spring Street. He was formerly with Sellgren, Miller & Co., Inc.

Opens Securities Office

P. P. Inc. is engaging in a securities business from offices at 27 Wall Street, New York City.

J. D. Warren Co. Formed

SAUSALITO, Calif.—James D. Warren & Co. has been formed with offices at 127 Prospect to engage in a securities business. Officers are James D. Warren, President; J. C. Warren, Vice-President, Assistant Secretary and Treasurer; and Jack J. Miller, Secretary. Mr. Warren was formerly with Mitchum, Jones & Templeton and Gloré, Forgan & Co.

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COMING EVENTS

IN INVESTMENT FIELD

Jan. 17, 1962 (Philadelphia, Pa.) Philadelphia Securities Association Annual Meeting and Dinner at the Barclay Hotel.

Jan. 22-23, 1962 (Washington, D. C.) Association of Stock Exchange Firms Board of Governors meeting at the Statler Hilton Hotel.

Jan. 29, 1962 (Chicago, Ill.) Investment Traders Association of Chicago annual midwinter dinner at the Ambassador West.

Feb. 9, 1962 (Boston, Mass.) Boston Securities Traders Association Annual Winter Dinner at the Statler Hilton Hotel.

March 30, 1962 (New York City) New York Security Dealers Association 36th Annual Dinner at the Waldorf Astoria Hotel.

April 8-10, 1962 (San Antonio, Tex.) Texas Group of Investment Bankers Association of America, annual meeting at the St. Anthony Hotel.

May 6-9, 1962 (Seattle, Wash.) National Association of Mutual Savings Banks 42nd annual conference at the Olympic Hotel.

May 9-12, 1962 (White Sulphur Springs) Investment Bankers Association meeting of Board of Governors.

May 14-15, 1962 (Detroit, Mich.) Association of Stock Exchange Firms Board of Governors spring meeting at the Dearborn Inn.

Sept. 19-21, 1961 (Santa Barbara, Calif.)

Investment Bankers Association Board of Governors Meeting.

Sept. 23-26, 1962 (Atlantic City, N. J.)

American Bankers Association annual convention.

Oct. 8-9, 1962 (San Francisco) Association of Stock Exchange Firms Fall Meeting at the Mark Hopkins Hotel.

Oct. 11-12, 1962 (Los Angeles) Association of Stock Exchange Firms Board of Governors meeting at the Ambassador Hotel.

Nov. 4, 1962 (Boca Raton, Fla.) National Security Traders Association Convention.

Attention Brokers and Dealers

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