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Editorial AS WE SEE IT

During the campaigns of 1960, the then Democratic Presidential candidate and more than one of his political associates and advisers were very fond of talking about our agricultural abundance and the productive capacity of our farms as "an asset and not as a liability." The implication seemed to be that the Republican party could feel troubled about the situation only because they were unable to understand the situation thoroughly. It has become the turn of that Presidential candidate, now President, to implement these supposedly brilliant ideas of his or at any rate to come forward with some sort of farm program—since the present situation even by his own admission is intolerable. If the idea still prevails that our agricultural abundance is a real asset, it is remarkable what the Administration would now do to it.

Candidate vs. the Office Holder

His rather brief account of the origin of the existing impasse is worthy of note—less because of what it has to offer in the way of accurate information and enlightening analysis than by contrast with what was so often said in the political arena in 1960. Early in this century, says the President, "public policy emphasized resource conservation and investment, and publicly supported research and education were designed to speed progress in agricultural productivity. By the mid-1920's, these efforts began to bring dramatic results. . . . But the full implications of this rapid technological progress in agriculture were obscured—first by the depression, then by the second World War, and then the Korean conflict. . . . But in the 1950's agriculture felt the full effects of earlier programs to raise productivity. . . . The technological revolution in agriculture continues to increase yield at an accelerating rate. Our ability to produce more than the market can absorb will continue as far into the future as we can safely predict, outpacing population growth."

All this seems much more permeated with realism than did most of what candidate (Continued on page 27)

Bargains for the Investor in Near Future Will Be in the Bond Market

By Dr. Marcus Nadler,* Professor of Finance, Graduate School of Business Administration, New York University and Consultant, Manufacturers Hanover Trust Co., New York City

Dr. Nadler is apprehensive about the extent of equities in many trusts in view of the high P/E ratio of many equities and of the bond-stock yield trend. Advises trustmen to be cautious rather than bold and "to do something for the life tenant without hurting the remainderman." Predicted are: (1) a better business year in 1962 than 1961 without a boom; (2) moderate rise in short- and long-term interest rates with discount rate going to 3½% and the prime rate to 5%; and (3) no dollar crisis or devaluation in the foreseeable future.

Introduction

Any appraisal of the financial outlook requires a careful analysis not only of the economic forces but also of the international political and financial developments which have exercised in the past, and will continue to exercise in the future, a powerful influence on business activity, the movement of interest rates, and the security markets. This is particularly true today when the commitments of the U. S. A. are global in character, when the balance of payments continues to show a large deficit, and when the short-term foreign-owned dollar assets are large and growing larger.

The economic forces can be analyzed, weighed, and measured; they are, therefore, useful tools in forecasting the future. The intangible factors, particularly international developments, raise many questions that only a prophet can attempt to answer. Thus, every decision involving future

financial trends represents a forecast as well as a prophecy. If, for example, a trust investment officer or trust committee decides to cut back on equity holdings and place more emphasis on bonds, this decision is based on a forecast as well as prophecy, for it makes the following assumptions:

- That equity prices will decline.
- That bond yield will not materially rise from the existing level, or may even decline.
- That the purchasing power of the dollar will not deteriorate and that international political and financial developments will not upset the basic economic trends of the country. Some of these assumptions are based on an analysis of the known facts and, therefore, may be classified as forecasts. Others, however, cannot be measured statistically, nor approached empirically, hence they are classed as prophecies. Both prophecy and forecasting are needed today in making decisions. Prophecy in essence is intuition and insight based in part on past experience and on an understanding of the many crosscurrents which can exercise an influence on business psychology and activity.

Questions Within the Realm of Prophecy

Before an analysis is made of the economic forces which will shape the future trend of the economy and the security markets, it is thus necessary to survey first the international political and financial situation, to raise a number of questions and with the aid of intuition or prophecy endeavor to answer at least some of them.

The international political situation is primarily responsible for the huge defense expenditures, for the large deficits of the Federal Government. It makes a reduction of taxes practically impossible and has contributed materially to the large deficit in the balance of payments of the United States which has cast a shadow on the international standing of the dollar abroad. The international political questions uppermost in the minds of the people at present are: (Continued on page 26)



Marcus Nadler

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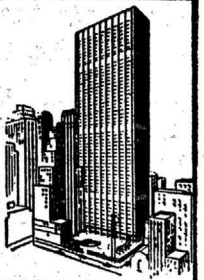
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Heli-Coil Corporation

The Heli-Coil Corporation, in the opinion of this writer, is an ideal growth company. Heli-Coil has a relatively small amount of stock outstanding with no prior preferred or debt ahead of it. The company has a unique range of new products strongly protected by a broad patent position. It has a strong and progressive management team, which is headed by a far-sighted and experienced President, Mr. Eduard Baruch. Supporting the President are hard-working, talented young executives. The company's financial situation is excellent. Heli-Coil has acquired two companies in the past few years and is looking for more. There is a ploughback of earnings, plus progressive research in product and market development. Heli-Coil's product acceptance is reaching an ever expanding market and thus the company should prove resistant to the cyclical variations of general business conditions.

The original Heli-Coil insert consists of a coil of high quality stainless steel, which looks somewhat like a spring. This precision-made coil is inserted in a bored and tapped hole which is to receive a bolt. This insert practically eliminates vibration, corrosion, seizing, stripping and wear and tear. This insert also distributes the stress-load over its entire area and prevents stress from accumulating at any one point.

The adoption of a Heli-Coil insert by a user invariably involves the sale of a considerable array of allied equipment, such as installation tools (which range from manual to fully automated assembly machines), taps, gages, etc.

There are thousands of users of the Heli-Coil insert. Among the company's customers are ACF Industries, Motorola, Allis-Chalmers, Continental Motors, IBM, Ford, G.E., etc. The Heli-Coil insert has proved valuable in many military uses. Perhaps the most recent important development at Heli-Coil was the issuance, in July, 1961, of a military specification by the Department of Defense to the Army, Navy and Air Force, making the use of Heli-Coil's products mandatory under numerous circumstances.

Another very important application of the insert is its use in non-original equipment, i.e., repairing stripped, worn or damaged threads. Heli-Coil's thread repair kits are standard equipment at air bases, ordnance depots, aboard submarines, aircraft carriers, as well as Navy yards and other military maintenance shops. The kits are also recommended to their dealers for use in solving repair problems, by such companies as General Motors, Ford, etc.

Heli-Coil has acquired over 50 patents covering its insert, and has been processing better than two patents per month for several years. Recently, Heli-Coil, in a combined effort with Western

Electric, developed a new use for its helical-coil — as an electrical connector.

In December of 1959, Heli-Coil took over Grip Nut Co., one of the oldest and largest exclusive manufacturers of standard and special nuts. Grip Nut serves the automobile, railroad, farm equipment, home appliance, garden tool and electronic industries. The company also produces a break beam safety support for railroads.

In May of 1960, Heli-Coil acquired the Phelps Manufacturing Co. Phelps Manufacturing has patented and manufactures the Dodge expansion insert, and has developed a wide variety of expansion inserts which offer numerous advantages over the molded-in type. Among the advantages of the Phelps inserts are: reduced molding time by reducing open press time; torque and pull strength of the insert is greater than the mating screw; rejects are decreased because Phelps inserts eliminate floating or crushed inserts and re-tapping threads. The additional versatility of Phelps inserts and bushings are too numerous to mention. A partial list of users of Dodge expansion inserts, includes Bell & Howell, G. E., IBM, Western Electric, Zenith and Westinghouse.

The acquisitions of Grip Nut in 1959 and Phelps Mfg. in 1960, were ideally related to and complement the Heli-Coil line. Because of these mergers, the company can capitalize on the benefits from expanded common sales, distribution and research efforts as a result of coordinating the combined three lines.

In 1957, Heli-Coil's per share earnings equaled \$0.27; in 1958 \$0.53; in 1959 \$1.33; in 1960 \$1.58; and in 1961 for the fiscal year ending April 30, \$1.30.

For the six months ending Oct. 31, 1961, Heli-Coil's sales and other income were up 8.1%, to \$3,943,614, and net earnings were up 15.8%, to \$550,366 for the same period. Net earnings were \$0.79 per share for this period as against \$0.69 per share one year ago.

For the year ending April 30, 1961, Heli-Coil had current liabilities totaling \$1,281,996. Cash and marketable securities alone came to \$3,176,886 and current assets stood at \$5,662,406. There are only 698,100 shares of common stock outstanding. Neither funded debt nor preferred shares precede the common. About 10% of the common shares are held by the insiders. Thus, the floating supply of stock in the open market place, only approximates 600,000 shares. There are options outstanding to purchase 100 shares of stock at \$7.60 per share, 500 shares at \$33.73 per share, and 22,800 shares at \$36.70 per share.

Heli-Coil's shares are currently traded on the American Stock Exchange.

In 1960, Heli-Coil's shares sold as high as 58 3/4. The range for 1961 was 45 1/2 high and 32 1/2 low.

Some of the institutions which have taken a position in Heli-Coil Corporation's common stock include American Growth Stock Fund, National Securities Growth Stock Fund, Putnam Growth Stock Fund and Westminster Fund.

The company's research effort is extensive. There is a constant effort to improve the product, to lower the cost, and to increase production, through automation of existing products. Heli-Coil is alert to developments in new materials such as beryllium, titanium, Inconel X, and other rare metals. Through the company's



Merton S. Allen

This Week's
Forum Participants and
Their Selections

Heli-Coil Corp.—Merton S. Allen, Analyst, Harris, Upham & Co., 99 Park Ave. Office, New York City. (Page 2)

Richmond - Petersburg Turnpike 3.45s of 1995—Harry P. Schaub, President, Harry P. Schaub, Inc., Newark, N. J. (Page 2)

own efforts plus the employment of outside consultants such as The Arthur D. Little Co., Heli-Coil's products will anticipate tomorrow's technical developments.

Heli-Coil uses the latest I. B. M. data processing equipment for billing and inventory control, as well as for evaluating its market, forecasting sales trends, and for establishing goals.

Considering all the foregoing facts, it seems to the writer that the common shares of Heli-Coil Corporation, selling recently at approximately 35, some 43% below its high of 58 established in 1960, provide an opportunity for the growth stock investor to acquire a unique company on the threshold of a substantial upturn in profits and sales.

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and has been in operation since July 1, 1958. Like all new tollroads, it has taken several years to develop their business and on June 1, 1961 a revised toll schedule was placed into effect. Since June 1st with the higher toll rates and with



Harry P. Schaub

only a slight increase in operating expenses, their net revenues available to pay interest on their bonds have increased substantially. For the 12-month period ending Dec. 31 last such net revenues were equivalent to 112% of interest charges. These earnings for 1961 show the benefit of the increased toll rates only since last June and it is estimated that for the year ending June 1, 1962, the net earnings will be equivalent to 125% of interest charges, leaving very substantial excess revenues to be used for sinking fund purposes toward the gradual elimination of funded debt.

Furthermore, the increase in toll rates did not cause any loss in traffic which frequently does occur for a short time after higher rates are placed into effect. In this case, traffic since June 1, in both passenger cars and commercial vehicles, has actually been in excess of traffic for the same period in the previous year when the lower toll rates were in effect. The increased traffic that this facility is enjoying is due somewhat to the fact that Interstate Route No. 95, which has been under construction in various states along the Atlantic seaboard for New York to southern Florida uses this turnpike as part of its system in Virginia. This is in line with the program of the Federal Roads Commission. During the past year they have changed their policies and are now cooperating

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Revising the Provisions Governing Discount Window

By Sam M. Fleming,* President, The American Bankers Association and President, Third National Bank in Nashville, Tenn.

Bankers' spokesman suggests liberalizing existing limitations governing Federal Reserve bank discounts and advances so as to take into account the rise of consumer and corporate term loans in commercial banks' portfolios. Mr. Fleming asks "Why not permit the individual Federal Reserve banks to lend on what they consider to be any sound asset, as they are now permitted under Section 10b of the Act, but without the penalty rate now provided in that Section"? The banker examines the sharp increase in the loan-deposit ratio trend, and the growth of consumer and term loans; recalls the re-discounting liquidity problem in the 1930's which, he adds, may reoccur; and opines we should demonstrate our complete faith in the Federal Reserve's monetary management by allowing "flexible administration of the discount window under all conditions . . . [and] solve once and for all the problem of a possible shortage of bank assets for discounting or pledge . . . for borrowing or to support public deposits."

We live in an economy in which growth and change are inseparably intertwined. A growing economy by its very nature must also be a



Sam M. Fleming

dynamic, changing economy. The financial structure, and especially the commercial banking system, is an integral part of this process of growth and change. In fact, economic growth in this country would undoubtedly be hampered severely if the banking system were unable to adapt quickly and efficiently to the economy's changing needs.

Bankers have adapted to such changes in the past, and I am quite confident that they will continue to do so in the future. But, in order to do so, we must make certain that the ground rules under which the banking system operates are designed to encourage, rather than impede, healthy and sustainable growth. In particular, we in banking must work as partners with leaders in government—in Congress, in the Administration, and in the regulatory agencies—to make certain that the legal and administrative framework affecting banking, one of the nation's most regulated industries, is in tune with the needs of the 1960's.

The changing requirements of our economy call for periodic study and review of our banking system and its relations with the regulatory agencies. I want to direct attention to just one phase of the complex pattern of the American banking system: the role of the Federal Reserve discount mechanism in the process of achieving sustainable economic growth. In discussing this vital topic, I will, without apology, raise many more questions than I will answer. But I should emphasize at the outset that my purpose is not so much to provide answers to a number of thorny questions, as it is to stimulate the discussion and interchange of ideas which,

in a democracy, can and usually do produce the right answers.

Loan-Deposit Ratio

The sharp and sustained growth in the loan-deposit ratios of commercial banks needs no emphasis. The facts are these: at the end of World War II, only about 19 cents of each dollar deposited in a commercial bank was allocated to loans; today, the amount is 55 cents. Thus the loan-deposit ratio, which is universally accepted as a highly significant inverse measure of bank liquidity, has risen threefold in the dynamic postwar years.

A counterpart of this striking rise in the loan-deposit ratio has been the pronounced decline in the ratio of bank holdings of United States Government securities to deposits. Banks, in the process of rebuilding and adding to their loan portfolios, understandably disposed of government obligations to obtain part of the necessary funds. The result was a decline in the U. S. Government securities to deposit ratio from close to 60% in 1945 to less than 25% today, and at least half of the governments now held are pledged to secure public fund deposits.

As bankers, we can be proud of this rise in loan-deposit ratios. The rise is a convincing indication of the willingness and ability of this nation's 14,000 commercial banks to finance economic growth. But we must also be somewhat concerned over the trend in this ratio, which, in all probability, will continue over the next decade. While the leadership of banking is rapidly passing to younger men, there are still many among us who remember the 70 to 80% loan-deposit ratios of the 1920's and the liquidity difficulties that subsequently arose. By this I do not mean to imply that a high loan-deposit ratio, in and of itself, is indicative of weakness in the banking structure. But I do want to emphasize that the existence of such high ratios reduces the flexibility that goes with comfortable liquidity and calls for the greatest skill, perception, and objectivity in administering the loan functions. The existence of such high ratios makes it imperative that our loans not only be sound, but also

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OBSERVATIONS . . .

BY A. WILFRED MAY

TWO SIGNIFICANT LETTERS

ON THE OPTION FRONTIER

The following commentary — on the controversial stock option — has been communicated to us by a prominent industrialist.

"As I have told you, stock options are all right providing the abuses are not to the extent of watering the shareholders' stock. There are people who take stock options who are executives with high salaries, and in many cases they take undue advantage of the corporation by taking an option on large blocks of stock at 95% of the market price.

"It would appear to me that there should be a limit as to how many shares of stock a corporation could give out in options over a five year period, and there should be a limit as to the percentage any one individual could take.

"There also should be a limit as to the percentage he could take down each year, and if he did not take it down in the year he was supposed to, then that part of the option would be forfeited.

He should pay 110% of the market price as of the day the option is given to him, and the corporation could then — if financially able to do so — buy the number of option shares in the market and thereby make a profit if the option is exercised, of course if the stock goes down the corporation would stand to take a loss, but if the stock went up the option would be exercised — which is what makes it a one way street. The stock goes up — the option is exercised; the stock goes down — the employee waits until the stock moves up again, and then exercises his option; and six months and two days later disposes of it or an equivalent amount which he is holding, taking down his capital gain profit.

"Whereas if the percentage he had to exercise in the 12

months period was not exercised, he would lose that portion of his option and could not hold his option for three, four or seven years. We all know that during that cycle, unless it is a permanently unsuccessful company, the stock will go up, and we all know that an option to buy stock is worth a lot of money. Therefore, with the employee having a large salary, profit sharing plan, insurance plus stock option, I think the stockholders should have a little better protection than they now have against this type of raiding the treasury.

"There are many companies, of course, where there is absentee ownership, and management is conscientiously and prudently considering stockholders equities, but most of the companies that have absentee ownership have management that takes advantage of the public. I am sure someday there will be laws that will slow down the unethical absentee owner from feathering the nest of his associates and himself. In many cases they give away \$10 of the corporation's money so that they can justify getting \$2 of it themselves. I am sure 'this too shall pass'."

We publish this letter for its significance on a variety of counts.

The Growing Interest

Coming "from management" it manifests the generally widening interest and concern (including the Treasury's over stock optioning technique. Such incidents as the publicized exit of the option-holding chief executive officer of General Dynamics Corp. from his corporate scene do not exactly inspire confidence in the effectiveness of the option technique. In many other cases the relatively advanced age, or long preceding employment, of the optionee is inconsistent with the option's incentive-inspiring claim.

Also contradicting the contention that options serve to establish the optionees as co-owners of the enterprise, is the record of only 40% of top executives still holding all their stock at the end of the option-exercise period.

Our correspondent's suggestion to raise uniformly the call price to 110% of the stock's current market price (which is now prescribed only, in the case of "restricted" options qualifying for tax privileges, for optionees holding 10% or more of their company's voting stock) would serve the need to educate the public to the fact that options have value derived from their "call" feature, which is not limited to their price's "discount" below the stocks' then-market price. This differential ranges from 5 to 15% in the case of the "pure" restricted options so denoted to make them eligible for privileged capital gains tax treatment. It must be realized that an option to buy stock of a corporation in the future—even at 100% of the current market price—has value.

The illusions underestimating the option's value could be effectively dispelled by completely abolishing the restricted option category, since its establishment of a relatively high floor on the option price entails the public's failure to understand its value to the recipient.

What Price Incentive— And When?

Our correspondent's observations also lead us to the twin specific problems of when and how the option shall be valued in connection with its impact as an expense to the company and its shareholders, and the optionee's tax bill. (Under the existing statute, the "restricted" optionee is not taxed until his stock is disposed of).

At which time shall the option be valued: at the time of the grant, of its exercisability, or at its actual exercise date? When it's "taken down" by the executive?

Each of these alternative periods presents difficulties. Both the grant and exercisable dates carry the objection that, as pointed out above, no allowance is made for the value of the "pure" call privilege. Full use of the ordinary Put and Call market as the yardstick of value is hindered by the stock option's freeze period, its non-transferability, and prerequisite of the holder's continuing employment.

Choice of the actual exercise date is objectionable in that it is the result of the optionee's investment judgment, or personal financial position.

While realizing that the option-granting time for value-measurement includes difficulties, we prefer it for taxation as well as corporate accounting. As we have shown, the option at that time has mutually recognized value as compensation. Measurement of the long-time call feature's value, as detailed above, would still be a major problem; but possibly a satisfactory formula can be worked out, as by some fraction of the equivalent holding interval's prices in the public Put-and-Call market. And, at least, it would have the ancillary benefit of educating the public to the fact that an option, per se, like a call, has a long-term value.

Policy in Britain

In England, where the option situation is also fluid, the option is valued and taxed at the time of the grant. We are informed that while the Inland Revenue authorities a short while back were committed to impose income tax and surtax at the time of grant on the basis of 10% of the market value of the existing shares; such rates are on the way to greater stiffness.

More Education Needed

In any case, we must give more educational information to the shareholder. This can be done through the proxy statement. The extent of potential dilution, as with the call, is of course difficult to calculate in advance; but its existence can be noted and described. Also disclosed in the proxy statement should be full information of the indicated total amount of the option benefits to all the executives and employees, and their corresponding cost to the corporation.

Still remaining would be the basic fallacy of our option system; namely, as we have previously pointed out, the gearing of incentive and reward to the irrelevant course of stock market performance. Seemingly a good offset to this has been suggested by V. Henry Rothschild II,* in also tying option benefits directly to the corporation's profits rather than solely to stock market prices with their dependence on interest rates, inflation, speculative psychology and other market influences outside the business.

*In an address to the National Industrial Conference Board, Jan. 18, 1961.

UN CLARIFICATION NEEDED

(Paging The White House)

The following letter to this column from a State Department official authoritatively explains our Government's technical motivations, under the Charter, in leading the "pro" side in the Great Debate over the United Nations' Bonds proposal. (Section 19).

January 31, 1962

Dear Mr. May:

"The projections we have made regarding Soviet arrearages leads us to the conclusion (1) that even if the Secretary General has considered it politically possible to continue financing UN peace and security operations on the present pay-as-you-go basis for all of 1962 and for 1963, the U.S.S.R. would not have been subject to Article 19 of the United Nations Charter in 1962 or 1963, but would have been in 1964, and (2) that financing by the UN bond issue with repayment over a period of 25 years will have precisely the same result as to when the U.S.S.R. would become subject to Article 19* if it does not make payments on these accounts. Our estimate indicates that under the bond issue method the Soviet Union will have passed this limit by over \$10 million as of January 1, 1964. Under pay-as-you-go fi-

*Under Article 19, a nation in arrears on the regular budget, for the two year's volume of dues (but not in the time interval), loses its voting rights.

ancing the figure would be at least this much.

The reason that the year in which the Soviet Union is likely to be in violation of Article 19 is the same under the bond issue as under the pay-as-you-go financing in that both the arrearages and the measure of these arrearages changes from year to year. For 1962 this yardstick is the sum of assessments for 1960 and 1961; for 1963, assessments for 1961 and 1962; for 1964, assessments for 1962 and 1963. Projecting these yardsticks as well as the estimated arrearages gives the result I have mentioned.

"I indicated to you during our conversations that our main objectives in support of the bond issue are (a) to eliminate the financial crisis which threatens to impede or halt the UN peace-keeping machinery, (b) to cause recalcitrants who are in arrears to pay up, and (c) to keep the nations of the United Nations bound together in an environment where the search for peace can be continued."

The foregoing communication is significant in the current confusion over the question whether the pending financing proposal would establish a pattern for continued accommodation for the World Organization's "welshers."

Despite an early formal assurance (on Dec. 28 last) by the Assistant Secretary of State for International Organization Affairs, Harlan Cleveland, that the Bond plan represents a "one-time" operation, following the statement in the U. N.'s resolution authorizing the issue that "such measures should not be deemed a precedent"; the precedent danger has occasioned worry here and abroad (as specified in our recent columns).

A despatch from Washington, published first-page in Monday's New York Times (Feb. 5), captioned "U. S. Sees U. N. Issue As Precedent in Financing," and quoting from a "State Department paper," has furthered the public's worry and confusion.

Although State Department officials explain that the quoted document "leaked" to the press, is merely an intra-mural working paper representing the author's personal view; the feeling persists that such impression gathered by a U. S. official assigned to the United Nations, must be accorded some weight. And the complexities indicated in our above communication would seem to support denial of the "pattern" contention.

Another item of worry has been occasioned by Senator Aiken's citation of the fact moneys owed by the UN to a number of nation creditors; and his complaint of his inability to get the full in-

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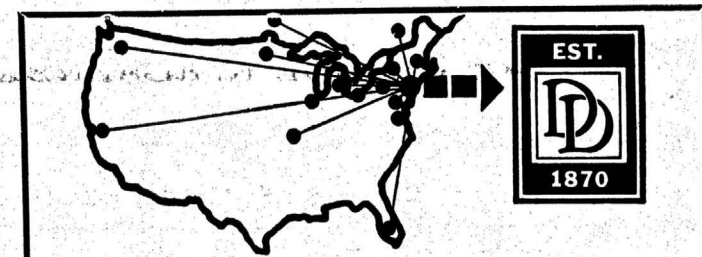
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formation from the State Department. While the Department officials state he has the information, it is, in any event, withheld from the public.

In any event, surely, these open items, regarding which the public is justifiably confused should be clarified at the White House level.

Foster & Marshall Elects Officers

SEATTLE, Wash.—At a meeting of the stockholders of the investment firm of Foster & Marshall Inc., Norton Building, the following new officers and directors were elected: Carlton L. Nau, President-Director; Eric A. Nord, Vice-President and Treasurer; Michael G. Foster, Secretary-Director; Thomas B. Foster, Director; John P. Garvin, Director.

The firm was established in 1938 and is one of the leading local firms in the underwriting and distribution of municipal and corporate securities.

Mr. Nau stated that the firm plans to expand their activities in both the underwriting of municipal and corporate securities. "The growth of the Pacific Northwest over the next five to ten years is going to be dynamic, in our opinion, and will afford many opportunities to serve both municipal and corporate entities in connection with their financial requirements."

Vance, Sanders Names V.-P.

BOSTON, Mass.—Robert S. Swain has been elected a Vice-President of Vance, Sanders & Company, Inc., 111 Devonshire Street, it has been announced. Mr. Swain has been associated with Boston Fund for a number of years as Vice-President and member of the Investment Committee.

Heads G. E. C. Branch

NEWARK, N. J. — Arnold S. Poliskin has been named Manager of the newly opened Newark branch of G.E.C. Securities Inc., 744 Broad Street.

Joins Bioren Staff

PHILADELPHIA, Pa.—Bioren & Co., members of the New York Stock and Philadelphia-Baltimore Exchanges, has announced the appointment of James S. Kingston as Security Analyst.

The I.C.I.-Courtaulds Battle

By Paul Einzig

Analysis of the I. C. I. bid to acquire Courtaulds finds the present terms highly unsatisfactory. Dr. Einzig is not too sure that the value of Courtaulds would improve were it absorbed by I. C. I. He strongly advises American stockholders not to accept the present offer but to wait for better terms.

LONDON, England—In view of the fact that common stocks of both Imperial Chemical Industries and of Courtaulds are widely held in the United States—in fact they are high up in the very short list of British equities which are popular with American investors and speculators—I feel justified in returning once more to the subject of the fight that is going on between them. I. C. I. is determined to acquire Courtaulds, and Courtaulds is determined to resist the take-over bid. Now that the government has definitely rejected the idea of intervening to prevent the merger, the outcome of the fight will entirely depend on the view taken by holders of Courtauld equities about the financial merits or demerits of the offer.

Finds Terms Unsatisfactory

I strongly advise American holders of Courtaulds not to accept the present offer. For it is as certain as anything can possibly be in this world of uncertainties that I. C. I. will offer much more satisfactory terms when it finds that the response of the stockholders is less than lukewarm. First Mr. Paul Chambers offered three I. C. I. shares for four Courtaulds. Then he improved the offer to four I. C. I. for five Courtaulds. And even though on both occasions it was asserted that the offer was positively the highest, holders may safely rely on being offered sooner or later one I. C. I. for each Courtauld.

Neither I. C. I. nor its Chairman, Mr. Chambers, has ever had a setback. Therefore it is a matter of prestige for them to refuse to accept defeat and to press forward with their bid. The only possible obstacle to even higher bids would be a decision of some of the principal stockholders of I. C. I. to assert themselves and call a halt. There are, so far, no indications of any such stockholders' revolt to limit the effect of the managerial revolution that placed this fate into the hands of one man. But if the terms of the offer should be such as to water up the capital of I. C. I.

far too much, then stockholders may conceivably remember that, after all, the last word belongs to them.

A stage might well be reached at which higher and yet higher bids may defeat their object. For the value of I. C. I. equities would decline with the increase of the cost of acquiring Courtaulds. Already there was some indication that many holders of I. C. I. deem it advisable to switch into Courtaulds, and this tendency is likely to become accentuated as and when the payment offered for Courtaulds increase.

Nevertheless, there can be but little doubt that, should I. C. I. persevere, it would have its way eventually, even if its victory would only be a partial one. It seems probable that, should the offer be raised to one I. C. I. for each Courtauld, the resulting rise in the Stock Exchange price of Courtaulds would induce many holders to take their profits without awaiting the outcome of the contest. The ensuing decline of Courtauld would enable I. C. I. to attract a sufficient amount of stocks to secure a substantial minority holding. And since most small stockholders and even some large ones never attend stockholders' meetings, a holder of 25% or even much less would be able to appoint the board and the executive of Courtaulds.

Many stockholders of I. C. I. are likely to view their prospects with growing concern if, as seems certain, I. C. I. should raise its bid for Courtaulds. Having committed himself in public statements about the contrast between the excellent prospects of I. C. I. and the allegedly less attractive prospects of Courtaulds, Mr. Chambers may find it difficult to justify before his stockholders a decision to pay a higher and yet higher price for Courtaulds. Such a decision might be interpreted as indicating that, after all, the intrinsic value of I. C. I. must be less than is suggested by its valuation by the Stock Exchange, seeing that those in the know are prepared to give them away against Courtaulds at a considerably lower valuation.

The alternative explanation would be equally worrying to I. C. I. stockholders—that their executive has embarked on a policy of prestige in pursuit of which it is prepared to give away I. C. I. shares in return for Courtauld shares of a considerably lower intrinsic value. If that were the case, the victory of I. C. I., though a victory for the executive, would be won at the cost of unduly heavy sacrifices to stockholders.

Would Courtaulds Benefit?

Of course it is argued that the value of Courtaulds would increase if it were to be absorbed by I. C. I. But there is room for two opinions on this. Such economies as the merger might achieve might be more than offset by the higher cost of raw material for Courtaulds, since it would be forced to buy I. C. I. products which cost much more than the present raw material imported from the U. S.

It is difficult, therefore, to escape the conclusion that, in view of the likelihood of a further increase in the I. C. I. offer for Courtauld stocks, American holders of I. C. I. stocks are well advised to realize their holdings pending the outcome of this take-over battle.

In any case, even if Mr. Chambers should decide to call a halt before he commits I. C. I. to the payment of a grossly excessive price, stockholders cannot feel happy about the policy of expansion which might well lead to other attempts of take-over bids for the sake of expansion. The moment chosen for such a policy cannot be said to be fortunate, seeing that profit-margins are on

the decline and that it is quite uncertain how Britain's entry into the Common Market would affect the competitive capacity of I. C. I. or of Courtaulds. This is a period for marking time instead of pursuing an ambitious and costly policy of prestige.

H. M. Bylesby in Larger Quarters

CHICAGO, Ill. — H. M. Bylesby and Company, Incorporated, have announced the removal of their Chicago office to larger quarters at the present address of 135 South La Salle Street, from Suite 960 to Suite 511. The firm's telephone number, Financial 6-4600, remains unchanged.

H. M. Bylesby and Company, Incorporated, established in 1902, is a member of the Midwest Stock Exchange and an associate member of the American Stock Exchange.

N. Y. Analysts to Hold Forum

The New York Society of Security Analysts, Inc. will hold a special forum on non-ferrous metals on March 1. Robert Newton, Clark, Dodge & Co., Inc., is Chairman. Simon D. Strauss, Vice-President of American Smelting & Refining Co. will be guest speaker.

Form Hugh Gee Associates

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Another Exciting and Turbulent Year Ahead

By John L. Rowe,* Vice-President, Parker, Ford & Co., Inc.,
Tulsa, Okla.

Annual forecast expects: (1) most of the Administration's key legislative goals to pass; (2) another exceptional year for business set within an inflationary climate; (3) adverse impact on gold, and higher short-term interest rates and lower bond prices if unbalanced budgets continue; and (4) "several palpitating and sudden dips" in the D-J "roller-coaster." Mr. Rowe offers investment advice, and has his fingers crossed as to the psychological reaction of the citizenry at home and knowledgeable observers abroad as to the direction of our planned economy. At the moment, the country is seen solidly behind the President's idealistic objectives.

The Turbulent Sixties are running true to form. This year should prove no exception. Global conditions remain touch and go! A mere one hundred miles from U. S. shores state capitalism gains in Castro's Cuba, another dedicated comrade. Alliance for Progress is the belated U. S. answer to more Soviet encroachment in the Western Hemisphere.



John L. Rowe

Years of deficit financing and currency debasement have impoverished the masses of Brazil, Chile, Ecuador, Bolivia and Venezuela. Billions of American dollars in loans and grants are required to counter Soviet encroachment. Is there evidence that American dollars alone can buy Latin friendship? From top to bottom, should not American embassy staffs be required to speak the Spanish language and fluently? Are not Soviet agents drafted from among the very people the Russians aim to socialize?

For Berlin the stalemate continues. The expanding Common Market could make the Soviet hold on East Germany untenable. Who would be in bondage if by merely crossing a road you could be rich? The real hope of eliminating Berlin as a war threat is the Common Market. Since the end of World War II, has it not been in the economic rather than the political field that our Western World has made its most notable gains?

On the home front the Kennedy legislative program will emphasize these four blockbusters: (1) reciprocal trade; (2) medical care for the aged; (3) revised farm program; (4) tax reform.

Mid-West Supports Reciprocal Trade

Reciprocal trade takes the spotlight and here a clean-cut Kennedy victory is indicated. These powerful arguments favor our Democratic leadership. Recall the enactment of the infamous Hawley-Smoot Tariff by a Republican Congress in 1928 despite pleadings and ominous warnings from renowned economists of that era. After the Hawley-Smoot signing by President Coolidge, Sir George Paish, then head of the famed London School of Economics, uttered his classic statement, "... American action now makes world bankruptcy inevitable!" Who can forget the great depression of the Thirties? Like the fabled Kilkenny cats who fought till nothing was left but their tails, the society of nations (including the United States) went into total collapse—tail and all. We saw tariff retaliation everywhere as the spirit of nationalism was inflamed. Chaos and revolution were marks of the times. For Americans it should have been a lesson in economics; i.e., take away the 10% of our national income, represented by foreign trade, and you eliminate the cushion which spells the difference between profit or loss for American industry.

Nourished and propagandized by the famed Chicago Tribune, the Middle West was prior to World War II considered America's isolationist belt. The tariff depression changed the Middle West. There could now probably be recruited from Cedar Rapids, Iowa, enough reciprocal trade advocates to crush the myopic and narrow opposition which rises periodically to thwart White House foreign trade goals. Cedar Rapids, like so many enterprising cities, can attest that one of ten employed persons gains his livelihood from export sales. Shipments go to over one hundred different nations around the globe. As recently as December, the Cedar Rapids Chamber of Commerce Harold Ewoldt indicated

that the ratio of one to ten employed persons could be less now because of rising business activity.

The Kennedy farm program is more of the same with this difference to quote Farm Secretary Freeman: "... an end to hand-to-mouth patch-work of expedient answers to yesterday's problems." Three basic changes are sought: (a) more efficient use of land; (b) education on uses of food at home and abroad; (3) a variable planting program geared to balance production and consumption. In one of our Southwest counties with 11,000 population, the smaller of two commercial banks cash some six thousand Federal checks monthly for ranchers and others legally entitled to share in Uncle Sam's farm subsidies or pensions. As do his flock, even the banker loves his monthly checks! Unless future emoluments can be more rewarding, there should be no major change in the existing farm set-up. Only a broadening of the food stamp program is now indicated.

Because it is an election year, Medical Care for the Aged could be brought under the existing Social Security statute. A torrid fight with a 50-50 chance. Some urgent phases of Federal tax revision, particularly the liberalized depreciation write-off modeled after the textile machinery formula could get Congressional approval. Aim: accelerated write-offs to encourage industry to replace obsolete and decadent equipment.

President Kennedy's ascending popularity will tend to throttle scattered sectional opposition thus enabling House and Senate whips to invoke most of the key Democratic legislation in this election year.

Business

Activity on a par with last year with slight improvement in some sectors. Gross National Product at record levels approach \$535 billion. Housing starts around 1.2 million — virtually unchanged. Farm income of \$36 billion will equal last year. Consumer credit could push into new high ground — above \$50 billion. Slight improvement in domestic automobile and truck sales — 6.4 million units. Dollar volume above last year even though compacts and imports retain their popularity. Easing of depreciation schedules will eventually boost plant and equipment outlays but the \$35.7 billion figure for 1960 should not be exceeded. Western Europe and Japan have been investing 13 to 15% of Gross National Product in technology which compares with less than 10% for the U. S. Our big splurge came in the early Fifties. It showed up in profit margins from 1955 forward.

Consumer interests centered on recreation, home improvements and the stock market. Our business climate from top to bottom is charged with inflation psychology. Most Americans are living it up! Chalk up another exceptional business year.

Bond Market

The paradox between short-term and long-term Treasury issues continues to exert its influence. At this writing, a Treasury note carrying a 4% rate and due May, 1963 yields 3.30% to maturity. A Treasury bond carrying a 3½% coupon due in 1990 yields 4.13% to maturity. Does the .83 of one per cent difference in rate compensate for the market hazards and time factor related to one Federal obligation due in eighteen months, the other in twenty-eight years? Obviously, foreign owners of most American gold cannot be induced to keep their gold here unless the interest rate is competitive and market risks negligible. Hence the paradox of Uncle Sam paying almost as much for eighteen months' money as for twenty-eight years' money. Unless the Kennedy Administration can balance the Federal budget in

fiscal 1963 (July 1, 1962 to June 30, 1963) our short-term rate should move higher thus pushing bond prices — especially government and corporate — to materially lower levels.

Under orthodox economic conditions, falling bond prices can adversely affect stock prices. Not so at the moment! Everyone knows continued budget deficits should force a change in our gold currency coverage. Under a severe gold run, an actual "embargo" on gold exports could be expedient. As in 1933, this is effective dollar devaluation per se! Without new taxes there is no evidence that the Kennedy Administration can from existing revenues balance an indicated Federal budget of \$92 or \$93 billion.

An otherwise healthy municipal market appears saturated with deep-discount offerings. In most instances price, not value, is the responsive magnet. For example, \$50,000 face-value Philadelphia 2% due Jan. 1, 1988, are available subject at \$650 per thousand. Wouldn't \$32,500 for the package appear inviting? Is it inviting? In 26 years there is a \$17,500 capital gain plus \$26,000 accrued interest earned. The increment of \$17,500 is subject to a 25% capital gain tax. With the principal payment of \$50,000 less the effective capital gain tax, the final net at maturity is \$71,625. Contrastingly, the 3.40% coupon, \$50,000 face-value Philadelphia at par will fetch \$94,200 principal and interest in 26 years. For these identical obligations, net increment of \$22,575 favors the Philadelphia 3.40% coupon. Should not the all-embracing consideration in bonds (as in stocks) be value — not price?

Stock Market

The Dow Jones roller coaster should provide several palpitating and sudden dips. At least one 12% swing in Dow Jones appears a reasonable calculation. Aside from manipulation, stock prices are continuously adjusting to business realities — specifically and generally. There is an intense profit squeeze. The careful investor will examine annual reports scrupulously. Typical of the existing pattern is the Minnesota Mining report. This excellent concern records new monthly sales gains with amazing regularity. In a nine months' stretch, net sales jump \$45 million or 11% while costs soar \$37 million or 12%. Net income improved \$3.1 million, about 6%. Minnesota Mining is the exception, not the rule. Most industrials are showing sharp sales advances but the added volume is resulting in lower net income. Automatic wage increases under escalator clauses, higher social security and payroll taxes plus fringe benefits are chief contributors to the

creeping rise in general business costs.

Industrial stocks particularly should be scrupulously examined against a backdrop of product price control to compensate for the existing profit squeeze. For example, Reynolds Tobacco, Hershey Chocolate, Parke-Davis or Procter & Gamble can adjust product prices to costs with ease when compared to Kennecott Copper, U. S. Steel, Reynolds Metal, General Electric, United Aircraft or Radio Corporation. The ubiquitous Hershey bar is still a nickel but what for size? Who knows if there is a fraction more filter, a fraction less tobacco in the cigarette of your choice? Do you pay the required amount for the medicine or capsules or ask first for a measurement?

Better stocks for 1962 should be money securities which lack inventory and rigid pricing problems and can utilize some semblance of flexibility to maintain profit margins. Examples: selective electric utilities; no inventory problem here and an essential cash business. Life insurance stocks: like investment funds, there is wide portfolio diversification in a single certificate without the steep load. Both electrical utilities and life insurance stocks offer exceptional growth characteristics. Certain petrochemicals, drugs, tobaccos, chemicals, electronics, food specialties, cosmetics and the perennial bell-cow, A.T. & T. have superior attributes in this highly selective economy. Scrutinize annual reports with care. Example: Hygrade Food budgeted over a million dollars for plant improvements last year — a reported \$3,100,000. As a result, net earnings of \$68,887 compared with \$2,528,141 for 1960. Cannot one logically reason that the Hygrade earning picture should be greatly improved this year when consideration is given the approximate \$4 per share charged against stockholders' equity for plant improvement aimed at efficiency and cost reduction?

The health of a business usually supercedes growth. The numbers game can be costly in stock market auctions as it can in buying antiques or works of art at auction. To quote President Crawford Greenwalt of DuPont, "... To me it's not really the size of the corporate body that counts or even its rate of growth but rather its strength and vitality. We are not really interested in growth if our proprietary contribution to the health of our business is sacrificed by that type of growth. For example, I would far rather have a \$3 billion business at a 10% return than a \$6 billion business at a 5% return or even a 6% return. I think we're healthier and we have a better posture for the future in consider-

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ing our affairs that way. So the policy with us as to the future is one of sound growth—sound according to our definition and not merely growth for its own sake. It is very nice if you can do both things, if one has to choose, I would choose health over growth achieved for the sake of having a larger number in your sales column."

Conclusion

The Space Age hasn't materially altered our economic goals. Old policies never die. They are revived under another name. The New Frontier is directed toward another American revival. A modified Reciprocal Trade Agreement Act will be tied to enormous Federal appropriations aimed at enlarging free world trade. Since the word "speculation" is derived from the Latin meaning "observe"—any thoughts on the outcome might be fraught with political bias. We simply follow a historical pattern to its end—die happy or disillusioned. When our economic course takes us into deep waters and impending disaster looms, we simply declare an "emergency." A gold embargo follows. Uncle Sam jumps his bid for gold from his own established \$35 level. The banking system displaces marginal private loans with Federal debt money. The taxpayers assume the marginal loans through existing quasi-government corporations. Sounds simple and is simple. These are not my ideas. They represent a compromise of economic and humanitarian patterns conceived by Sismondi and the Saint Simonians, with additions and revisions taken from John Stuart Mills, Ricardo, Nassau Senior and Keynes. The New Frontier has acquired a liberal following of economists. They are undoubtedly adept and clever. Yet success or failure in any planned economy is closely tied to the psychological reaction of an alert citizenry at home and some very sharp and seasoned observers abroad. At the moment, the country appears solidly behind President Kennedy's idealistic objectives. For better or worse, it is the dawn of another exciting and turbulent year.

*The author's views and opinions are his own and are not to be construed as those of his firm.

With Westheimer Co.

(Special to THE FINANCIAL CHRONICLE)

CINCINNATI, Ohio—Maurice D. Portman is now connected with Westheimer and Company, 322 Walnut Street, members of the New York and Cincinnati Stock Exchanges. He was formerly with Gallagher-Roach & Company.

Burroughs Corporation

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

Some notes about one of the most completely integrated business machine companies, now prepared to convert a \$140 million capital expenditure made in the past decade, into expanded earning power.

Everything is getting more automated these days and nowhere is this swing to automation more apparent than in office equipment. While conventional appliances, such as typewriters and adding machines, are showing but slight growth, in the more sophisticated electronic lines, the upsurge has been exciting. There are, today, over 5,000 computers in use, and present orders for over twice that number. Annual factory shipments of computers and kindred equipment rose from \$145 million in 1947 to over \$600 million in 1961.

Banks and insurance companies have proved an eager market for automatic data-processing systems. Accounting machines of many varieties have flourished and, in the past 3½ years, there has developed a remarkable new technology for handling bank checks. In 1958, the American Bankers Association approved the use of magnetic ink characters to save labor, and to speed up handling, sorting and entry of checks and deposit slips. Today, over 40% of all the billions of checks in circulation have magnetic ink markings for electronic processing.

Burroughs Growth

Among the leaders in these and in several other segments of the office machine business is Burroughs Corp. Its annual sales have grown at an average rate of 14% since 1954, to around the \$400 million mark for 1961. Through public financing, depreciation and retained earnings, \$140 million in new capital has been applied to this property since 1950. Much of this was not reflected significantly in earning power, since it included large outlays for research, development and market penetration of new products. Now, however, it would appear that the stage has been set for converting this substantial investment into net profits.

Computers

In computers, Burroughs now offers its relatively inexpensive B200 Series. These models include complete punched card electronic computers that sell for a modest \$183,650 and rent for \$3,750 a month; and magnetic tape systems that may cost as much as \$385,000, and rent for \$8,435 monthly. Burroughs has a sales backlog for this B200 Series of

around \$70 million. There's also the king-size B-5000 computer that, with complete equipment may rent for \$50,000 a month, and sell for \$2½ million (sort of makes you think twice before you fire your bookkeeper!)

Burroughs plans to lease about 70% of its installations; but it also formed, last year, Burroughs Financing Corp. with a capital of \$3½ million, to facilitate installment purchase of its products.

Burroughs, which sees a bright general business market for its computers, has already (within the past five years) sold \$750 million worth of computers to the government. These computers guide the famous Atlas missile and the Polaris missile that the "subs" hurl. They also are an integral part of the SAGE early warning system; and \$40 million in Burroughs computers were ordered last year for NORAD.

Rounded Product Line

Important as computers are at Burroughs, they are but part of a quite complete office machine product line. There's a broad line of accounting and banking machines. There are adding machines (but no longer ones with 90 keys to punch!) Over a decade ago the company acquired Mittag Volger Co., a producer of machine ribbons and carbon paper. In 1955, the Todd Co., maker of checks and check writers, was acquired and also, in 1955, a manufacturer of business forms, Charles R. Hadley Co. was purchased and merged. This year will usher in major installations of quite costly bank automation equipment, including electronic processing devices for magnetic ink checks.

We referred earlier to research by the company. This has been both extensive and effective. Outlays for this purpose were \$15.7 million in 1960, and increased to about \$18 million for 1961. In addition, there was \$23 million of military R and D in 1960, the cost of which was defrayed by the government. Ideas gained from this military research have proved helpful in improving or modifying certain commercial product units.

Capitalization

On the financial side, capitalization of Burroughs Corp. consists of \$81.1 million in debt preceding 6,647,480 shares of common stock listed on the New York Stock Exchange and currently selling at around 47. Of the debt, \$75 million is in three series of debentures, \$4,700,000 in a bank loan (due 1965), and \$1 million in a mortgage loan. The company, in addition, has a \$60 million revolving bank credit available.

In view of the popularity of convertible bonds among investors today, a word should be said about the issue of \$29,875,800 of Burroughs Corp. 4½% debentures due 12/1/81. These are convertible into common stock at the rate of \$38.96 per share and provide an interesting way of entering into the Burroughs picture. Burroughs 4½% "Converts" sell at around 138.

About the common stock, it has been a durable and comfortable equity for decades. Burroughs has paid a cash dividend in every year since 1895. The present dividend rate of \$1 is amply covered by per share net of around \$1.45 for 1961. There is considerable reason to believe that earnings here are in an up-trend. Benefiting from larger sales and improved profit margins, we would anticipate that per share net for 1962 might reach

\$1.70 and for 1963, perhaps \$2.25. Cash flow should continue to increase from the depreciation item. Depreciation charges were only \$3½ million in 1954; they were about \$16 million in 1961 and should increase further this year. The lion's share of computer income will be from rentals and thus the computers themselves will, quite properly, be accorded a substantial depreciation charge by the company.

For 1961, the office equipment industry revenues expanded by over 15%. A growth rate of this order is expected for 1962. Accordingly, Burroughs finds itself in an attractive industrial climate, and well equipped with a broad and modern product line to sell. It has some competition in its field. This competition is formidable and includes such companies as International Business Machines and National Cash Register. Burroughs benefits in this environment from an old and honored name, a long record of business success and of money-making, and a well engineered product line. It would not be too amiss if you viewed Burroughs as an electronic company since so much of its production is electronically animated and activated. As an electronic, it might command a much higher ratio than the 29 times zone it has recently been selling in.

For 1961, BGH (New York Stock Exchange symbol) ranged between a low of 27½ and a high of 44½. At today's quotation of 47, the shares do not appear particularly inflated and would seem to offer fairly satisfactory defensive characteristics. The attractiveness of the field of endeavor serving business automation, and the top-priority missile program give the shares, in addition, a certain amount of romance. If business corporations ever move into a 25 hour week, as the electricians have just done, Burroughs' products would, more than ever, be in eager demand.

H. C. Brown Elects V.-P.

BUFFALO, N. Y.—John A. Olson has been elected a Vice-President of Harold C. Brown & Co., Inc., Liberty Bank Building.

Grippo Joining Hough, Young Co.

CHICAGO, Ill.—Hough, Young & Coale, 135 South La Salle Street, have announced the association with them of Theodore W. Grippo. Mr. Grippo was formerly Illinois Securities Commissioner, Supervisor Corporation, Securities & Index Divisions and administrative counsel for the office of the Secretary of State of Illinois.

Miss Wilson With Lombard, Vitalis

Julia A. Wilson, widely known specialist on reports to shareholders and other corporate financial literature, has become associated with Lombard, Vitalis & Paganucci, Inc., 15 Broad Street, New York City, members of the New York Stock Exchange, as a financial writer and consultant on investment companies.

Miss Wilson was once on the business editorial staff of *Time* magazine, and edited four early volumes of Arthur Wiesenberger & Co's "Investment Companies." Since late 1948, she has served as editorial and communications consultant to a number of leading investment companies and distributing organizations.

Now Corporation

ELYRIA, Ohio — Pierre R. Smith & Co., a corporation, has been formed to continue the investment business of Pierre R. Smith & Co., Elyria Savings Building. Officers are John F. Smith, President; E. M. Smith, Vice-President, and G. N. Smith, Secretary & Treasurer.

New Haupt Branch

STATE COLLEGE, Pa.—Ira Haupt & Co., members of the New York Stock Exchange, have announced the opening of a branch office at 102 East College Avenue under the supervision of Julian J. Bauman.

Mr. Bauman, who will be resident manager of the office, was formerly Vice-President of the Russell National Bank of Lewis-town, Pa.

We are pleased to announce the opening of

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We are pleased to announce

Mr. Edwin A. Stephenson

has been elected

Vice President of our organization

Paribas Corporation

February 6, 1962.

Eastern Investment Corporation

45 Market Street

Manchester, N. H.

Announces

Charles P. Lawrence

President of Eastern Investment Corporation

has been admitted to full membership in the

Philadelphia-Baltimore Stock Exchange

Effective January 22, 1962

Associate Member Montreal Stock Exchange

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Airlines—Review with particular reference to **Delta Airlines, Northwest Airlines and Pan American World Airways**—Hemphill, Noyes & Co., 8 Hanover St., New York 4, N. Y.

Banks—Year-end review—Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available are data on the **Construction Industry, American Electric Power, Columbus & Southern Ohio Electric, Public Service Electric & Gas, Rochester Gas & Electric, Wisconsin Electric Power** and memoranda on **Barden Corp., Continental Insurance, Mack Trucks and Sharon Steel.**

Brewery Industry—Review with particular reference to **Anheuser-Busch, Falstaff and Pabst**—Carl M. Loeb, Rhoades & Co., 42 Wall Street, New York 5, N. Y. Also available is a review of **Chrysler** and memoranda on **Schlumberger, Ltd., American Can and Continental Can.**

Canadian Stocks—Bulletin on 12 issues—Jackson, McFayden Securities Limited, 11 Adelaide St., West, Toronto 1, Ont., Canada.

Electronics in Canada—Review and forecast for the industry—Draper Dobie & Co., Ltd., 25 Adelaide St., West, Toronto, Ont., Canada.

Fire-Casualty Insurance Stocks—Study—Dempsey-Tegeler & Co., Inc., 210 West Seventh St., Los Angeles 14, Calif.

Japanese Market—Summary review of 1961 and forecast for 1962—Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y.

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

Japanese Steel Industry—Review Yamaichi Securities Co., of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are reports on **Mitsubishi Shoji Kaisha, Ltd. and Nippon Electric.**

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.

Money Market—Bulletin—Garvin, Bantel & Co., 120 Broadway, New York 5, N. Y.

New York City Bank Stocks—Bulletin giving breakdown on Government bond portfolio and

source of income—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

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

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

Rails in 1962—Review—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available are reports on **U. S. Rubber Co. and Lone Star Cement** and comparative figures on leading Oil Stocks.

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

Supply and Demand for Long Term Investment Funds in 1962—Study—Salomon Brothers & Hutzler, 60 Wall St., New York 5, N. Y.

Syracuse Bank Stocks—Memorandum—First Albany Corporation, 90 State St., Albany 7, N. Y.

Treasury Refunding—Discussion—New York Hanseatic Corp., 120 Broadway, New York 5, N. Y.

22 for '62—Brochure of issues which appear attractive—The Illinois Co., Inc., 231 South La Salle St., Chicago 4, Ill. Also available is an analysis of **Continental Illinois National Bank & Trust Co.**

Aerojet-General—Memorandum—McDonnell & Co., Inc., 120 Broadway, New York 5, N. Y. Also available are memoranda on **North American Aviation and Dresdner Bank.**

Aerojet-General Corp.—Memorandum—R. W. Pressprich & Co., 80 Pine St., New York 5, N. Y. Also available are memoranda on **General Tire & Rubber Co. and Lockheed Aircraft Corp.**

Air Control Products—Memorandum—Ross & Hirsch, 120 Broadway, New York 5, N. Y.

Air Reduction—Memorandum—Filor, Bullard & Smyth, 26 Broadway, New York 4, N. Y.

Alabama Gas Corporation—Bulletin—Georgeson & Co., 52 Wall St., New York 5, N. Y.

Allied Stores—Analysis—F. S. Moseley & Co., 50 Congress St., Boston 2, Mass.

Allied Stores—Memorandum—Manley, Bennett & Co., Buhl Building, Detroit 26, Mich.

American Foundation Pioneer Western Life Insurance Co.—Memorandum—Trulock & Co., 213 West Fourth St., Little Rock, Ark.

American Radiator & Standard Sanitary—Report—Droulia & Co., 25 Broad St., New York 4, N. Y. Also available are data on **Magnavox Co.**

Automatic Canteen Company of America—Report—Glore, Forgan & Co., 45 Wall St., New York 5, N. Y.

Bank of America—Review in current issue of "Investornews"—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y. Also in the same issue are reports on the **Tobacco Industry, National Tea and Beech Aircraft.**

Barber-Greene Co.—Analytical brochure—William Blair & Co., 135 South La Salle Street, Chicago 3, Ill.

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

Botany Industries, Inc.—Analysis—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available are data on **Gulf Mobile & Ohio, Chicago & North Western, and Pittsburgh & Lake Erie.**

E. J. Braeh & Sons—Memorandum—Sincere & Co., 208 South La Salle St., Chicago 4, Ill. Also available is a memorandum on **Delta Air Lines.**

Brunswick Corp.—Memorandum—E. F. Hutton & Co., 1 Chase Manhattan Plaza, New York 5, N. Y. Also available is a memorandum on **Dynamics Corp. of America.**

Canandaigua Enterprises Corp.—Bulletin—S. D. Fuller & Co. 26 Broadway, New York 4, N. Y.

Caressa—Memorandum—Shearson, Hammill & Co., 14 Wall St., New York 5, N. Y.

Carpenter Steel—Analysis—Colby and Company, 85 State Street, Boston, Mass. Also available is a review of **Zenith Radio Corp.**

Celanese Corporation of America—Data—Oppenheimer, Neu & Co., 120 Broadway, New York 5, N. Y. Also available are data on **Draper Corporation, Jefferson Lake Sulphur Co., McIntyre Porcupine Mines and Quaker Oats Company.**

Clifton Precision Products—Memorandum—W. C. Langley & Co., 115 Broadway, New York 6, N. Y.

Commerce Clearing House, Inc.—Analysis—Olmstead, Allen & Company, 5455 Wilshire Boulevard, Los Angeles 36, Calif.

Deere & Co.—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

Deere & Company—Discussion in current issue of "Investor's Reader"—Merrill Lynch, Pierce, Fenner & Smith Incorporated, 70 Pine St., New York 5, N. Y. Also in the same issue are data on **Stone Container Corp., Electronic Associates, Hygrade Food Products, Continental Can, Punte Alegre Sugar, Max Factor & Co., Farben-Fabriken Bayer, Orkin**

Exterminating Co., Harvey Aluminum.

Delta Air Lines Inc.—Analysis—Cruttenden, Podesta & Co., 209 South La Salle Street, Chicago 4, Ill. Also available is an analysis of **Monmouth Electric Co., Inc.**

Dresser Industries—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Dura Corp.—Memorandum—Kidder, Peabody & Co., 17 Wall St., New York 5, N. Y.

Filon Plastics Corp.—Review—De Mott Associates, 600 Old Country Road, Garden City, N. Y. Also available are data on **Standard & Poor's Corporation, Londontown Manufacturing Company, John Fluke Manufacturing Co., and 21 Brands, Inc.**

First National Stores—Memorandum—Courts & Co., 11 Marietta Street, N. W., Atlanta 1, Ga.

Foamland U. S. A., Inc.—Study—Godfrey, Hamilton, Taylor & Co., Inc., 101 Park Avenue, New York 17, N. Y.

General Motors—Memorandum—Eastman Dillon, Union Securities & Co., 15 Broad Street, New York 5, N. Y. Also available are memoranda on **J. J. Newberry, Carter Products, Decca Records and United Fruit.**

General Public Utilities—Survey—Abraham & Co., 120 Broadway, New York 5, N. Y. Also available is a survey of **Celanese Corporation of America.**

General Telephone & Electronics Corp.—Analysis—Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif.

Gulf Life Insurance—Discussion—Richard Ney and Associates, 170 North Canon Drive, Beverly Hills, Calif. Also available are data on **Brunswick.**

Gustin Bacon Company—Report—Harris, Upham & Co., 120 Broadway, New York 5, N. Y. Also available are reports on **Allied Chemical Co. and Heli-Coil Corp. Hamilton Electro Corporation**—Analysis—William Norton Company, 44 Wall Street, New York 5, N. Y.

Holly Sugar—Memorandum—Cohen, Simonson & Co., 25 Broad Street, New York 4, N. Y.

Indiana General Corporation—Analysis—A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill.

International Minerals & Chemical—Bulletin—Walston & Co., Inc., 74 Wall Street, New York 5, N. Y.

International Parts—Memorandum—Cowen & Co., 45 Wall St., New York 5, N. Y.

Jarrell Ash Company—Analysis—Stearns & Co., 80 Pine Street, New York 5, N. Y. Also available are data on **Georgia International Life Insurance Co., Federal Resources Corp. and Laurentide Financial Corp.**

Kerr-McGee—Chart Analysis—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y. Also available is a bulletin on stocks which offer both yield and marketability.

Kerr-McGee Oil Industries—Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y. Also available are reports on

Gamble-Skogmo Inc. and Southern Gulf Utilities.

Lane Bryant—Report—Bache & Co., 36 Wall Street, New York 5, N. Y. Also available is a report on the **Pennsylvania-New York Central** proposed merger.

Link Belt—Report—Weingarten & Company, 551 Fifth Avenue, New York 17, N. Y.

Long Mile Rubber Corporation—Analysis—Schreck, Richter Company, 320 North Fourth Street, St. Louis 2, Mo.

P. Lorillard—Memorandum—D. H. Blair & Company, 66 Beaver St., New York 4, N. Y.

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

MacAndrews & Forbes—Memorandum—E. F. Hutton & Company, 7616 Girard Avenue, La Jolla, Calif.

Marine Midland Corp.—Analysis—Butler, Herrick & Marshall, 30 Broad Street, New York 4, N. Y. Also available is an analysis of **Gyrodyn Corp.**

Melpar—Memorandum—Weil & Co., Inc., Woodward Building, Washington 5, D. C. Also available are memoranda on **McCrorry, Vim Laboratories and Sav-A-Stop.**

Meredith Publishing Company—Report—Stone & Webster Securities Corporation, 90 Broad Street, New York 4, N. Y.

Micron Plastics—Memorandum—S. Schramm & Co., Inc., 80 Pine Street, New York 5, N. Y.

National Distillers—Memorandum—Edward D. Jones & Co., 300 North Fourth Street, St. Louis 2, Mo. Also available are memoranda on **Wagner Electric, West Virginia Pulp & Paper and Halliburton.**

National Hospital Supply Co., Inc.—Report—Underhill Securities Corp., 19 Rector St., New York 6, N. Y.

National Mercantile Corporation—Analysis—Rodetsky, Walker & Co., Inc., 26 Journal Square, Jersey City 6, N. J.

Obear-Nester Glass Co.—Memorandum—Fusz-Schmelzle & Co., Inc., 522 Olive Street, St. Louis 1, Mo.

Orbit Instrument Corp.—Analysis—Hardy & Co., 25 Broad Street, New York 4, N. Y.

Oxford Chemical Corporation—Review—Robinson-Humphrey Company, Inc., Rhodes-Haverty Building, Atlanta 1, Ga.

Pabst Brewing Company—Analysis—Schirmer, Atherton & Co., 50 Congress Street, Boston 3, Mass. Also available are reviews of **Great Northern Railway, Ludlow Corp., American Steel Found-**

Continued on page 23

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NEW ISSUES

February 8, 1962

\$73,135,000

New Housing Authority Bonds

The Bonds of each issue will be secured by a first pledge of annual contributions unconditionally payable pursuant to an Annual Contributions Contract between the Public Housing Administration and the Local Public Agency issuing said Bonds in the opinions of bond counsel. Said annual contributions will be payable directly to the fiscal agent of said Local Public Agency in an amount which, together with other funds of the Local Public Agency which are actually available for such purpose, will be sufficient to pay the principal of and interest on the Bonds when due.

The United States Housing Act of 1937, as amended, solemnly pledges the faith of the United States to the payment of the annual contributions by the Public Housing Administration pursuant to the aforesaid Annual Contributions Contracts.



Quotation from an opinion, dated May 15, 1953, of the Attorney General of the United States, to The President of the United States:

"IN SUMMARY, I AM OF THE VIEW THAT *** A CONTRACT TO PAY ANNUAL CONTRIBUTIONS ENTERED INTO BY THE PHA IN CONFORMANCE WITH THE PROVISIONS OF THE ACT IS VALID AND BINDING UPON THE UNITED STATES, AND THAT THE FAITH OF THE UNITED STATES HAS BEEN SOLEMNLY PLEDGED TO THE PAYMENT OF SUCH CONTRIBUTIONS IN THE SAME TERMS ITS FAITH HAS BEEN PLEDGED TO THE PAYMENT OF ITS INTEREST-BEARING OBLIGATIONS."



Interest Exempt, in the opinion of counsel to the Underwriters, from Federal Income Taxes by the provisions of the United States Housing Act of 1937, as amended.

Legal Investments, in the opinion of counsel to the Underwriters, for Savings Banks and Trust Funds in New York and certain other States.

Bonds Issued by Local Public Agencies which are located in the political subdivisions or areas named below:

Scale C			Scale D (continued)		
\$15,930,000	Chicago, Ill.	3 3/8% due 1963-2002	\$ 800,000	Frostburg, Md.	3 1/2% due 1962-2001
1,395,000	Somerville, Mass.	3 3/8% due 1963-2002	1,760,000	Tupelo, Miss.	3 1/2% due 1962-2001
2,125,000	Worcester, Mass.	3 3/8% due 1963-2002	1,055,000	Charleston, Mo.	3 1/2% due 1962-2001
14,575,000	New York, N. Y.	3 3/8% due 1963-2002	1,610,000	Dover, N. H.	3 1/2% due 1963-2002
Scale C-1			1,745,000	Bayonne, N. J.	3 1/2% due 1963-2002
\$18,925,000	New Orleans, La.	3 1/4% due 1963-1997	1,610,000	Irvington, N. J.	3 1/2% due 1963-2002
Scale D			1,035,000	Neptune, N. J.	3 1/2% due 1962-2001
\$ 2,380,000	Fairfield, Ala.	3 1/2% due 1963-2002	3,000,000	Paterson, N. J.	3 1/2% due 1963-2002
1,065,000	Hopkinsville, Ky.	3 1/2% due 1963-2002	1,690,000	West New York, N. J.	3 1/2% due 1963-2002
			1,645,000	Columbia, Tenn.	3 1/2% due 1962-2001
			790,000	Lawrenceburg, Tenn.	3 1/2% due 1962-2001

Maturities, Yields and Prices

Year	Scale C	Scale C-1	Scale D	Year	Scale C	Scale C-1	Scale D	Year	Scale C	Scale C-1	Scale D
1962			1.50%	1976	2.70%	2.70%	2.70%	1989	3.25%	@ 100	3.35%
1963	1.60%	1.60%	1.60	1977	2.75	2.75	2.75	1990	3.30	3.30%	3.40
1964	1.80	1.80	1.80	1978	2.80	2.80	2.80	1991	3.30	3.30	3.40
1965	2.00	2.00	2.00	1979	2.85	2.85	2.85	1992	3.35	3.35	3.45
1966	2.10	2.10	2.10	1980	2.90	2.90	2.90	1993	@ 100	3.40	3.45
1967	2.20	2.20	2.20	1981	2.95	2.95	2.95	1994	@ 100	3.40	3.45
1968	2.30	2.30	2.30	1982	3.00	3.00	3.00	1995	3.40	3.45	@ 100
1969	2.35	2.35	2.35	1983	3.00	3.00	3.05	1996	3.40	3.45	@ 100
1970	2.40	2.40	2.40	1984	3.05	3.05	3.10	1997	3.40	3.45	@ 100
1971	2.45	2.45	2.45	1985	3.10	3.10	3.15	1998	@ 99		@ 100
1972	2.50	2.50	2.50	1986	3.15	3.15	3.20	1999	@ 99		@ 100
1973	2.55	2.55	2.55	1987	3.20	3.20	3.25	2000	@ 99		@ 100
1974	2.60	2.60	2.60	1988	3.25	@ 100	3.30	2001	@ 99		@ 100
1975	2.65	2.65	2.65					2002	@ 99		@ 100

(and accrued interest)

The Bonds of each issue will be callable fifteen years from their date at a call price of 104 and accrued interest, and thereafter, at the times and call prices, as stated in the Offering Prospectus.

The Bonds are being offered, subject to award, when, as and if issued, and received by us, and subject to approval of legality, with respect to each issue, by bond counsel to the Underwriters. The offering is not made hereby, but only by means of the Offering Prospectus, copies of which may be obtained from such of the undersigned and other Underwriters as are registered dealers in this State.

Phelps, Fenn & Co.	Lehman Brothers	Blyth & Co., Inc.	Shields & Company	Goldman, Sachs & Co.	The First Boston Corporation	Smith, Barney & Co.	Harriman Ripley & Co. Incorporated	R. W. Pressprich & Co.
First National City Bank New York								
Merrill Lynch, Pierce, Fenner & Smith Incorporated	Stone & Webster Securities Corporation		White, Weld & Co.	Bear, Stearns & Co.	L. F. Rothschild & Co.	A. C. Allyn & Co.	Bacon, Whipple & Co.	
Baxter & Company	Alex. Brown & Sons	Coffin & Burr	Estabrook & Co.	Ira Haupt & Co.	Hemphill, Noyes & Co.	Hornblower & Weeks	Lee Higginson Corporation	
F. S. Moseley & Co.	Paine, Webber, Jackson & Curtis		Wm. E. Pollock & Co., Inc.	Reynolds & Co.	Wood, Struthers & Co.	Bacon, Stevenson & Co.	A. G. Becker & Co. Incorporated	
Braun, Bosworth & Co. Incorporated	R. S. Dickson & Company Incorporated	First of Michigan Corporation		Fitzpatrick, Sullivan & Co.	Hirsch & Co.	Kean, Taylor & Co.	W. E. Hutton & Co.	Shearson, Hammill & Co.
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The Northern Trust Company	Continental Illinois National Bank and Trust Company of Chicago		The Philadelphia National Bank	Carl M. Loeb, Rhoades & Co.	The First National Bank of Oregon	Ladenburg, Thalmann & Co.	W. H. Morton & Co. Incorporated	Weeden & Co. Incorporated
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Barr Brothers & Co.	Fidelity Union Trust Company Newark, N. J.	First National Bank in Dallas	The First National Bank of Memphis	Industrial National Bank of Rhode Island	Laidlaw & Co.	Trust Company of Georgia	Baker, Watts & Co.	
Federation Bank and Trust Company	First National Bank in St. Louis	The National Bank of Commerce of Seattle	National Bank of Westchester White Plains, N. Y.	Tilney & Company	The Peoples National Bank of Charlottesville, Va.	Third National Bank in Nashville	Spencer Trask & Co.	
	G. H. Walker & Co.	J. C. Wheat & Co.			Tuller & Zucker			

Tax-Exempt Bond Market

Continued from page 10

from 1.65% to 3.15% and over 50% of the bonds have been spoken for so far.

Looking Ahead

The First Boston Corp. and The Bank of America N. T. & S. A. were named to submit proposals for the purchase of approximately \$250,000,000 revenue bonds for the Los Angeles Metropolitan Transit Authority. Marketing plans must await passage in Congress of a proposal (SR 2390) which allows Federal guarantees of such borrowings. The Metropolitan Transit Authority appointed the above financial managers as part of a program leading to construction of the 22.7 mile backbone route of the area-wide Rapid Transit System.

The toll road and other term revenue issues have recently done better market-wise than have high grade general obligations. The Smith, Barney & Co. Turnpike bond Yield Index averaged out at 3.74% on Jan. 25. The average yield was at 3.78% the week before. In dollars, the diminished yield represented a market gain of about three-quarters of a point for the period. On Dec. 7, 1961 the average yield index was 3.91%. The gain since has been close to 3 points.

Trunkline Gas Co. Private Financing

Kidder, Peabody & Co., Inc. and Merrill Lynch, Pierce, Fenner & Smith, Inc., New York City have arranged for the private sale of \$46,000,000 Trunkline Gas Co. securities consisting of \$37,000,000 of 5% first mortgage pipe line bonds due January 1, 1982 and 90,000 shares of \$5.15 series C preferred stock (\$50 par). Proceeds will be used by the company for expansion purposes.

The company of 120 Broadway, New York and its parent, Panhandle Eastern Pipe Line Co., operate 1,500 miles of two partially looped large diameter natural gas pipelines and 13 compressor stations, extending from the Gulf Coast areas of Texas and Louisiana to a point near Elkhart, Ind.

Western Union Debentures Offered

A \$50,000,000 issue of Western Union Telegraph Co. 5 1/4% sinking fund debentures due February 1, 1987 is being offered publicly by an underwriting group managed by Kuhn, Loeb & Co. and Lehman Brothers, New York City.

The debentures are priced at 101 1/8 to yield approximately 5.17%. A sinking fund beginning February 1, 1967, is designed to retire 80% of the issue prior to maturity. The debentures are non-refundable for eight years.

The offering is part of an overall financing plan to provide funds for Western Union's record expansion program which calls for gross plant additions of approximately \$375,000,000 in the period 1961-64.

W. L. Bowen Opens

(Special to THE FINANCIAL CHRONICLE)
WOODLAND HILLS, Calif.—Wayne L. Bowen has opened offices at 5733 Penfield Avenue to engage in a securities business.

Form S. C. Burns Co.

S. C. Burns & Co., Inc. has been formed with offices at 144 West 11th Street, New York City, to engage in a securities business. Officers are Steven C. Burns, President; Rayond Grover, Secretary and Treasurer.

Dealer-Banker Group Offering New Hous. Bonds

Public offering of \$73,135,000 New Housing Authority 3 1/2%, 3% and 3 1/4% Bonds due 1962-2002 is being made by an underwriting group headed by Phelps, Fenn & Co., Lehman Brothers and Blyth & Co., Inc. in association with First National City Bank, New York, and by The Chase Manhattan Bank and Bankers Trust Co. The group was high bidder for the bonds Feb. 7 when bids were received on a total of \$79,550,000 bonds of 22 local housing agencies located in 16 states.

Other managers of the offering group are Shields & Co., Goldman, Sachs & Co., The First Boston

Corporation, Smith, Barney & Co., Harriman Ripley & Co., Inc., and R. W. Pressprich & Co.

The group is reoffering the bonds to the public in three scales—Scales C, C-1 and D—at prices scaled from a yield of 1.50% for the 1962 maturities out to a dollar price of 100 for 3 1/2% bonds due 1995-2002.

Scale C is scaled from a yield of 1.50% to a dollar price of 99 for 3% bonds and applies to issues of agencies in Chicago, Ill.; Somerville, Mass.; Worcester, Mass.; and New York City.

Scale C-1 ranges in yields from 1.50% to 3.45% and is applicable to bonds of the New Orleans La. housing agency.

Scale D is scaled from a yield of .50% out to a dollar price of 100 for 3 1/2% bonds due 1995-2002 and applies to issues of agencies in Fairfield, Ala.; Hopkins-

ville, Ky.; Frostburg, Md.; Tupelo, Miss.; Charleston, Mo.; Dover, N. H.; Bayonne, N. J.; Irvington, N. J.; Neptune, N. J.; Paterson, N. J.; West New York, N. J.; Columbia, Tenn.; and Lawrenceburg, Tenn.

The bonds will be callable 15 years from their date at prices ranging from 104% to 100%.

Current offering is the 34th offering of Housing Authority bonds under the 1949 amendment to the U. S. Housing Act of 1937 and brings the total principal amount of bonds sold to \$3,383,724,000. As of September 30, 1961 there were \$2,910,110,000 bonds outstanding.

Proceeds from issuance of the bonds will be used to retire notes issued to finance the construction costs of low-rent housing projects and to meet the additional costs of such housing projects.

The bonds are secured by a first pledge of annual contributions unconditionally payable under a contract between the PHA and the local issuing agency. The faith of the United States is solemnly pledged to the payment of the annual contributions by the PHA.

Sexton & Smith Admit

Sexton & Smith, 120 Broadway, New York City, members of the America Stock Exchange, on Jan. 26 admitted Frank C. Matteo to partnership. Mr. Matteo is a member of the Exchange.

Hornblower Adds

(Special to THE FINANCIAL CHRONICLE)
CLEVELAND, Ohio—Ronald H. Leavitt has become affiliated with Hornblower & Weeks, Union Commerce Building. He was previously with C. J. Devine & Co.

New Issue

\$42,000,000

State of New Jersey

4.15%, 3%, 3.20% and 2% Bonds

Interest Exempt from present Federal Income Taxes

AMOUNTS, MATURITIES, RATES, AND YIELDS OR PRICES

Due \$1,500,000 each March 1, 1965-92, incl.		
1965	4.15%	2.00%
1966	4.15	2.10
1967	4.15	2.20
1968	4.15	2.30
1969	3	2.40
1970	3	2.50
1971	3	2.55
1972	3	2.60
1973	3	2.65
1974	3	2.70
1975	3	2.75
1976	3	2.80
1977	3	2.85
1978	3	2.90
1979	3	2.95
1980-82	3	@ 100
1983	3	3.05%
1984-85	3	3.10
1986-87	3.20	3.15
1988-89	3.20	@ 100
1990-91	3.20	3.25%
1992	2	3.60

(Accrued interest to be added)

Dated March 1, 1962

Due March 1, as shown herein

Principal and semi-annual interest (September 1 and March 1) payable in Trenton, New Jersey at The First Trenton National Bank (on the State Recreation and Conservation Land Acquisition Bonds) and in Newark, New Jersey at The National State Bank (on the State Institution Construction Bonds). Coupon bonds in denomination \$5,000, convertible into fully registered bonds, and at the expense of the holder, reconconvertible into coupon bonds.

Tax Exempt in New Jersey

Legal Investment for Savings Banks and Trust Funds in New York State and for Savings Banks in Connecticut and Massachusetts

These Bonds, to be issued for State Recreation and Conservation Land Acquisition and State Institution Construction purposes will constitute, in the opinion of counsel, direct obligations of the State of New Jersey and the faith and credit of the State are pledged for the payment of the interest thereon as the same shall become due and the payment of the principal at maturity.

The above Bonds are offered when, as and if issued and received by us, and subject to prior sale and approval of legality by the Attorney General of the State of New Jersey on both issues; by Messrs. Sullivan, Donovan, Hanrahan, McGovern & Lane on the State Recreation Bonds and by Messrs. Hawkins, Delafield & Wood on the State Institution Bonds.

The Chase Manhattan Bank

First National City Bank
New York

Lehman Brothers

Halsey, Stuart & Co. Inc.

C. J. Devine & Co. Chemical Bank New York Trust Company Continental Illinois National Bank The Northern Trust Company Blyth & Co., Inc.
and Trust Company of Chicago.

Merrill Lynch, Pierce, Fenner & Smith Kidder, Peabody & Co. Mellon National Bank Stone & Webster Securities Corporation Blair & Co.
Incorporated and Trust Company Incorporated

Ladenburg, Thalmann & Co. Mercantile Trust Company Wertheim & Co. Paribas Corporation Paine, Webber, Jackson & Curtis

Bache & Co. Dominick & Dominick First of Michigan Corporation The First Trenton National Bank Hallgarten & Co. Ira Haupt & Co.

Hemphill, Noyes & Co. Lee Higginson Corporation F. S. Moseley & Co. Adams, McEntee & Co., Inc. American Securities Corporation

Auchincloss, Parker & Redpath A. Webster Dougherty & Co. Federation Bank and Trust Company First National Bank Model, Roland & Co.
In Dallas

Newburger, Loeb & Co. The Ohio Company John J. Ryan & Co. Spencer Trask & Co. Van Deventer Brothers, Inc.

J. B. Hanauer & Co. J. R. Williston & Beane Adams & Hinckley Winslow, Cohu & Stetson
Incorporated

Today's Economic Clouds And Savings Banks' Role

By Matt S. Szymczak,* Consultant, C. J. Devine and Co.,
New York City, and Professorial Lecturer in Economics,
Georgetown University, Washington, D. C.

Former Federal Reserve Governor charts a new role for savings banks and financial leaders. Further, he avers monetary and fiscal policy must be flexible so as to avoid the error of the thirties when reliance on "orthodox maxims prevented early and effective measures," and of the post World War II period when "it took more than a decade of inflation to slowly overcome an almost obsessive preoccupation with full-employment policy." Savings banks are charged with the task of mobilizing savings for economic growth, and the financial community is asked to educate and lead public opinion. Mr. Szymczak says savers must see a future in fixed-interest investments if savings banks are to compete successfully. Mr. Szymczak doubts interest rates will be allowed to rise much above present levels, and believes we will be successful in preventing price inflation, and in handling today's "economic clouds."

It is very pleasant to discuss matters economic at a time when things are looking up almost everywhere in the economy and there is good reason to expect fair weather to continue for many months to come. A few trouble spots, to be sure, still remain, and no easy or quick solution is in sight: unemployment has finally begun to decline from its level of a little below 7% where for so many months it seemed to be helplessly stuck; but at 6.1% it is still much higher than what is compatible with a really prosperous economy. And particularly distressing is the fact that it is concentrated in certain declining industries and trades, and in certain depressed areas where it takes the human form of people out of work for months and years, with so little prospect of betterment until those people can be retrained and integrated into other parts of the economy. Nor is immediate relief in sight for the balance of payments problem



M. S. Szymczak

where the Administration has endeavored—rightly I believe—to gain time, through various foreign exchange measures and arrangements with other countries, in order to set in motion basic long-term improvements in our trade position by encouraging expanded exports, earnings from foreign tourists to the U. S., a fairer distribution among Western countries of the defense expenditures abroad and foreign aid to economically developing countries, etc. Once again, there appear to be good grounds to expect that those measures will in due course be successful in decisively improving our payments balance; but in the immediate future I think we must expect to see our improving domestic business spill over into a further rise in imports and a continuing payments deficit, though, we must hope, of less serious proportions. But apart from those two problems, the prospect is pleasing: Production continues to rise, retail sales have recently begun to move forward again; but perhaps best of all, this recovery has so far taken the form of a steady, healthy advance with no signs of degenerating into a feverish boom; as a consequence most business cycle experts now expect many more months of a long and soundly-based upward climb and certainly not a quick succession of boom and bust.

But let me turn to the specific topic as to the role of Savings Banks in the decade of the sixties. It scarcely seems necessary to warn anyone that the best forecasts—like the best laid plans—can go awry; any number of things may happen—in the field of politics, economics, technology—to affect or even completely change the course of events. Yet, barring a nuclear catastrophe, one is perhaps on safer ground discerning and describing the shape of things to come over the longer run than in predicting cyclical ups and downs over the next 18 months.

Let me start with a flat statement: In the years to come, the importance to the economy of Savings Banks and indeed of all intermediaries which collect and channel personal savings will enormously increase. Yet it will be a different aspect of the role of savings institutions that will be most important from the viewpoint of the national economy. By facilitating and safeguarding the small man's savings and thus encouraging individual thrift, Savings Banks have, of course, fulfilled a highly valuable social function for almost 150 years. Equally important over the last 20 years, however, was the economic function which savings institutions fulfilled coincidentally: by encouraging thrift to hold down consumer spending and thus moderate inflationary pressure on an economy extended by the demands of war, reconversion and reconstruction at home and abroad, foreign aid and the cold war. In those 20 years of unavoidable high liquidity, providing funds was not crucial; helping to siphon off purchasing power that otherwise might have further swelled consumer spending was what mattered most.

Sees New Role for Savings Banks

The basic economic problems of the forties and fifties, excessive liquidity and often inadequate industrial capacity, appear to be just about solved today; excess liquidity has been progressively mopped up over the past 10 years, and the boom from 1955 to 1957 finally created reserve capacity in most industries. In these altered circumstances, the emphasis in the sixties will, in my opinion, shift to the problem of modernization

of plant and equipment, in order to speed up economic growth at home and to make American exports more competitive internationally. In these altered circumstances, there will also be a shift of emphasis in the economic role of savings institutions away from the essentially negative function of siphoning off purchasing power to the more positive function of mobilizing savings to provide the funds for investment in modernization and growth.

That there will be plentiful outlets for any funds which savings banks can provide is thus hardly open to doubt. Whether monetary conditions will be relatively tighter or relatively easier in the months and years before us, the excessive liquidity of the forties and early fifties will, in my opinion, not recur. The demand for loanable funds will be heavy; for in addition to the requirements of industry, the need for new construction, both residential and commercial, must surely grow; in particular, what we used to call the "war babies" are now entering the labor market and will be forming families at an unprecedented rate; not to mention the many projects of urban renewal. And who can doubt that here savings banks, along with other institutions in the mortgage market, will have a crucial part to play.

No need, then to worry unduly about the use of funds; but will the funds be forthcoming from the millions of savers?

Two Conditions to Mobilize Savings

I believe they will; but such belief is, of course, predicated on the expectation that two conditions can be satisfied: that savings banks can attract enough savings in competition with other deposit-creating institutions; and that, on a larger view, savers will see a future in fixed-interest investments. To deal with the first point, it is, of course, impossible to say to what extent depositors in savings banks have in the past been motivated by a sense of loyalty to, and familiarity with, these old-established institutions, and to what extent they have been attracted by the interest rate differential over savings deposits at commercial banks. Something of a test will come now that commercial banks are permitted to offer 4% long-term savings deposits. Nobody can doubt that this interest rate question will be a doubly delicate problem for savings banks as well as savings and loan associations for some time to come. On the one hand, it is difficult to predict how serious is the threat from a 4% rate on commercial banks savings deposits. And on the other hand, the authorities have made it clear that they will endeavor to keep mortgage rates from rising very much; in these circumstances, savings institutions would not want to raise deposit rates very much above present levels even if they should be free to do so. This, it seems to me, will be the problem that needs watching.

Preventing Price Inflation

There remains the larger question: will savers be prepared in the years to come to invest a substantial part of their funds in fixed-interest bearing assets? The answer will largely depend on successful efforts to prevent price inflation. Inflation tends to discourage investment in bonds and savings deposits in two ways: quite rationally stocks and other appreciating assets are looked upon as a useful hedge against inflation. But a more subtle influence is at work as well: a long period of inflation creates a mentality of its own and gradually erodes the habit of thrift.

So we are back to one of the overriding economic problems of

the past 15 years: can price inflation be brought and kept under control? I do think so; I believe the prospects of finally achieving reasonable price stability look better today than they have for a very long time. Bankers are familiar with the recent debate as to whether the post-war inflation was due to old-fashioned excess demand or whether we were confronting a rather new phenomenon, cost inflation.

The issue is by no means yet resolved. But much of the evidence would seem to suggest that both factors contributed to the long price rise: some of the blame must clearly be placed on high wage demands and administered prices; on the other hand, it is also true that these influences gained much of their initial momentum from an environment of unsatisfied consumer demand, high investment requirements, continuing national security needs, all supported by extraordinary liquidity—in brief, a seller's market. It is quite possible that cost inflation would have bedeviled us even in the absence of those pressures of strong aggregate demand; but in that case prices would very likely have increased at a more leisurely pace.

Of course, once inflation got going, the wage-price spiral acquired a momentum of its own; inflationary expectations were set up which in turn induced higher wage demands and steeper price increases than might otherwise have been the case. What I am trying to say is that inflation became in part a matter of anticipations and thus to some extent self-perpetuating. This vicious circle had to be broken; but it could be effectively broken only after the underlying real pressures—pent-up demand, inadequate capacity, excessive liquidity—had been relieved. This, I believe, has now been accomplished. And with these underlying inflationary pressures removed, I expect to see price inflation become ever more moderate, especially if we can now persuade business and labor to exercise self-restraint at this crucial juncture. Already, wholesale prices have become practically stable, and most economists predict a rise in the cost of living index of no more than 1%, for 1962. And just as psychologically, inflation tended to feed on itself, so a progressive slowing down of price inflation, once the public has become fully conscious of it, can be expected to set up its own psychological braking effect.

Other Economic Clouds

In this new phase of our post-war economic history, members of the financial community have a special responsibility. Relative price stability is finally within reach. But other economic clouds have risen over the horizon—concern with the balance of payments, a sluggish rate of growth, and persistent unemployment, likely to be complicated by further progress in automation and the unusually high number of young people entering the labor market, not to mention the impact of the European Economic Community. In these altered circumstances we need a different and much more complex public policy, a policy carefully poised between the demands of price stability and the need for flexibility to maintain high employment and foster a higher growth rate. Such a policy requires close following of economic and financial trends; it requires high skill in the Federal Reserve, the Treasury and among the other advisors of the President; and last but not least, it also requires full understanding and intelligent support from public opinion.

Warns of Rigid Attitude

I want to emphasize the last point in particular, for it could be of crucial importance in the next several months and years. What

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Not a New Issue

215,000 SHARES

SHATTERPROOF GLASS CORPORATION

COMMON STOCK

(Par Value \$.50 Per Share)

PRICE \$14.50 PER SHARE

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

SHIELDS & COMPANY

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HORNBLOWER & WEEKS

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Incorporated

February 2, 1962.

I am above all concerned with its maximum flexibility—flexibility in our thinking as well as flexibility in the policies and in the policy instruments at the disposal of the authorities. Let me try to illustrate my point at least in part. We are in the habit of looking at the Federal budget—whether it is balanced, in deficit or in surplus—as a shorthand indicator of government's fiscal policy; and we expect to see the budget balanced, at least in normal times. By insisting on such balance we are enforcing on the government a useful discipline to keep expenditures from getting out of control. But we must beware of becoming rigid in our attitudes. For one thing, the government must be able to use fiscal policy as a countercyclical tool when necessary. Here I agree with the Report of the Commission on Money and Credit which last year recommended that "Congress grant to the President limited conditional power to make temporary countercyclical adjustments in the first-bracket of the personal income tax," subject to certain qualifications and safeguards.

A balanced budget seems the proper policy for the present state of the economy, barring of course a national emergency and it is right that public opinion should be concerned with at least a rough balance as a means of insuring economy in government. But let us not fall into the error of inflexibly and mechanically insisting on a balanced budget under any and all circumstances, regardless of boom or recession. A balanced budget should not be looked upon as an end in itself, but as a means to insure economy and a flexible fiscal instrument to deal with economic conditions. Flexibility in fiscal policy is very important to the economy.

Fiscal Policy and Interest Rates

There is still another area in which lack of public understanding might hamstring the authorities in their monetary and fiscal policy: as the present economic recovery gathers force, interest rates will tend to rise. But we must not regard official willingness to let interest rates rise steeply in order to restrain potential inflationary pressures as test of their financial probity. Such a simple conditioned reflex would be natural and out of place. For in dealing with cyclical developments, the Administration and the Federal Reserve will want to weigh carefully the competing claims of economic growth and of the balance of payments in determining the burden that can be carried by monetary policy; they may well conclude that more weight should be put on fiscal policy while interest rates can safely be permitted to vary only within a narrower range than in recent years.

These and other similar issues will continue to give rise to lively debates. It is here that members of the financial community have a high responsibility to educate and lead public opinion in understanding the complex task of our monetary and fiscal managers. Failures to lend them our support may well lead to the very evil we fear: renewed inflation. Once before, in the thirties, clinging to orthodox maxims prevented early and effective measures against the depression. After that tragic experience, it was not surprising that fear of mass unemployment became burnt into public consciousness. And for that we paid a heavy price: we continued to fear and fight depression long after the danger was past and the opposite problem, inflation, cried out to be dealt with. It took more than a decade of inflation to slowly overcome an almost obsessive preoccupation with full-employment policy. Let us be sure that we do not make the same mistake twice. If we were to cling once more to mechanical and inflexible formulas, we would seriously hamstring the Administration and the Fed-

eral Reserve in pursuing a flexible fiscal and monetary policy. Yet such a flexible policy is more than ever needed to deal with persistent unemployment and sluggish growth. Failure to deal with those very real problems would surely lead to a public reaction, and the pendulum might once again swing to a preoccupation with full employment and really inflationary policies.

My message is really simple: Bankers and other members of the financial community are vitally interested in economic and financial stability. Our monetary and fiscal authorities are engaged in a highly sophisticated operation to achieve that stability. They need public understanding and support. As members of the public in a position to be informed we must give a lead to public opinion. Our professional interest lies there, but more than that, we will be discharging our duty in the public interest—and thus give further assurance that our capitalistic—democratic system not only can but will survive and thrive.

*An address by Mr. Szymczak before the Savings Bank Trust Company, New York City.

King, Quirk Co. Names V.-P.

Alfred F. King, Jr. has been elected a Vice-President of King, Quirk & Co., Incorporated, 45 Wall Street, New York City.

FROM WASHINGTON ... Ahead of the News

BY CARLISLE BARGERON

George Romney came back to Washington last Sunday night and by the time this is published he will undoubtedly have announced his candidacy for the Michigan governorship. The question we have heard repeatedly in political circle is: "is he another Willkie?" The answer: he is not. Willkie had been a Democrat until he set out after the Republican Presidential nomination. This was bad enough for the old party hands but Willkie pursued his Democratic leanings after getting the nomination. He showed a high disregard for Republicanism and took a delight at kicking Republican bigwigs in the face.

I recall being at the Broadmoor in Colorado Springs with Willkie shortly after he was nominated. I happened to run into the national committeeman from Oklahoma who had been for Dewey at the Philadelphia nominating convention. He was walking around aimlessly in the lobby after having let Willkie's suite know he would like to see him.

I took it upon myself to call Willkie's secretary and tell him that this fellow was cooling his heels in the lobby and I thought Willkie should see him.

Much to my amazement the secretary replied: "Oh, that fellow was against us at Philadelphia."

Later that evening I caught Willkie at the entrance of the hotel as he was coming in from an outside dinner invitation. I buttonholed him and told him about the visitor who had been cooling his heels all day.

"I am going into the movies," said Willkie, "go and get him and bring him in."

I speeded off thinking I had done a good deed for party unity and located the Republican leader of Oklahoma.

"Lew," I accosted him all out of breath, "Willkie and I have been looking everywhere for you. He wants to see you."

Whereupon I took the leader by the hand and led him into the movie auditorium.

Approaching Willkie, I said enthusiastically: "Look who's here!"

Willkie gave him one look, said "hello Lew," and proceeded to walk to his seat.

Willkie lost Oklahoma. I could recite 15 or so of these instances.

Romney, should he get the nomination, will try to get along with everybody. He does seem to be a

little weak on his Republicanism but no less so than he is on the Democratic party. He says he is a Republican but thinks its image must be improved upon. He gives the impression that he would rather be an independent than anything else. He wanted to be a delegate to the Michigan constitutional convention as an independent but was told he had to be either a Democrat or a Republican.

He is against the right-to-work laws which may be necessary if he is to run as governor of pro-labor Michigan but certainly would not set well as Republican candidate for the Presidency.

He has been a prominent party to the working out of the financial mess that Michigan found itself in a few years ago.

Only one thing against him is that he seems to want to apologize for the Republican party a little more than is necessary. Working for him are the facts that he has boundless energy, plenty of brains and a man who has moved very fast.

I know Mr. Romney personally and have followed his career for more than 25 years.

Harry Undy With Goldman Secs.

Harry L. Undy has become associated with Goldman Securities Corp., 225 West 34th Street, New York City. Mr. Undy was formerly with Suplee, Yeatman, Mosley Co., Inc. of Philadelphia.

This advertisement is not an offer to sell or a solicitation of an offer to buy these securities. The offering is made only by the Prospectus.

NEW ISSUE

\$50,000,000

The Western Union Telegraph Company

5 1/4% Sinking Fund Debentures Due 1987

Dated February 1, 1962 Due February 1, 1987

OFFERING PRICE 101 1/8% AND ACCRUED INTEREST

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

Kuhn, Loeb & Co. <small>Incorporated</small>	Lehman Brothers
Blyth & Co., Inc.	Eastman Dillon, Union Securities & Co.
Goldman, Sachs & Co.	Glore, Forgan & Co.
Lazard Frères & Co.	Harriman Ripley & Co.
Smith, Barney & Co. <small>Incorporated</small>	Hornblower & Weeks
Dean Witter & Co.	Kidder, Peabody & Co. <small>Incorporated</small>
February 8, 1962	Carl M. Loeb, Rhoades & Co.
	Merrill Lynch, Pierce, Fenner & Smith <small>Incorporated</small>
	Stone & Webster Securities Corporation
	White, Weld & Co.
	Paribas Corporation

Outlook for State and Local Government Securities

By Thomas R. Atkinson,* Scudder, Stevens and Clark, Inc.,
New York City

Review of municipal financing anticipates 1962 borrowing volume at or slightly below last year's figure. Banks and individuals are expected to be major purchasers and thus to ease the problem of placing new offerings compared to last year. However, a substantial increase in bank loans and/or a rising interest in equities is seen capable of upsetting the demand and yield pattern for tax-exempts.

The year 1961 was unusual in being a record year in volume of new long-term capital borrowed by state and local governmental units, the high volume of bank purchases of tax-exempts, while at the same time yields changed only moderately.

Gross new long-term capital borrowed by state and local governmental units during 1961 apparently amounted to \$8.2 billion, a record level. Through November, it appeared that 1961 purchases of tax-exempts by commercial banks would be second to the record year of 1958. However, changes in Regulation Q apparently spurred very large December purchases of state and local securities, so that it is very likely the 1958 record was equalled. While the high volume of new issues and the substantial purchases by commercial banks in the year as a whole probably cancelled each other out as factors affecting yields, perhaps most important in explaining yield stability in this market was the substantially unchanged monetary policy, unchanged trend in bank loans, and fairly constant quarter-to-quarter flow of new issues.

Indicators of Future Borrowing

For 1962 the outlook for volume of tax-exempt borrowing can be discussed in terms of certain general indicators and by adding up specific needs that can be foreseen. General indicators of volume include (1) inventories of projects; (2) voter approvals; (3) fiscal positions of governmental units; and (4) the broad interest rate outlook. These general indicators of volume are difficult to rely on but are perhaps worthwhile to note.

The Bond Buyer inventory of projects anticipated to lead to bond financing increased by one-half billion dollars in 1961, after stabilizing in 1960. While at the present level the "inventory" is

equivalent to two years of financing, it should be realized that many of these projects involve financing years ahead, and therefore the fact that the inventory is increasing is perhaps more important than its particular level.

At first glance, voters approved a substantially smaller percentage of bond proposals in 1961 than in recent previous years. While this has been interpreted by some as an indication of growing hesitancy on the part of the public to spend money for governmental activities, two major proposals turned down in the November election were important in accounting for this low figure. In neither case would these seem to be issues in which voter attitudes clearly indicate an anti-borrowing sentiment. The biggest such issue was the New York State College Building program, which was defeated presumably because of the religious issue. The second important issue rejected, that of the State of North Carolina, apparently reflected poor timing of a bond election immediately after an increase in certain tax rates.

Recent figures now indicate some improvement in State government revenues both as a result of higher incomes increasing present tax yields and as a result of the institution of new taxes and rate increases for existing taxes. While local units are probably not showing as much improvement, in a few states it may be possible to pay for a growing proportion of construction out of current revenues rather than borrowing.

If, as now seems to be the case, interest rates in 1962 climb at least moderately above their present levels, some postponement of projects and deferment of financing may be expected to occur. In addition, some of 1961 record volume may have resulted in a shifting forward of financing in anticipation of higher rates. While there

is little tendency for urgently needed projects to be retarded by higher interest rates, a forecast of higher rates may well reduce the volume of less urgently needed projects. Thus, the outlook for higher interest rates and the realization of that outlook may well reduce the volume of tax-exempt borrowing in 1962. For those whose interest is predicting the course of interest rates, this reasoning is circular, but it may be helpful to the extent that it confirms the picture of bond financing volume obtained from other methods.

Four Areas

As for adding up the specific needs of state and local governmental units for capital construction, it may be useful to talk about four general areas—schools, highways, housing, utilities, and miscellaneous projects.

School bonds constituted 34% of total state and local bond offerings in 1961. In 1962 school construction should not show the big jump it did last year. Many of the most urgent demands have already been met and construction contracts for schools are showing little increase over last year. According to the Census III-A projection, the peak in the annual school enrollment increase will occur in 1963, when the high school enrollment increase also peaks. Elementary enrollment has already shown its greatest increase, and the peak in the annual college enrollment increase will come much later. Assuming that most of the catching up process is completed, bond financing for schools should not show any strong upward trend.

While 40% of the total construction outlays of state and local governmental units are for highways, bridges and roads, only 15% of bond issues are for this purpose, the balance of the financing being obtained through Federal grants-in-aid. Construction contracts for road building have been off in 1961 and may well be off again in 1962. Certainly, the high bond volume of several years ago arising from turnpike construction has little chance to repeat itself in 1962.

Bonds issued for housing and public utilities including water and sewers last year aggregated 23% of the total tax-exempt borrowing. While a fairly good volume of water and sewer financing may be expected as a result of catching up of needs to the demand created by the housing boom of the 1950's, the most dynamic

element in this general category is the entrance of the City and State of New York into the public housing area through the Mitchell-Lama program. This program, which in effect uses tax-exempt borrowing in order to raise money for low interest rate loans to private builders and co-operators for multiple family housing structures, should come close to rivaling public housing authority financing during 1962. The remaining volume of tax-exempt bonds, including the large segment of veterans' borrowing should be off in 1962 when the high volumes of 1961 are unlikely to be repeated. The addition of these specific needs for financing of new construction suggests volume of gross new long-term borrowing will be the same or a little less than it was in 1961.

During 1962, it is less the volume than the source of funds that will affect the market for tax-exempt securities. If commercial banks experience a good expansion in loans, they probably will take only about \$1 billion or less of state and local government securities. This will be more than in 1959 (\$400 million) and 1960 (\$600 million) but substantially below 1958 (\$2.6 billion) and possibly as much in 1961. One would normally expect even less volume of commercial bank purchases than this if the demand for business loan improves as predicted. However, the change in Federal Reserve Regulation Q in late November has apparently created a new element that may induce greater purchases during 1962.

Bank Purchases

The substantial bank purchases during December in response to this change in Regulation Q are probably best explained as the effect of a catalyst. In the last few years the major growth in bank deposits has been in the time and savings category. This category was threatened with substantial losses particularly in volatile corporate time certificates, if and when competing forms of savings rates went above the ceiling commercial banks were permitted to pay. Now with an increase in the ceiling, commercial banks apparently reason they can retain their savings market in the face of anticipated rising interest rates. Investment policy in higher yielding long-term securities such as municipals and mortgages seems a logical result. While this influence should not dominate 1962, commercial banks may well carry their purchase programs into the early months, giving a larger volume for the year than otherwise might be expected.

Leaving out life and casualty company purchase programs, which may well be about the same as in 1961, one may concentrate on individuals. If banks take a smaller volume of tax-exempts than last year, individuals will undoubtedly take more. The year 1961 was the lowest year of individual purchase of tax-exempts, at least since 1954. Individual purchases, however, cannot be treated simply as a residual for the attitudes of this ownership group are undoubtedly sensitive to the outlook for equities. Rising individual purchases of tax-exempts would be compatible with growing caution about the stock market.

There is also a further element that makes easier the placement of state and local securities. In the long run the annual increase in maturing issues, now running at a rate of about \$3.5 billion a year, and increasing \$200 to \$400 million a year, makes it easier to finance a relatively stable volume of gross new issues. Any leveling off of new offerings produces a shrinkage in the addition to net debt that must find lodging in different ownership groups.

Summary

In summary, the volume of new long-term state and local volume

should be down a little in 1962. Bank purchases will not be as large as 1961 but larger than the tight money years, particularly as a result of the carryover arising from the incentives to purchase, provided by the change in Regulation Q. Most of the tax-exempt debt will find lodging with individuals as a result of growing concern over growing equity prices, but the increased volume of maturing debt will make the job of placing the new offerings less than last year. Logically, tax-exempt yields can be expected to rise if commercial banks lose interest as their loans increase. If there is growing caution about the stock market, however, the increase in tax-exempt yields should be moderated by growing individual interest in state and local government securities.

*An address by Mr. Atkinson before the Capital Market Outlook Session, American Finance Association, New York City.

Financial Analysts National Conv.

DETROIT, Mich.—The Financial Analysts Federation will hold its 15th Annual Convention in Detroit May 19-23.

Alexander E. LaPointe, Senior Vice-President and Trust Officer for the Manufacturers National Bank of Detroit and General Chairman of the convention, said that some 7,300 invitations are going out to members of financial analysts societies in 25 cities in the United States and Canada.

In addition to various field trips, the analysts will attend forums and hear leading authorities discuss such subjects as Organizing Research and Development for Profit, Michigan Business Previews and Marketing, and the Chemical, Oil, Glass, Drug, Electronics and Electric Power Utility Industries.

The forums will be conducted in the convention headquarters, the Statler-Hilton Hotel, while the annual banquet will be held in Cobo Hall on Tuesday, May 22.

With Sutro Co.

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Joseph F. Gallegos is with Sutro & Co., Van Nuys Building.

Form Hunter, Miller

(Special to THE FINANCIAL CHRONICLE)
SAN FRANCISCO, Calif.—Hunter, Miller & Fleming has been formed with offices at 120 Montgomery Street, to engage in a securities business. Officers are Phelps S. Hunter, President; John F. Miller, Secretary; and Thomas Fleming, Treasurer. Mr. Miller was formerly with Francis I. du Pont & Co.

Form Northern Diversified

(Special to THE FINANCIAL CHRONICLE)
ST. PAUL, Minn.—Northern Diversified Investments, Inc. is engaging in a securities business from offices at 2388 University Avenue.

Eastern Inv. Branch

DOVER, N. H.—Eastern Investment Corporation has opened a branch office at 324 Central Ave. under the direction of Nicholas A. Suosso.

First Ohio Secs. Opens

COLUMBUS, Ohio—First Ohio Securities Company has been formed with offices at 1429 King Avenue. Wayne L. Lewis is a principal of the firm.

Bacon, Johnson Branch

CHARLOTTE, N. C.—Bacon, Johnson & Associates, Inc. has opened a branch office in the 201 South Tryon Building under the management of Ronald R. Wicks.

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

NEW ISSUE

February 8, 1962

185,000 Shares*

ATLAS ELECTRONICS, INC.

(A Distributor of Electronic Parts and Equipment)

Common Stock

(Par Value \$.10 per share)

Price \$2.10 per share

*Includes 40,000 shares to be offered at the above price to individuals and entities designated by the Company. The number of shares available to the general public will be reduced to the extent that shares are so purchased.

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

Hay, Fales & Co. McLaughlin, Kaufman & Co.

Commercial Bankers Face Increasing Competition

By David M. Kennedy,* Chairman of the Board, Continental Illinois National Bank and Trust Company of Chicago

Chicago banker succinctly reviews several recent developments which have improved commercial banking's ability to compete with alternative outlets for savings. Mr. Kennedy stresses what can be done to utilize funds more effectively while still staying in the traditional short-term loan area and, yet, in seeking additional profitable areas in longer-term loans without sacrificing quality.

Savings Interest Rates

In December the Board of Governors of the Federal Reserve System announced an increase in the maximum rate that could be paid on savings and time deposits. Under the banking legislation of the early 1930s, commercial banks were prohibited from paying interest on demand deposits; maximum rates of interest that could be paid on savings and other time deposits were made subject to regulation by the Federal Reserve. The basic thinking behind the legislation was that intense competition caused the banks to pay excessive rates of interest to get deposits. This in turn tended to push some banks into unwise loans or investments to obtain higher earnings and this became a significant factor in many banking difficulties.



David M. Kennedy

From 1957 until this January, the maximum rate that could be paid on savings and time deposits was 3%. But pressures had grown in recent years to raise the maximum rate. Some of the pressure came from large banks holding substantial time deposits from various foreign sources. With the appearance of higher short-term interest rates both here and abroad, these banks became increasingly concerned for fear the rate ceiling would prevent them from competing effectively for these funds against alternative investments. This had happened during periods of rising interest rates in previous years. In addition, there was a special concern by the monetary and other authorities over the movement of these foreign time deposits. Our adverse balance-of-payments position made it desirable to attract and hold such deposits in this country.

Finally, the 3% ceiling had become more and more out of date in relation to other money market rates. Some felt commercial banks should be permitted to pay a higher rate and thus be able to compete on better terms for the savings of the community. In view of these various factors, the maximum permissible rate was increased to 3½% for savings and time deposits of six months duration and to 4% for savings or time deposits of one year or longer. We have raised our rates to the maximum.

New Banking Environment

Over the years there have been several changes in the maximum permissible rate. However, this particular move may be of more fundamental significance than previous changes at lower levels of interest rates. No one knows how high or low rates may go in the future. But the fact is, that present rates are getting up to a level that is significantly different from recent years. Judging by the response in our bank and in other banks, it appears this new level of rates is an attractive one. There has been a substantially greater increase in savings at commercial banks during the first

days of this year than in past years.

The public has become increasingly interest-rate conscious and responsive to rate changes. For a number of years before, during and after the war when interest rates generally were at a very low level, the rate itself did not seem too important. However, as interest rates rose in the decade of the 1950s, reaching a peak in 1959 when the Treasury offered a five-year 5% security, the public appeared to become increasingly rate conscious. At that time there was a mass movement of funds of individuals from savings deposits and elsewhere into government securities. Similarly, it may be that we now have reached a rate structure where commercial banks can become significantly more competitive with alternative outlets for savings.

Certificates of Deposit

Another phase of the changing banking environment is the development in the past year of the marketable certificates of deposit. Certificates of deposit have been part of the banking system for years. But until February of last year, many large banks, especially those in New York and Chicago, either did not offer certificates or made them available only on a limited basis.

Meanwhile major changes have been taking place with deposits

of large corporations. During the 1920s, it was customary for corporations to be paid interest on deposits under various arrangements; they also invested substantially in the short-term money market, especially in call loans on the stock exchange. Then in the 1930s interest rates moved sharply lower and corporate treasurers found little incentive to invest excess funds. Instead they tended to leave the money on demand deposit in banks. Conversely, banks as a whole made little use of time certificates of deposit.

Since getting away from the artificially maintained government securities market in 1951, there has been a gradual, broad trend of interest rates upward toward more normal levels. During this time, corporate treasurers have turned increasingly to investing in the money market, especially short-term U. S. Treasury securities. As the decade of the 1950s wore on, this closer control of cash accelerated with the development of special banking plans to facilitate the movement of funds. Finally, a new generation of corporate treasurers expanded their investment policies progressively to include many types of short-term money market instruments. Thus the expansion of demand deposit accounts in large money center banks was limited. The growth of bank deposits tended to be in the newer areas of the country away from the money centers or else took the form of time deposits.

These broad trends led to the introduction last February of the new bearer time certificates of deposit. The certificates are designed to appeal to large corporate investors and to encourage them to put excess funds in bank time deposits rather than investing directly in the money market. There are now about \$1¼ billion of the marketable certificates outstanding in Chicago and New York plus sizable amounts in other centers. An active secondary trading market has developed.

These new developments, while fundamentally an outgrowth of existing arrangements, are tending to make basic changes. Banks will be paying an increasing amount of interest on an increasing share of their deposits. It follows that the intense competition among banks, as well as with other financial institutions, will be augmented further.

Investment in the New Environment

This new environment of banking and bank competition will call for banking statesmanship in the period ahead as banks aggressively seek profitable outlets for funds. Competitive pressures have already increased in the key lending areas of our business. Corporations are doing increasing amounts of self-financing through retained earnings and depreciation allowances as well as through the increased sale of commercial paper, and there are other broad areas of lending activity such as mortgage finance and consumer instalment credit where competing financial institutions have pushed ahead of the commercial banks.

In order to effectively utilize funds, we, along with other banks, will put more of our funds into the mortgage market, especially individual home mortgages, both conventional as well as FHA and VA loans. As we solicit and get the individual savings of the community, we have an obligation to put these savings back to work with individuals in the community. This is good business for the bank and an appropriate place to put part of our expanding volume of time deposits. In this connection, we have established our own unique Family Banking Center to make available for individuals a complete array of financial services, including home mortgages, consumer instalment loans, and low cost deposit services.

The main emphasis of commercial lending will still be in the

traditional short-term loan. Banks can be expected to continue their major role in this key area. It should be noted that longer term loans, especially in the money market centers, have tended to increase over recent years to where they are now a major portion of total bank loans. This is also true in our bank.

I suspect, too, that banks will tend to seek additional profitable areas to employ funds other than the traditional short-term commercial bank loans, as for example a greater volume of lease financing. In the past month, we have already seen substantial buying of state and municipal bonds by banks seeking a higher rate of return.

The Need to Maintain Standards

As indicated in my opening comments, the original elimination of interest on demand deposits and control of the rates paid on time deposits was to help maintain high quality standards in the banking system. Today's bankers are keenly aware of this problem. I think we will see continued heavy competition for deposits and intense competition in the various markets to put the funds to work. At the same time, the nature of bank funds makes it incumbent on all bankers to maintain standards and resist the temptation to seek higher yielding assets without proper regard for quality.

*Remarks made by Mr. Kennedy before the annual meeting of the Bank's shareholders, Chicago, Ill., Jan. 22, 1962.

Lobb Pres. of H. M. Bylesby Co.

CHICAGO, Ill.—On Jan. 29 John Cunningham Lobb was elected President of H. M. Bylesby and Company, Incorporated, 135 South La Salle Street, members of the Midwest Stock Exchange.

Arrangements have been made through the undersigned for the placement of these Securities privately for investment. They have not been and are not being offered for sale to the public. This announcement appears as a matter of record only.

\$46,000,000

Trunkline Gas Company

\$37,000,000

First Mortgage Pipe Line Bonds, 5% Series due January 1, 1982

90,000 Shares

\$5.15 Series C Preferred Stock
((\$100 Par Value))

Kidder, Peabody & Co.
Incorporated

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

February 7, 1962.

DIVIDEND NOTICES



PREFERRED STOCK
On January 30, 1962 a quarterly dividend of one and three-quarters per cent was declared on the Preferred Stock of this Company, payable April 2, 1962 to stockholders of record at the close of business March 16, 1962. Transfer books will remain open. Checks will be mailed.
JOHN R. HENRY, Secretary

ACF INDUSTRIES
INCORPORATED

Common Dividend No. 169

A dividend of 62½¢ per share on the common stock of this Corporation has been declared payable March 15, 1962, to stockholders of record at close of business February 23, 1962.

C. ALLAN FEE,
Vice President and Secretary

February 2, 1962



THE DAYTON POWER AND LIGHT COMPANY
DAYTON, OHIO

158th Common Dividend

The Board of Directors has declared a regular quarterly dividend of 22¢ per share on the Common Stock of the Company, payable on March 1, 1962, to stockholders of record at the close of business on February 13, 1962.

GEORGE SELLERS, Secretary
February 2, 1962

Cities Service Company

DIVIDEND NOTICE

PREFERRED DIVIDEND

The Board of Directors of Cities Service Company declared a quarterly dividend of \$1.10 per share on the \$4.40 Cumulative Convertible Preferred Stock payable on March 12, 1962 to stockholders of record March 1, 1962.

COMMON DIVIDEND

At the same meeting the Board also declared a quarterly dividend of 60¢ per share on the Common Stock payable on March 19, 1962 to stockholders of record February 16, 1962.

January 31, 1962

FRANKLIN K. FOSTER, Secretary

CONTINENTAL BAKING COMPANY

Preferred Dividend No. 93

The Board of Directors has declared this day a quarterly dividend of \$1.37½ per share on the outstanding \$5.50 Dividend Preferred Stock, payable April 1, 1962, to stockholders of record at the close of business March 9, 1962.

Common Dividend No. 68

The Board of Directors has declared this day a regular quarterly dividend, for the first quarter of the year 1962, of 55¢ per share on the outstanding Common Stock, payable April 1, 1962, to holders of record of such stock at the close of business March 9, 1962.

The stock transfer books will not be closed.

WILLIAM FISHER
TREASURER

February 2, 1962



Godfrey, Hamilton Branch Form R.J. Cunningham Co.

LAWRENCE, Mass. — Godfrey, Hamilton, Taylor & Co. Incorporated has opened a branch office at Turnstyle, South Union, under the direction of Patrick Cloney.

NEWARK, N. J.—R. J. Cunningham & Company, Inc. has been formed with offices at 24 Commerce Street, to engage in a securities business. Officers are Robert J. Cuneo, President and Treasurer, and Jack S. Geraldo, Jr., Vice-President and Secretary.

DIVIDEND NOTICES



Dividend No. 128
A Dividend No. 128 of Twenty-Five Cents (\$.25) on the Common Stock has been declared, payable April 2, 1962 to stockholders of record March 15, 1962.
M. B. LOEB, President
Brooklyn, N. Y.



129th Consecutive Dividend
The Board of Directors at a meeting on January 25, 1962, declared a quarterly dividend of 40 cents per share on the new capital stock outstanding after the two for one split of the stock. The dividend will be payable March 15, 1962, to stockholders of record, March 1, 1962.
PAUL E. SHROADS
Senior Vice President

O'okiep Copper Company Limited

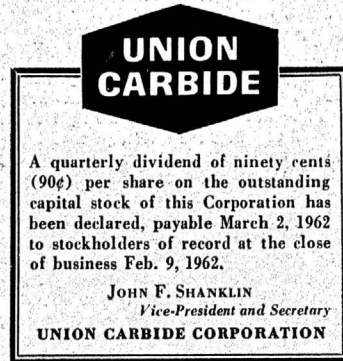
Dividend No. 61

The Board of Directors today declared a dividend of one Rand per share on the Ordinary Shares of the Company payable March 2, 1962.

The Directors authorized the distribution of the said dividend on March 16, 1962 to the holders of record at the close of business on March 9, 1962 of American shares issued under the terms of the Deposit Agreement dated June 24, 1946. The dividend will amount to approximately \$1.40 per share, subject, however, to any change which may occur in the rate of exchange for South African funds prior to March 2, 1962. Republic of South African non-resident shareholders tax at the rate of 6.6614% will be deducted.

By Order of the Board of Directors,
F. A. SCHECK, Secretary.
New York, New York, January 30, 1962.

DIVIDEND NOTICES



A quarterly dividend of ninety cents (90¢) per share on the outstanding capital stock of this Corporation has been declared, payable March 2, 1962 to stockholders of record at the close of business Feb. 9, 1962.

JOHN F. SHANKLIN
Vice-President and Secretary
UNION CARBIDE CORPORATION

YALE & TOWNE
296th Quarterly Dividend

25¢ a Share
Payable:
April 2, 1962
Record date:
March 15, 1962
Declared:
Jan. 25, 1962

Elmer F. Franz
Vice President and Treasurer
THE YALE & TOWNE MFG. CO.
Lock and Hardware Products since 1868
Materials Handling Equipment since 1875
Cash dividends paid every year since 1899



NATIONAL UNION
Fire Insurance Company
of Pittsburgh, Pa.

161st DIVIDEND DECLARATION

The Board of Directors of this company on February 6, 1962, declared a cash dividend of Fifty-Five Cents (55¢) a share on the capital stock.

The dividend is payable March 22, 1962, to shareholders of record on March 1, 1962.

A. K. Hatfield

Vice President and Treasurer



Diversified Products For Home and Industry

THE FLINTKOTE COMPANY

NEW YORK 20, N. Y.

quarterly dividends have been declared as follows:

- Common Stock*: \$20 per share
- \$4 Cumulative Preferred Stock: \$1 per share
- \$4.50 Series A Convertible 2nd Preferred Stock: \$1.12½ per share
- \$2.25 Series B Convertible 2nd Preferred Stock: \$.56¼ per share

These dividends are payable March 15, 1962 to stockholders of record at the close of business February 16, 1962.

*134th consecutive dividend

JAMES E. McCauley, Treasurer
February 7, 1962

Change of Name to:
Cruttenden, Podesta & Miller



Left to right: Walter W. Cruttenden, Founder & Partner; Robert A. Podesta, Managing Partner; Glenn R. Miller, Partner (underwriting).

CHICAGO, Ill.—The partners of Cruttenden, Podesta & Co. have approved a change in the firm name, to Cruttenden, Podesta & Miller.

Glenn R. Miller, who joined the Chicago-based, coast-to-coast investment firm in 1951, is the Partner in charge of underwriting activities.

The new name, subject to approval of administrative and regulatory authorities, will become effective with the firm's head-office move, from the fifth and seventh floors of the Rookery (209 South La Salle) to the

fourth and fifth floors of the new La Salle-Jackson Building. The move is scheduled for the first week in March.

"This head-office move underscores our firm's strong expansion in recent years," said Walter W. Cruttenden, Founder and Partner. "A great part of that expansion has been in our underwriting arm. In the past five years alone, we have managed or co-managed 45 offerings of securities, totaling well over \$100 million.

"The addition of Glenn Miller to the firm name is formal recognition of (1) his direct responsibility for the development and personal supervision of this all-important phase of our activity, and (2) the partners' confidence that our role as a major underwriter will continue to expand."

Mr. Miller, was Executive Vice-President of the Cleveland investment firm of Otis & Co., before joining Cruttenden, Podesta. Previously, for several years, he had worked in Chicago as an analyst for the investment counseling firm of Sheridan, Farwell & Morrison and, later, for Continental Casualty Co.

Active in industry affairs, Mr. Miller is Chairman of the Education Committee, Central States Group, Investment Bankers Association of America.

Cruttenden, Podesta & Co. dates from the founding of Fuller, Cruttenden & Co., in 1930. The firm name became Cruttenden & Co. in 1942. Robert A. Podesta joined the company as managing partner in 1949, and the name was changed to Cruttenden, Podesta & Co. in 1956.

Form C. I. S. Inc.

MIAMI, Fla. — C. I. S., Inc. has been formed with offices in the duPont Plaza Center to engage in a securities business. Officers are Harold J. Aronson, President; Irving Sommer, Vice-President; and Julius I. Friedman, Secretary. Mr. Sommer and Mr. Friedman were formerly with Saul Lerner Florida Co., Inc.

Form Combined Inv.

HONOLULU, Hawaii — Combined Investments, Inc. has been formed with offices at 1149 Bethel Street to engage in a securities business. Officers are Do Won Kong, President; Bernie S. H. Kim, Vice-President; and Ton Seek Pai, Secretary-Treasurer.

First Eastern Office

WESTFIELD, N. J.—First Eastern Investment Corporation has opened a branch office at 226 East Broad Street under the management of Yens J. Nelson, Jr.



THE MARKET . . . AND YOU

BY WALLACE STREETE

Individual specialties continued to show buoyancy for the first time this year with any persistence in this week's stock market but, with the industrial average already having carved out a trading range of better than 40 points, there was nothing decisive about it nor were any critical areas breached.

Some commotion showed up in the oil section after Texaco revealed plans to take over TXL Oil. TXL was set up as now constituted by a spinoff from Texas Pacific Land Trust and various other companies had been mentioned as merger candidates, particularly Barber Oil which had accumulated a bundle of TXL shares, better than 10% of the outstanding capitalization in fact.

So it was something of a surprise when the Texaco announcement was made. Terms of the takeover would give TXL holders something like \$8 more than the shares were selling at prior to the announcement and the immediate beneficiaries, marketwise, were Texas Land Trust and Barber Oil while Texaco itself was heavy.

Stimulated Blue Chip

Du Pont was a blue chip favorite in continued response to the week-end signing of a bill, now law, that substantially eases the tax burden on any of the multi-million shares of General Motors it may distribute to its holders under the court-ordered divestment of this billion dollar bundle.

Occasionally, utilities were able to show independent strength in the section where a rather sharp correction had started late last year. Whether this section had come on better times was still not clear but at least the steady downdrift had been stemmed temporarily.

Reaction Shrugged Off

The total market reaction so far came to some 6% of the industrial average which was busily being minimized by the technicians who noted that it was unusual not to have a reaction of that size for some 15 months. Nevertheless, it chilled investment sentiment and there was some hint that the various troubles centering on Wall Street were keeping investors and traders cautious.

As far as picking out likely issues that could do better if the market climate improves, the spirited debate was between the followers of the basic, cyclical industry shares and those who maintain that the glamour issues are at least entitled to a good rebound after their recent troubles.

Hopes that had centered on the defense section where high-level government spending is assured were somewhat dashed after some of the bellwethers in this area turned erratic. The turn in their fortunes came after a preliminary award for a new fighter plane was made to General Dynamics and Boeing. This was followed quickly by predictions of mass layoffs of workers by Republic Aviation and the chill spread to others in the aircraft section in short order.

Financial issues, particularly those involved in the savings and loan field, continued to retreat more times than not. They had had a good runup, First Charter Finance, for example, running last year from less than 30 to nearly 70, Financial Federation from 108 to above 164.

Favorites' Return

There was more attention being paid to the old-line favorites that had been neglected for long, such as Standard Oil (New Jersey) after it felt confident enough to

up its dividend. Like other of the oil giants, Jersey has been doing well without the market paying any attention to its proven ability to report fat profits. Its shares had dipped below 41 last year and sold down to 38 the year before for the poorest prices seen by the shares in many years. These seemed to be bottom for the shares and the increased dividend brought them back to the mid-50's where this week they seemed to pause for a bit to consolidate their recent gains.

Amerada was the big question mark in the oil section. This remarkably successful oil finding organization has repeatedly denied that it will feature in any of the amalgamations that have been spurred by large oil and gas reserves such as the TXL Oil-Texaco proposal, or the Honolulu deal with Stanolind and Tidewater.

The full extent of Amerada's crude oil and natural gas reserves aren't known, but industry estimates place the potential value at up to a billion dollars which is well below the market valuation of the company at present. This and several other situations offer a good potential—but only if the high hopes for a takeover work out.

Autos Relax

Autos were going through a quiet market life after showing signs of life earlier this year. Whether or not they will be able to post new records above that of 1955 is moot, although present indications are that it at least will be the best year since then.

Holding down the enthusiasm for the auto shares, and the steel shares as well, were the fears that there will be a mid-year strike in the steel industry. Auto plants have been anything but conspicuous in building up their steel inventories so a short steel strike would not be calamitous. But a long one could well upset the predictions for auto production second only to the 1955 total.

Ford has become something of a question mark in the auto section since its dividend increase and 2-for-1 stock split seemed to have either been well anticipated, or below expectations. Earnings estimates of this year give it a price-earnings multiple of only a little over 10-times which is distinctly conservative in view of the far larger ratios prevailing among the so-called glamour stocks.

An unknown in the future of Ford is how easily it will be able to absorb Philco which it recently acquired. If it is digested easily, the current earnings predictions could be conservative.

General Motors continues to be held back somewhat by the big bundle of its shares that will be distributed by Du Pont eventually, some 63,000,000 shares in all. On its own, GM is expected to show a marked improvement in its profit this year, an expectation that was bolstered by its surprise declaration of an extra year-end dividend. As a blue chip of proven profitability, GM is basically an item for a sound and well-protected yield and market appreciation is a question mark.

Investors continue to blow both hot and cold over the prospects of Chrysler making the long-awaited turn to good times. Even a new management has failed to make it more than a buoyant market performer so far this year. The big plus in Chrysler's favor is its small capitalization which, with marketing success, can produce tremendous leverage in its per-share earnings. At best it is still listed as one of the speculative items despite its standing as one of the Big Three of autodom.

Promising Electronics Issue

Little excitement was apparent in the well-deflated electronics section. The item in this group that is considered about to make a turn for the better is Raytheon which has gone through a management realignment and some aggressive steps to get costs under control. Where some of the newer names in specialized sections of the electronics field had had their day, only to bump into the inevitable correction as competition and/or new developments posed troubles, Raytheon is noted as a complete entity over a wide range of electronic items from components to large and complete missile systems. At only a little more than 12-times this year's estimated earnings, Raytheon obviously has to show its return to a growth pattern to build up investment following. The company's hopes are high and if the 10% growth pattern predicted by the management works out, its market chances will be high, too.

[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.]

Wheeler & Cruttenden Adds Los Angeles, Calif.

LOS ANGELES, Calif. — W. W. Cruttenden, Jr., President of Wheeler & Cruttenden, Inc., 618 South Spring Street, has announced that J. P. Guerin and Rex R. Reno have joined the firm as Vice-Presidents. Mr. Guerin has been with Dempsey-Tegeler & Co. and Mr. Reno with Mitchum, Jones & Templeton.

Wheeler & Cruttenden, Inc. is a member of the Pacific Coast and Midwest Stock Exchanges and features a national trading business under the direction of Robert D. Diehl and Verner H. Kraft, Vice-Presidents.

Hayden, Stone & Co. Marks 70th Year



Wickliffe Shreve



Alfred J. Coyle



Kenneth Ward

Hayden, Stone & Co., Inc., 25 Broad Street, New York City, members of principal stock and commodity exchanges, on Feb. 2 celebrated its 70th anniversary. The investment banking and brokerage firm was founded as a partnership in Boston in 1892 by Charles Hayden and Galen L. Stone.

During its 70 years, Hayden, Stone, which originally operated primarily in New York and New England, has added branches throughout the United States and in several foreign countries. In 1960 the firm added a number of offices in the Midwest and in Florida through acquisition. In the same year, it also acquired several California offices. Currently over 1,600 people are employed in its 29 domestic and seven foreign offices.

Wickliffe Shreve is Chairman of Hayden, Stone & Co., Inc., Alfred J. Coyle, President, and Kenneth Ward, Chairman of the Executive Committee. Robert Stone, son of the founder, has been continuously associated with the firm since 1920 and is now a non-voting stockholder. David Stone, a grandson of the founder, is a Vice-President, resident in Boston.

New Jersey Bonds Publicly Offered

An underwriting group managed by The Chase Manhattan Bank; The First National City Bank of New York; Lehman Brothers; and Halsey, Stuart & Co., Inc. on Feb. 6 purchased \$42,000,000 State of New Jersey 4.15%, 3%, 3.20% and 2% State Recreation and Conservation Land Acquisition and State Institution Construction Bonds, due March 1, 1965 to 1992, inclusive. The group bid 100.02999 for the bonds, setting a net interest cost of \$3.0468%.

Reoffering prices are scaled to

yield from 2% to 3.60%, according to maturity.

Other members of the underwriting group include:

C. J. Devine & Co.; Chemical Bank New York Trust Co.; Continental Illinois National Bank and Trust Co. of Chicago; The Northern Trust Co.; Blyth & Co., Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder Peabody & Co.; Kuhn, Loeb & Co.; Mellon National Bank and Trust Co. Stone & Webster Securities Corp.; Blair & Co., Inc.; Ladenburg, Thalmann & Co.; Mercantile Trust Co.; Wertheim & Co.; Paribas Corp.; Paine, Webber, Jackson & Curtis; Bache & Co.

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

NEW ISSUE February 6, 1962

430,556 Shares*

Commonwealth Realty Trust

Certificates of Beneficial Interest

Price \$10.00 per share

**30,556 shares have been reserved for sale, without underwriters' commission, to persons designated by the Trust @ \$9.00 per share.*

Copies of the Prospectus may be obtained from the undersigned and other dealers in such States as they may lawfully offer these securities.

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

Woodcock, Moyer, Fricke & French	Gerstley, Sunstein & Co.
Incorporated	
Amott, Baker & Co., Inc.	Rosenthal & Co.
Blair & Co., Inc.	Butcher & Sherrerd
Boenning & Co.	H. A. Riecke & Co., Inc.
Elkins, Morris, Stokes & Co.	Brooke, Sheridan, Bogan & Co., Inc.
	Hecker & Co.
	H. G. Kuch & Co.

The State of TRADE and INDUSTRY

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

The February issue of the *Monthly Review* of the Federal Reserve Bank of New York includes the following comment on the business outlook:

"As the new year got under way, the economy appeared to be expanding at a good though not exuberant pace. Preliminary estimates for the fourth quarter of 1961 indicate a strong advance in gross national product that entirely reflected gains in final demand. In December, to be sure, the rate of increase in industrial production and in various other monthly measures was somewhat less than in the two preceding months, while automobile sales declined from their November high. In January, moreover, department store sales slipped back from the record proportions reached in December, and new car sales apparently continued at the December pace. But such forward-looking indicators as orders received by manufacturers of durable goods, and commercial and industrial construction contracts, made a strong showing during November and December, giving support to the view that over-all activity would continue to move ahead. Another favorable sign was the decline in the unemployment rate in January to 5.8% of the labor force. Late in that month, the President stated in his *Economic Report* that he expected GNP to amount to \$570 billion in 1962, a rise of about 9% over 1961.

"Whether such an allowance can be achieved, and whether it will be followed by still further expansion, will be importantly influenced by the behavior of prices. A renewal of the upsurge in prices of the sort experienced in the mid-1950s could well hamper the growth in consumer demand that is essential for a sustained economic expansion. It would also seriously reduce our ability to meet the rising challenge of foreign competition. Although prices have been unusually stable since the business upturn in early 1961, this stability will be put to its real test as the economy reaches higher levels of capacity utilization and as wage contracts in major industries are renewed.

"It is clearly desirable that wage contract negotiations in the steel and other industries be completed not only on a noninflationary

basis, but also as soon as possible. This will avoid the unsettling effects on the economy that would arise from speculative stockpiling of inventories against the possibility of strikes or price increases. The importance of these considerations was pointed up by the President's announcement that he is urging labor and management in the steel industry to work out an early settlement consistent with continued price stability. It was further underlined by the attention that the *Annual Report* of the President's Council of Economic Advisers paid to the problem of developing guideposts for judging whether particular wage decisions are inflationary. The Council suggested that, to be non-inflationary, wage increases should in general not exceed the trend of average productivity gains for the private economy as a whole."

Bank Clearings Up 0.8% From Same Week in 1961

Bank clearings this week will show 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, Feb. 3, clearings for all cities of the United States for which it is possible to obtain weekly clearings will be 0.8% above those of the corresponding week last year. Our preliminary totals stand at \$30,509,977,890 against \$30,268,529,272 for the same week in 1961. Our comparative summary for some of the principal money centers follows:

Week End.	(000s omitted)		
Feb. 3—	1962	1961	%
New York	\$17,264,638	\$17,961,050	- 3.3
Chicago	1,322,290	1,311,869	+ 0.8
Philadelphia	1,177,000	1,102,000	+ 6.8
Boston	864,603	822,482	+ 5.1
Kansas City	507,850	479,830	+ 5.8
St. Louis	422,400	390,300	+ 8.2
San Fran.	946,666	815,472	+16.1
Pittsburgh	516,254	464,281	+11.2
Cleveland	647,194	608,305	+ 6.4
Baltimore	381,504	407,142	- 6.3

Steel Inventory Buildup Won't Smother Second Half Demand

The inventory buildup will not smother steel demand in the second half, *Steel* magazine predicted on Feb. 5.

The reasons: High consumption and buyer restraint in building inventories.

Consumption during the third and fourth quarters will be higher than it has been in recent "inventory recessions." New orders for steel will be booked in reasonably good volume—particularly if there's an upturn in spending for plant and equipment.

Here is how the metalworking magazine analyzes the situation: Steel inventories will reach about 21 million tons on July 1, five million tons above normal. So they will probably be cut by about that much in the second half.

During July, August, and September, users will liquidate inventories at the rate of one million tons a month.

Result: The average rate of steel production will fall from more than 10 million tons a month in the second quarter to about seven million tons a month in the third. The normal summer slump in steel demand won't be much worse than usual, but it will seem bad by comparison with the buoyant period preceding it.

If depreciation policies are liberalized this spring, as expected, and industry gets an 8% tax credit for machinery purposes, *Steel* says spending for capital equipment may move up and go a long way toward offsetting any ill effects of the inventory cutbacks.

Steel output this week will rise for the sixth consecutive week, *Steel* says. Production will be slightly higher than the 2,420,000 tons the magazine estimates were made last week (the largest tonnage recorded since the week ended April 2, 1960). The level of operations is at about 30% above the 1957-59 average.

As stockpiling continues, demand is broadening. Although buyers are still focusing most of their attention on cold rolled and galvanized sheets, they are showing renewed interest in hot rolled bars, wide plates, and manufacturers' wire.

Despite the upward trend of steelmaking operations, scrap prices are faltering. While expectations of higher demand normally stiffen the market, brokers are bidding less for February scrap than they bid last month for these reasons:

(1) Consumer resistance developed (as it always does) when No. 1 heavy melting scrap went about \$35 a ton—a price that is competitive with the cost of making hot metal in blast furnaces.

(2) Export demand is not supporting the market the way it did last year. There is a surplus of scrap on the East Coast because Japanese mills won't take any shipments until April.

(3) More scrap is being generated as metalworking steps up its production.

(4) The mills probably have more scrap than trade sources estimate.

Steel's price composite on steelmaking scrap declined for the third straight week. At \$36.67 a gross ton, it was down 83 cents.

Steel Inventory Buying Checked By "Hope" of Labor Peace

Steel demand continues to strengthen, *The Iron Age* reports. The result will be capacity demand for flat-rolled products through the first six months of 1962. This will be supported by a rapidly strengthening demand for general steel products.

A slight easing in automotive demand, and continued reluctance of some medium and small steel users to accumulate inventory have not offset a continued strengthening of the market. In fact, some mills reported their best order weeks late in January.

The slight disturbance of the auto steel demand resulted from some apparent over-buying for January and February. With auto production easing slightly from January rates, March automotive orders are off a bit from what had been indicated.

However, openings in March for

flat-rolled can be quickly filled. Flat-rolled sales have reached the point where they are "controlled" by the mills. But demand is not as frantic as it has been in other tight markets. For example, mills note very few requests for large tonnages from new customers.

In the general market, plates have come up recently, as have carbon bars and some grades of wire, particularly wire rods. Even the oil country market, long a dormant factor in the market, is showing some signs of life.

All in all, the six months outlook continues to improve, *The Iron Age* says.

Recent statements by steel leaders that they are "hopeful" of an early labor settlement are having a small effect on steel ordering. But this is chiefly in the small user category as no forward orders have been cancelled by big users.

But the "hopeful" talk has headed off some companies who hesitate, or are unable to finance a heavy inventory accumulation. Now, with new hope that a contract with the steelworkers may be signed before the June 30 deadline, they continue to delay making a decision on inventories.

However, some authorities believe a steel settlement would have to come before the end of March to have much effect on inventory buying. If there is not a settlement by then, even the most reluctant will have to jump into the market for last-minute tonnages. For some, it will be too late, if a strike does result.

Steel Production Data for the Week Ended Feb. 3, 1962

According to data compiled by the American Iron and Steel Institute, production for the week ended Feb. 3, 1962, was 2,446,000 tons (*131.3%), or 2.3% above the output of 2,390,000 (*128.3%) in the week ended Jan. 27, 1962.

Production this year through Feb. 3, amounted to 11,771,000 tons (*126.4%), or 61.2% above the period through Feb. 4, 1961.

The Institute concludes with index of Ingot Production by Districts for week ended Feb. 3, 1962, as follows:

*Index of Ingot Production for Week Ended Feb. 3, 1962

North East Coast	131
Buffalo	143
Pittsburgh	124
Youngstown	129
Cleveland	155
Detroit	155
Chicago	133
Cincinnati	135
St. Louis	124
Southern	117
Western	120

Total 131.3

*Index of production based on average weekly production for 1957-59.

January Car Output 51.5% Greater Than in 1961 Month

Auto production in the U. S. during the month of January climbed 51.5% above output for the corresponding period a year ago and was the highest for the month since 1957, *Ward's Automotive Reports* said.

The statistical agency fixed the January car count at 626,000 units, below industry forecasts at the outset of the year, but supporting projections for one of the strongest first-quarters in history.

Ward's said February output, in turn, will be upwards of 570,000 or about 57% above the year-ago level, and a similar increase will follow in March. Early in February, new car inventories are expected to reach the 1,000,000-unit level, in recent years a customary stockpile.

Production in the week ended Feb. 3 was estimated by *Ward's* at 139,250, a 1.5% decline from 141,371 in the previous week, but 34.8% above 100,589 in the same period a year ago.

General Motors took 54.3% of the recent week's estimated output and 55.2% of January production; Ford Motor Co.'s respective shares were 23.3% and 29.5%; Chrysler Corp.'s 10.6% and 8.7%; American Motors' 6.8% and 6.6%.

Carloadings Higher by 11.9% In Same 1961 Week

Loading of revenue freight in the week ended Jan. 27 totaled 532,955 cars, the Association of American Railroads announced. This was an increase of 26 cars above the preceding week.

The loadings represented an increase of 56,775 cars or 11.9% above the corresponding week in 1961, but a decrease of 70,240 cars or 11.6% below the corresponding week in 1960.

There were 12,089 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Jan. 20, 1962 (which were included in that week's over-all total). This was an increase of 2,726 cars or 29.1% above the corresponding week of 1961 and 2,654 cars or 28.1% above the 1960 week.

Cumulative piggyback loadings for the first three weeks of 1962 totaled 33,194 for an increase of 4,997 cars or 17.7% above the corresponding period of 1961 and 5,168 cars or 18.4% above the corresponding period in 1960. There were 57 class I U. S. railroad systems originating this type traffic in the current week compared with 54 one year ago and 50 in the corresponding week in 1960.

Intercity Truck Tonnage Volume Exceeds 1961 Week by 11.6%

Intercity truck tonnage in the week ended Jan. 27, was 11.6% ahead of volume in the corresponding week of 1961, the American Trucking Associations announced. This gain was largely attributable to unusual tonnage increases at a number of eastern terminal cities affected by severe weather conditions during this period last year. Truck tonnage was 0.1% ahead of the volume for the previous week of this year.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

Electric Output 7.1% Higher Than in 1961 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Feb. 3, was estimated at 16,440,000,000 kwh., according to the Edison Electric Institute. Output was 246,000,000 kwh. below that of the previous week's total of 16,686,000,000 kwh. but 1,093,000,000 kwh., or 7.1% above that of the comparable 1961 week.

Lumber Shipments Were 0.4% Above Same Week in 1961

Lumber shipments in the United States in the week ended Jan. 27 totaled 196,381,000 board feet compared with 193,330,000 in the prior week, according to reports from regional associations. A year ago the figure was 195,510,000 board feet.

Compared with 1961 levels, output was down 17.7%; shipments were 0.4% higher, and orders advanced by 4.4%.

Following are the figures in thousands of board feet for the weeks indicated:

	Jan. 27, 1962	Jan. 20, 1962	Jan. 28, 1961
Production	162,830	192,166	197,830
Shipment	196,381	193,330	195,510
Orders	218,100	220,608	208,956

Dip in Business Failures for Second Week

Commercial and industrial failures fell to 345 in the week ended Feb. 1 from 389 in the preceding

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

New Issue

February 8, 1962

90,000 Shares

The Spandex Corporation

Common Stock

(Par Value \$10 Per Share)

Price \$3.00 per Share

Copies of the Offering Circular may be obtained from the undersigned.

McLaughlin, Kaufman & Co.

week, reports Dun & Bradstreet, Inc. This decline pushed casualties below their comparable year-ago level of 368, although they remained moderately, 8%, above the 318 registered both in 1960 and in prewar 1939.

Liabilities exceeding \$100,000 were involved in 42 of the week's casualties, down from 55 a week ago but close to the 45 of this size in the similar week last year. Casualties with losses under \$100,000 dipped to 303 from 334 in the previous week and 323 in 1961.

Wholesale Commodity Price Index Edges Down

Reflecting lower prices on livestock, some grains, and lead, the general wholesale commodity price level dipped slightly this Monday, reports Dun & Bradstreet, Inc. Although the index was off noticeably from a month ago, it remained considerably above the comparable 1961 level.

On Monday, Feb. 5, the Daily Wholesale Commodity Price Index eased to 274.02 from 274.58 in the preceding week. However, it exceeded the 269.47 on the similar day a year ago.

Wholesale Food Price Index Off Fractionally

Continuing to hold relatively even, the wholesale food price index, compiled by Dun & Bradstreet, Inc., was off one cent on Feb. 7 to \$5.92, the same level as in the initial week of 1962. This 0.2% dip from \$5.93 a week earlier pushed the index some 3.1% below the \$6.11 recorded on the comparable day of 1961, marking the twentieth straight week that a year-to-year decline has prevailed.

Declines in wholesale cost this week were chalked up for rye, beef, bellies, cocoa, potatoes, hogs, lambs and milk. On the other hand, only five foodstuffs were quoted higher: wheat, corn, lard, cheese and steers.

The Dun & Bradstreet, Inc. wholesale food price index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Retail Purchases Continue to Rise Relative to 1961 Volume

Bolstered by clearance sales and a better turn of weather, consumer buying in the week ended Jan. 31 surged substantially above last year's level. Furniture, after performing unevenly in the preceding two weeks, staged solid gains in most areas. Moderate advances were registered in clothing and linens. New car sales, while not climbing as steeply as last fall, continue to exceed year-ago volume by sizable margins.

The total dollar volume of retail trade in the week under review ranged from 6% to 10% higher than last year, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1961 levels by the following percentages: East South Central 0 to +4; Mountain +1 to +5; West South Central +3 to +7; East North Central +4 to +8; Pacific +5 to +9; Middle Atlantic +6 to +10; West North Central +7 to +11; New England +8 to +12; South Atlantic +12 to +16.

Nationwide Department Store Sales Up 14% From 1961 Week

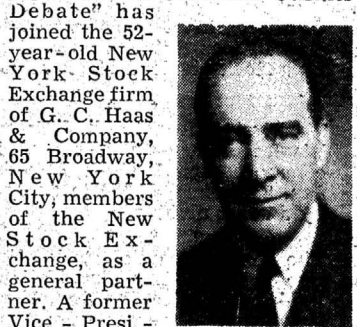
Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported a 14% increase for the week ended Jan. 27, 1962, compared with the like period in 1961. For the week ended Jan. 20, sales were higher by 17% from the corresponding 1961 week. In the four-week period ended Jan. 27, 1962 sales advanced 6% over the corresponding period in 1961.

According to the Federal Reserve System department store

sales in New York City for the week ended Jan. 27, were 16% higher when compared with the same period in 1961. For the week ended Jan. 20, an increase (revised) of 24% was registered when compared with the same week in 1961. For the four weeks ending Jan. 27, 1962, a 10% increase was reported above the comparable period in 1961.

G. C. Haas Co. Admits J. R. Haas

John Ross Haas, author during the past year of a study on "Bank Growth Goals" and an earlier paper on "The Growth Utilities Debate" has joined the 52-year-old New York Stock Exchange firm of G. C. Haas & Company, 65 Broadway, New York City, members of the New Stock Exchange, as a general partner. A former Vice-President and Director of the Economic Consulting Service of Lionel D. Edie & Co., Mr. Haas will be in charge of economic studies and the investment advisory service of his new firm.



John Ross Haas

Mr. Haas was earlier associated with Moody's Investors Service and the Standard Statistics Co. More recently he established and directed the Institutional Services Department of Francis I. duPont & Co.

Mr. Haas is a graduate of Columbia College and the Columbia School of Business. He has served on the economics faculty at Columbia University as instructor in charge of business administration courses of the New York Chapter of the American Institute of Banking. He is currently an instructor in Economics on the AIB faculty.

During World War II, Mr. Haas served with the Air Force as Chief of its Far Eastern section headquarters Intelligence Service directing the economic and industrial evaluation of Japan's capacity to wage war and selecting strategic objectives of air attack. He later served in the same capacity as a Lt. Colonel with the B-29s in the Marianas for which he was awarded the Bronze Star and a special citation by General LeMay.

With William R. Staats

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Aurelio R. D'Antonio has become associated with William R. Staats & Co., 640 South Spring Street, members of the New York and Pacific Coast Stock Exchanges. He was formerly with J. A. Hogle & Company.

Fansler Forms Co.

INDIANAPOLIS, Ind. — Michael D. Fansler has formed Michael D. Fansler & Co., with offices in the Chamber of Commerce Bldg., to engage in a securities business.

Hulbert & Hulbert Opens

ONEONTA, N. Y. — Hulbert & Hulbert, Inc. has been formed, with offices at 246 Main Street, to engage in a securities business. Officers are Henry L. Hulbert, President, Treasurer and Secretary, and J. Burton Hulbert, Vice-President.

Powell, Kistler Branch

HIGH POINT, N. C. — Powell, Kistler & Co. has opened a branch office at 441 South Main Street under the management of Edward R. Lowry who recently became a partner in the firm.

The Coming Shortage Of Skilled Workers

By Roger W. Babson

Examined in depth is the paradoxical problem of unemployment when there is unfilled demand for specialists and highly skilled workers. Mr. Babson describes the problem, and his solution does not neglect the importance of possessing a liberal arts background for specialists in the oncoming age of automation.

One of the paradoxes of recent years, and particularly during the last recession, has been the growing unfilled demand for specialists and highly skilled workers during a time of heavy unemployment. We don't have to look very far for the answer: There is a large segment of the labor force having little or no basic economic education, and even more who have developed no special skills. Even in the deepest part of the recession, there were over 8,000 unfilled openings in the heavy-hit Los Angeles area, with employers unable to find enough skilled or technically trained workers.

Elementary Education and Specialism

I advise my readers to make their children and their grandchildren start training for special occupations early in the education game. This has been one of my theme songs, and it becomes clearer every day that the time of the specialist is upon us. Industry is still hard put—even during a period of high unemployment—to find enough trained craftsmen. For every 100 skilled men and women employed in industry today, there will be 125 needed by 1965, and 150 by 1975—partly in spite of and partly because of the spread of automation.

The Labor Department believes that this "age of the computer" will create a tremendous increase in job openings for professional, office, and sales workers. In fact,

it expects that industry will need some 8,400,000 more workers in such branches between now and 1970. Many of these will be sought by skilled mechanical and construction crafts, and many will be needed in the rapidly expanding office field.

New Job Problem

Let me now bring up a problem that already faces the employer and will become steadily more difficult over the years ahead. This involves the dizzying pace at which changes in specialization become necessary in the mad race of research and development that leads automation ever onward. Some intelligent observers of the machine-to-run machines revolution think that intensive specialization is basically unsound. What will happen they ask, to a student trained to run a complex machine when that machine and his job suddenly become obsolete? This is something that is going to happen numberless times in the years ahead. How am I to tell my readers the best way to face it?

Frankly, I think it is as simple as this: Insist upon broader education all along the way for your dependents. In this way their discipline will be improved and their minds will be made more responsive to a wider variety of good influences. Once an aspiring young man or woman learns how to think, it will be an easy thing to adapt as demand requires. Changes will not then loom as insurmountable barriers, but will be

new and stimulating challenges. There will be a million-and-one such challenges in the coming years, and you will want your children educated in the way that will help them to meet these changes.

Present Schools Inadequate

While getting a broad education the arts should not be neglected. In fact, they should be encouraged with an eye to influencing a worker to think when he is not busy at his job. Creative thinking is the great need. This is the only way we will lick Communism. Those who pooh-pooh time given to the study of literature, painting, theater, and music simply do not understand the richness and imagination which can be thus instilled into a young person growing up in a highly materialistic world. Needless to say, sane religious education is of the utmost importance from the very earliest "learning" days of every child.

In closing, may I say that I have not abandoned my attitude toward the real need for specialization. But I think it is essential to base this upon a sound, broad education that will lay the groundwork for the development of special talents. A poor student is usually a poor craftsman. Shame on school committee members who are always calling for "practical" education. It is more laboratories rather than more workshops that we need. We must train our children to think, and love to visit art museums and libraries. Yes, and to learn to read good books.

Royston to Be Asst. V.P. Of Hincks Bros. Co.

BRIDGEPORT, Conn. — Effective Feb. 8, Peter C. Royston will be elected Assistant Vice-President of Hincks Bros. & Co., Inc., 872 Main Street, members of the New York and Midwest Stock Exchanges.

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.

NEW ISSUE February 2, 1962

165,000 Shares
Silo Discount Centers, Inc.
Common Stock
(\$1.00 Par Value)

Price \$7 Per Share

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

<p>BOENNING & CO.</p> <p>HALLOWELL, SULZBERGER, JENKS, KIRKLAND & CO.</p> <p>REUBEN ROSE & CO., INC.</p> <p>SUPLEE, YEATMAN, MOSLEY CO.</p> <p>PHILIPS, ROSEN & APPEL</p> <p>OPPENHEIMER & CO.</p>	<p>RODETSKY, WALKER & CO., INC.</p> <p>GERSTLEY, SUNSTEIN & CO.</p> <p>STROUD & COMPANY, INCORPORATED</p> <p>WESTHEIMER & COMPANY</p> <p>L. C. WEGARD & COMPANY</p> <p>CHARLES A. TAGGART & CO., INC.</p> <p>VILAS & HICKEY</p>
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NEWS ABOUT BANKS AND BANKERS

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

Raphael Recanatl, Resident Director in New York of Israel Discount Bank Ltd., has announced

the appointment of Jacob Kabak as Vice-President and Manager of its New York Branch to be opened at 511 Fifth Avenue. Aron Kahana and Walter H. Diamond also have been appointed Vice-Presidents. Mr. Kahana is in charge of the International Department and Mr. Diamond in charge of Research and Development. Mr. Kabak formerly was Assistant Vice-President of the Bankers Trust Company, New York.



Walter Diamond

The First National City Bank of New York, New York, New York, has increased its common capital stock from \$249,696,000 to \$254,689,920 by a stock dividend effective Jan. 19.

William R. Cross, a Vice-President of Morgan Guaranty Trust Company of New York, has been named head of the Bank's three midtown offices, Henry C. Alexander, Chairman of the Board, announced Feb. 7. Stanley H. Brown, also a Vice-President, succeeds Mr. Cross as head of Morgan Guaranty's Fifth Avenue office.

Mr. Cross joined Morgan Guaranty as a Vice-President in 1959 after being a Vice-President of The New York Trust Company, New York. In his new position he succeeds Jere D. Buckley, who died last month.

Mr. Brown joined Guaranty Trust Company of New York, a predecessor of Morgan Guaranty, in 1917 and has been assigned to the Fifth Avenue office since 1931. He was elected a Vice-President in 1953.

Oliver Iselin, Jr. has been elected a member of the Lower Midtown Advisory Board of Chemical Bank New York Trust Company, New York.

John C. Krueger has joined Chemical Bank New York Trust Co. as Assistant Vice-President. It was announced Jan. 31 by Chairman Harold H. Helm.

Mr. Krueger will be associated with Vice President George Neilson in the Loan Review Department.

Ida L. Rothwell has also been elected Assistant Secretary. Miss Rothwell serves as Assistant to the Secretary of the Board of Directors.

The New York State Banking Department gave the Bankers Trust Co., New York, N. Y., on Jan. 26, its approval to increase its capital stock from \$84,600,000 consisting of 8,460,000 shares of the par value of \$10.00 each, to \$93,575,440 consisting of 9,357,544 shares of the same par value.

Sebastiano Bonmartini, has been named Bankers Trust Company's representative for Italy.

Irving Trust Co., New York, N. Y., received on Feb. 1 approval from the New York State Banking Department to increase its capital stock from \$54,121,610 consisting of 5,412,161 shares of the par value of \$10 each, to \$55,204,050 con-

sisting of 5,520,405 shares of the same par value.

Richard C. Bellinger has been elected a Vice-President of the Federation Bank and Trust Co., New York. Mr. Bellinger joined the bank in 1941, was named Assistant Auditor in 1954 and Assistant Treasurer in 1956. He has been an Assistant Vice President since 1959.

Philip Hampton has joined the United States Trust Company of New York as a Vice-President in the banking division.

Arnold W. Kolkebeck has been made a Vice President of the Brooklyn Savings Bank, Brooklyn, N. Y. Mr. Kolkebeck will continue to serve as Secretary.

Gordon C. Griswold has been elected a Trustee of the South Brooklyn Savings Bank, Brooklyn, N. Y.

Douglas M. Jefferson has been elected a Trust Officer of the National Bank of Westchester, White Plains, N. Y.

Albany Savings Bank, Albany, N. Y. has elected Harold E. Deuel President to succeed James R. Davie, who retired.

The common capital stock of the First National Granite Bank in Augusta, Augusta, Maine was increased from \$700,000 to \$800,000 by a stock dividend effective Jan. 24.

The Board of Governors of the Federal Reserve System on Feb. 2, announced its approval of the consolidation of Springfield Safe Deposit and Trust Company, Springfield, Mass., with Hadley Falls Trust Company, Holyoke, Mass. under the title which will be changed to Safe Deposit Bank and Trust Company.

By a stock dividend effective Jan. 24 the Newton National Bank, Newton, Massachusetts increased its common capital stock from \$500,000 to \$600,000.

The First National Bank of Westboro, Westboro, Massachusetts increased its common capital stock effective Jan. 19 from \$100,000 to \$200,000 by a stock dividend.

The Mellon National Bank and Trust Co., Philadelphia, Pa., announced that Willard F. Rockwell, Jr. and John T. Ryan, Jr. have been elected to the Board.

The shareholders also voted a change in the Articles of Association of the Bank to provide that the Bank's \$66,542,550 capital stock be divided into 6,654,255 shares of the par value of \$10 each, instead of the 2,661,702 present shares of \$25 each.

As a result of this change, which had been recommended by the Board of Directors at its meeting last December 11, each shareholder of record would own 2½ shares for each present share. This change will be effected on the date approval is secured from the Comptroller of Currency.

Malcom P. McNair, Jr. has been elected a Vice President of Pittsburgh National Bank, Pittsburgh, Pa.

Malcom E. Lambing, Executive Vice President, was also elected a member of the Board of Directors.

He replaces as a Director John H. Lucas, retired Vice Chairman of the Board, who will continue to

serve the Bank as an Advisory Director.

It has been announced that F. Norman Dannen has been appointed an Assistant Treasurer of Dry Dock Savings Bank, New York. He is presently at the 7th Avenue office and it is expected he will manage the new Grand Street Office of the Bank when it opens this Spring.



F. Norman Dannen

Harry F. Larimer has been elected Senior Vice-President of the Western Pennsylvania National Bank, Pittsburgh, Pa.

The Comptroller of Currency has approved the application of The Merchants National Bank and Trust Co. of Meadville, Meadville, Pennsylvania on Jan. 24, to purchase the assets and assume the liabilities of the Farmers and Merchants Bank of Linesville, Linesville, Pennsylvania.

The application of The First National Bank of Erie, Erie, Pennsylvania, to purchase the assets and assume the liabilities of The First National Bank of North East, North East, Pennsylvania was approved on Jan. 26 by the Comptroller of the Currency.

The Fifth Third Union Trust Co., Cincinnati, Ohio, absorbed The Norwood-Hyde Park Bank & Trust Co., Norwood, Ohio effective Jan. 22.

The common capital stock of The Park National Bank of Newark, Newark, Ohio was increased effective Jan. 23 from \$500,000 to \$1,000,000 by a stock dividend.

By a stock dividend effective Jan. 23 The Indiana National Bank of Indianapolis, Indianapolis, Indiana increased its common capital stock from \$12,760,000 to \$14,036,000.

The Old-First National Bank in Bluffton, Bluffton, Indiana increased its common capital stock from \$200,000 to \$400,000 by a stock dividend effective Jan. 24.

The common capital stock of the Marquette National Bank, Chicago, Illinois was increased from \$700,000 to \$1,000,000 by a stock dividend effective Jan. 24.

By a stock dividend effective Jan. 19 The Citizens National Bank of Decatur, Decatur, Illinois increased its common capital stock from \$600,000 to \$1,000,000.

The National Bank of Decatur, Decatur, Illinois increased its common capital stock effective Jan. 19 from \$600,000 to \$750,000 by a stock dividend.

The common capital stock of The Herget National Bank of Pekin, Pekin, Illinois was increased from \$500,000 to \$600,000 by a stock dividend effective Jan. 22.

By a stock dividend effective Jan. 24 the common capital stock of The Farmers National Bank of Belvidere, Belvidere, Illinois was increased from \$400,000 to \$500,000.

Public Bank, Detroit, Mich., announces the promotions of David H. Couke to Vice President and Cashier and Gerald L. Wells to Vice-President.

The Community National Bank of Pontiac, Michigan increased its common capital stock from \$2,900,000 to \$3,625,000 by a stock dividend effective Jan. 25.

The common capital stock of The Miners' First National Bank of Ishpeming, Ishpeming, Michigan was increased effective Jan. 25 from \$150,000 to \$300,000 by a stock dividend.

By a stock dividend the common capital stock of the First National Bank in Howell, Howell, Michigan was increased from \$112,250 to \$224,500 effective Jan. 24.

The Security First National Bank of Sheboygan, Sheboygan, Wisconsin increased its common capital stock effective Jan. 24 from \$1,000,000 to \$1,500,000 by a stock dividend.

The common capital stock of The First National Bank of Chisholm, Chisholm, Minnesota was increased from \$125,000 to \$250,000 by a stock dividend effective Jan. 25.

The First National Bank of Waseca, Waseca, Minnesota increased its common capital stock effective Jan. 23 from \$100,000 to \$200,000 by a stock dividend.

The common capital stock effective Jan. 23 of The First National Bank of Mandan, Mandan, North Dakota was increased from \$200,000 to \$300,000 by a stock dividend.

By a stock dividend effective Jan. 24 the common capital stock of The First Citizens National Bank of Watertown, Watertown, South Dakota was increased from \$250,000 to \$400,000.

The City National Bank of Shenandoah, Shenandoah, Iowa increased its common capital stock effective Jan. 24 from \$100,000 to \$200,000 by a stock dividend.

The common capital stock of The Scottsbluff National Bank, Scottsbluff, Nebraska was increased from \$300,000 to \$500,000 by a stock dividend effective Jan. 23.

Effective Jan. 23 the common capital stock of the City National Bank of Hastings, Hastings, Neb. was increased from \$200,000 to \$400,000 by a stock dividend.

By a stock dividend the common capital stock of The Army National Bank of Fort Leavenworth, Fort Leavenworth, Kansas was increased effective Jan. 23 from \$100,000 to \$200,000.

The common capital stock of the Union National Bank of Little Rock, Little Rock, Arkansas was increased from \$2,500,000 to \$3,000,000 by a stock dividend effective Jan. 25.

Mercantile Trust Co., St. Louis, Mo. has elected Kenton R. Cravens, Chairman and Chief Executive Officer. He succeeds Sidney Maestre, who has been elected Chairman of the Executive Committee, replacing Hord Hardin, who has retired. Jon Fox, Senior Vice-President, has been elected President.

Effective Jan. 24 by a stock dividend The Blount National Bank of Maryville, Maryville, Tennessee increased its common capital stock from \$200,000 to \$400,000.

By a stock dividend The South Carolina National Bank of Charleston, Charleston, South Carolina increased its common capital stock effective Jan. 25 from \$4,189,900 to \$4,608,890.

The Florida National Bank at Key West, Key West Florida increased its common capital stock from \$400,000 to \$800,000 by a stock dividend effective Jan. 24.

The common capital stock of the Florida National Bank & Trust Co. at West Palm Beach, West Palm Beach, Florida was increased

by a stock dividend from \$500,000 to \$750,000.

By a stock dividend The First National Bank of Mount Dora, Mount Dora, Florida increased its common capital stock from \$200,000 to \$300,000 by a stock dividend effective Jan. 23.

The First National Bank of Mobile, Mobile, Alabama increased its common capital stock from \$1,875,000 to \$2,000,000 by a stock dividend effective Jan. 24.

The common capital stock of The Fort Worth National Bank, Fort Worth, Texas was increased effective Jan. 24 from \$9,350,000 to \$10,285,000 by a stock dividend.

By a stock dividend effective Jan. 25 the common capital stock of the Houston National Bank, Houston, Texas was increased from \$2,163,200 to \$2,314,620.

The Citizens National Bank in Abilene, Abilene, Texas increased its common capital stock from \$1,250,000 to \$1,500,000 by a stock dividend and \$1,500,000 to \$1,750,000 by the sale of new stock effective Jan. 23.

The common capital stock of The United States National Bank of Galveston, Galveston, Texas was increased from \$500,000 to \$1,000,000 by a stock dividend effective Jan. 19.

By a stock dividend effective Jan. 24 The First National Bank of San Antonio, San Antonio, Texas increased its common capital stock from \$750,000 to \$850,000.

The Harrisburg National Bank of Houston, Houston, Texas increased its common capital stock from \$400,000 to \$500,000 by a stock dividend effective Jan. 24.

The common capital stock of The Carlsbad National Bank, Carlsbad, New Mexico was increased from \$300,000 to \$450,000 by a stock dividend.

By a stock dividend The Colorado National Bank of Denver, Denver, Colorado increased its common capital stock effective Jan. 24 from \$5,000,000 to \$5,625,000.

The First National Bank in Billings, Billings, Montana increased its common capital stock from \$500,000 to \$625,000 by a stock dividend effective Jan. 25.

The Pacific State Bank, Hawthorne, Calif. elected Nathan Trost and Paul Watanabe to the Board of Directors.

Honolulu, Hawaii elected Dan E. Dorman, President, succeeding Carl E. Hanson, who has been elected Chairman. Mr. Hanson succeeds John E. Russell, who remains a director. Nathan F. Banfield III, has been elected Executive Vice-President, succeeding Mr. Dorman. Elected Vice-Presidents are Ramsay H. Sandelin, Philip K. Dolan and Willard S. Wilson, who also has been elected Secretary. Bavard H. Dillingham and John N. McLucas have been elected Directors.

The Hawaiian Trust Co., Honolulu, Hawaii, elected James S. Myers a Vice-President.

The First National Bank of Anchorage, Anchorage, Alaska, was given approval to purchase the assets and assume the liabilities of The First National Bank of Juneau, Juneau, Alaska.

Douglas Enterprises

BROOKLYN, N. Y. — Douglas Enterprises has opened a branch office at 2109 Eighty-Sixth Street under the management of Marvin Abel.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

Atomic Energy and the Law

By Glenn T. Seaborg,* Chairman of United States Atomic Energy Commission

AEC head sketches problems apt to be associated with atomic energy's use on the ground and in space and measures taken to forestall them. Mr. Seaborg refers to the AEC's unique regulatory powers permitting it to have legal title to all special nuclear material and to matters involving health and safety. The Chairman expresses confidence in the ability of the common law to adapt itself to the challenges imposed upon it by the aspects of the Atom and Space.

Atomic energy is hardly the first new development to pose novel problems of law. Let me read excerpts from the *Congressional Record*, 1875, which predict the impact of a now familiar invention: "A new source of power, which burns a distillate of kerosene called gasoline, has been produced by a Boston engineer. Instead of burning the fuel under a boiler, it is exploded inside the cylinder of an engine. This so-called internal combustion engine . . . begins a new era in the history of civilization. . . . Never in history has society been confronted with a power so full of potential danger and at the same time so full of promise for the future of man and for the peace of the world."

"The dangers are obvious. Stores of gasoline in the hands of people interested primarily in profit would constitute a fire and explosive hazard of the first rank. Horseless carriages propelled by gasoline engines might attain speeds of 14 or even 20 miles per hour. The menace to our people of vehicles of this type hurtling through our streets and along our roads and poisoning the atmosphere would call for prompt legislative action, even if the military and economic implications were not so overwhelming. . . ."

In the face of the horrors depicted by this passage, we did proceed with the development of the automobile. Whether this was wise has been questioned by more than one of us, I am sure. But seriously, we have accepted the risks which are inherent in the automobile, and we reap the undeniably great harvest of benefit from the internal combustion engine.

For the past 16 years, we have been reading predictions reminiscent of the one in the 1875 *Congressional Record*. The new paradox applies to our burgeoning peaceful atomic energy industries and Government facilities. Our science and technology are moving much faster today, however. I can remember personally one of those milestones in the infancy of atomic energy. There was a day in the Fall of 1942 when my colleagues and I looked through a high-powered microscope and saw a tiny speck of material. This was man's first look at a synthetic element. It weighed one thirty-millionth of an ounce. Plutonium was a new element, essentially non-existent in nature, which had been created in the laboratory. I cannot pretend that I foresaw—that day in 1942—the enormous implications for society of the subsequent production and use of plutonium.

Today we are dealing, not with millionths of ounces, but with tons of fissionable nuclear materials and the radio-isotopes that are the by-products of their use. Already, new industries have arisen and are arising from the knowledge issuing from the nation's nuclear research laboratories. Nuclear power reactors are beginning to

appear in some communities. Radioisotopes are commonplace in hospitals, in industry, and in agriculture. New applications are being found or visualized. Our nation and the world need atomic energy. We are all becoming involved and committed to the peaceful uses of this force as a part of our way of life. We are at the beginning of an atomic industrial revolution that will affect, to their great benefit I am convinced, the lives of all of our children.

Legal Problems

We need only refer back to the early days of the automobile, the railroad, or the airplane, to make comparisons with some of the present legal problems of atomic energy development. In our quiet towns of the 1890's, for example, the horseless carriage frightened horses and people, made fearful noises, produced noxious fumes, and brought accident hazards. Should it not be prohibited because of these unhappy characteristics? The law, of course, became immediately and deeply involved. In the course of time, indeed, the high risks generated a large and still-growing addition to the business of lawyers, not to mention the insurance industry. Parenthetically, as a result of our safety program, no individual working in the atomic energy business is required by reason of his occupation to pay an extra premium for life or health insurance.

I have no regret in predicting that it is quite unlikely that the atomic energy industry will ever provide even a small fraction of the litigation resulting from the terrible toll on our highways. There are good reasons why this is so. I am not a lawyer, of course, and I shall not attempt to explain how the law will develop relative to atomic energy. These are questions that will be resolved by judges, legislators, lawyers, and I hope, scientists. But, perhaps I can give some perspective on those

aspects of atomic energy that give it special character in the eyes of the law. Incidentally, I am fortunate in having as distinguished colleagues on the Commission, two members of the bar: Commissioners John S. Graham and Loren K. Olson.

A major conditioning factor in the peaceful application of atomic energy was the birth of this new force in connection with unprecedented destruction and terror. The fear of the destructive military aspects of atomic energy were and are well founded. But, unfortunately those same fears have been applied indiscriminately to peaceful pursuits, and this results from a lack of knowledge. It is true that we have with us constantly the hazard of radioactivity in atomic energy, but we have a large body of knowledge for controlling those dangers in peaceful developments. It is not true, as some people still believe, that cyclotrons and reactors might blow up like an atomic bomb. This kind of misunderstanding has started to show up in legal questions that may bedevil lawyers and judges in the future, and I shall say more on this in a moment.

Health and Safety

Some of our fears have had, and will continue to have, I believe, far-reaching benefits. In justifiable concern, the Congress, in writing the Statute establishing the Atomic Energy Commission, charged this Agency with the responsibility of protecting the health and safety of the public from the potential effects of nuclear radiation. The provisions of this Statute and the work of the Joint Congressional Committee on Atomic Energy have made safety the watchword of the AEC and of the private atomic energy industries. I believe it is true that no new industry in history has evolved with nearly as much attention to the protection of individuals and the public, and this fact looms large in the law concerning the atom.

In the foreword to the "Biological Effects of Atomic Radiation," a 1956 study by the National Academy of Sciences, Dr. Detlev W. Bronk, President of the NAS, made the following statement:

"The use of atomic energy is perhaps one of the few major technological developments of the past 50 years in which careful consideration of the relationship of a new technology to the needs and welfare of human beings has

Continued on page 28

The Treasury took care of the February and April maturities by offering the owners of these securities a package deal consisting of short-term securities, namely a one-year 3½% certificate and a four year six-month 4% note. There had been considerable talk about the reopening of an outstanding issue such as the 4¼s due 1975/85, in order to get at least a token extension of the debt maturity, but this failed to materialize when the Treasury again used the near-term sector for this important refunding operation. The 3½% certificate was tailored to meet the needs of the Federal Reserve Banks while the 4% note due Aug. 15, 1966 had appeal for the commercial banks and other public holders of the maturing issues who were interested in income, without too long a maturity. The Treasury also indicated that new money raising operations will be undertaken before the end of the current fiscal period June 30 with between \$4 billion and \$5 billion likely to be borrowed.

Success Forecast

The refunding of the February 15 and April 1 maturities is the business at hand and there are no indications but what the recent operation of the Treasury is going to be a successful one. The issues selected by the Treasury to take care of the maturing 3¼s, 3½s, 4s and 1½s were able to meet the currently existing competitive conditions. And, as a result, the amount of the attrition or the cash payout is not expected to be sizable enough to be of any concern to the Government.

To be sure, there are nearly always holders of maturing obligations who will have to take cash, since this money will have to be used at the present time for already allocated purposes. However, the holdings of those who were not able to exchange their maturing issues for the refunding obligations is not likely to result in more turn-ins than what has been pretty much expected by the financial district. Accordingly, the Treasury has been able to get over the second hurdle very nicely.

Inflation Fears Subsiding

This refunding was a big one and the way in which it was handled with short maturities should have a favorable influence on both the money and capital markets. By making the rate attractive and the maturities such that the refunding obligations had appeal to not only the public holders but also to the Federal owners, the maturing securities, according to advices, were exchanged in a very satisfactory manner. There appears to be no question but what investors are going to be interested more and more in the income which their funds will buy as long as the inflation fear is not in the foreground.

Therefore, when there is not that need or desire to hedge against the fear of loss in the purchasing power of the monetary unit, there will be an improving demand for fixed income bearing issues and less of the buying of the so-called equities as hedges against inflation fears.

Administration's Thinking on Interest Rates Trend

Even though there appears to be no break in the ranks of money market specialists in their predictions of higher interest rates

with the passage of time, there seems to be opinions developing, however, that the upturn in the cost of obtaining funds will not be as high or as sharp as it was in previous improvements in the business pattern.

In addition, some further substance was given to this idea last week when Budget Director David E. Bell told the House-Senate Economic Committee that he saw no need, nor does the Administration contemplate any swing toward a tight money policy as the economy expands in the coming months.

Mr. Bell further stated that prices have remained remarkably stable during the current recovery and there is no indication that inflationary pressures will increase. As a result, he said the supply of money should continue to be easier than in other recoveries.

Ample Money and Credit

Up to the present time the monetary authorities have been keeping the money and capital markets at pretty much the levels they have been at in the recent past even though some rates have advanced modestly in the past few months. It seems, however, that the coming months will tell whether or not there will be need to push up the cost of borrowing and tighten credit in order to keep the economy, now in a recovery pattern, from developing inflationary boom tendencies.

The favorable reception which has been given to Government agency obligations, the World Bank bonds, the T. V. A. issue, the Australian bonds, as well as corporate new offerings seems to indicate that there is ample funds seeking investment in securities which pay a rate of return that is attractive to investors.

David Magid to Form Own Firm

D. H. Magid & Co., Inc., is being formed with offices at 70 Wall St., New York City, to engage in a securities business. Officers are David H. Magid, Chairman of the Board, Secretary and Treasurer; and Harold B. Ehrlich, President.

Mr. Magid was formerly an officer of Hill, Thompson & Co., Inc. for many years. Mr. Ehrlich was with Ira Haupt & Co., McDonnell & Co., Inc., and Neuberger & Berman.

Nesbitt, Thomson Elects Officers

Nesbitt, Thomson & Co., Inc., 25 Broad St., New York City, have announced the election of J. I. Crookston and J. R. Osborne as Vice-Presidents of the company. D. B. Gill, Rex Stevenson and G. S. Watt, have been elected directors.



Glenn T. Seaborg



David H. Magid

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

NEW ISSUE

February 8, 1962

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MUTUAL FUNDS

BY JOSEPH C. POTTER

The Fun-Loving Lion

There's the Aesop Fable about the animals in the jungle boasting at length about their numerous offspring. One of the creatures finally got around to asking the lion how many children he had. "Only one," was the reply, "but that one is a lion."

To thousands of happy investors and millions of other Americans, exposed to a long-time program of advertising and promotion, the lion has come to symbolize in our own time the Dreyfus Fund. The company headed by Jack J. Dreyfus, Jr., which has enjoyed fabulous success, has scores of children, nearly all of them a source of parental pride. When you've produced a Polaroid, you can afford a few black sheep.

Reading Jack Dreyfus' letter to stockholders in the annual report for 1961, you'd never guess that this was one of the most astute investment managers of our day. "We had a good stock market to work with in 1961 . . ." That's the way the President's letter begins. He goes on to relate that in 1961 the net asset value per share of his fund rose 23.8% after adding back distributed securities profits. Total assets soared from about \$170 million to \$310 million during the year.

Here in 1962, Jack Dreyfus says it's difficult to find many stocks that his people consider bargains. Result: about 15% of its considerable assets are in cash and government securities. He sums up: "At the moment 1962 is a year of mystery to us."

Mystery or no, Dreyfus was making extensive changes in the portfolio in the last few months of 1961, so the fund was not completely devoid of opinions as the New Year approached. Since Dreyfus has boosted net asset value per share nearly fourfold in about eight years, its preferences and dislikes are of more than ordinary interest.

Well, during the final quarter of 1961 new commitments were being made in such diverse issues as ACF Industries, American Motors, Bankers Trust, Columbia Gas System, Cowles Magazines & Broadcasting, Ekco Products, Liggett & Myers, Pan American

World Airways, Peabody Coal, Schering, Texas Gulf Producing, Wallace & Tiernan and Xerox.

At the same time it was getting rid of Cerro, Kennecott, Mack Trucks, Phillips Petroleum, Trane, White Motor and National Steel. Dreyfus, incidentally, has had scant difficulty in restraining its appetite for the steels. The only thing tucked away in its portfolio that can be classified as a steel is the million-dollar bundle of Harsco (31,000 shares).

Although fund followers almost invariably think of Polaroid at mention of Dreyfus, its holdings of American Tele. one & Tele. graph now have a greater market value. Telephone is the biggest holding, accounting for 5% of all investments, compared with 4.8% for runner-up Polaroid. Either one of these stocks represents a larger worth than the 4.4% allotted for the dozen gas and electric utilities.

Taken as a group, the biggest stake is in tobaccos, with well over \$13 million each represented by R. J. Reynolds and American Tobacco. The tobacco package adds up to 12.7% of the total portfolio.

The company also has a sizable stake in the autos, with the lion's share given over to Ford and General Motors. The industry represents 6.1% of invested net assets.

Food and beverage (5.2%) is not far behind and here the emphasis is on beer, which has been flat in Wall Street during most of the postwar years. Dreyfus owns such stocks as Anheuser-Busch, Canadian Breweries and Falstaff, which are about as close as you can get to blue-chip quality in the brewing industry.

Indeed, careful study of the portfolio indicates that this is a pleasure-loving lion. There's the emphasis on picture-taking, beverages (Coca-Cola and Distillers Corp.—Seagrams are represented), motoring, smoking, cosmetics (Revlon and Gillette), bowling (American Machine & Foundry) and general entertainment, including television, movies and magazines.

Dreyfus would seem to be counting on the affluent society

to go on prospering. It also would seem to be among the first of the investment groups to recognize that what were once considered to be luxuries are now merely the amenities of American life. It is this talent for looking ahead that has drawn millions of investors to mutual funds.

The Funds Report

Advisers Fund, Inc. reports that at the close of 1961 net assets amounted to \$2,341,737. This is equal to \$7.16 a share, against \$6.50 a year earlier.

Blue Ridge Mutual Fund, Inc. reports that at the end of last year net assets totaled \$39,240,977, equal to \$13.47 per share. This compares with \$33,843,474, or \$11.52 a share, at the end of 1960.

Colonial Growth & Energy Shares announces that in the final quarter of 1961 "a fairly substantial reduction was made in the proportion of gas utilities held and a small reduction was made in the proportion of electric utilities." It also discloses that "fields in which investments were increased were the service, finance and printing industries."

Commonwealth Investment Co. reports that at Dec. 31 total net assets were \$170,658,097, or \$10.48 per share, compared with \$152,860,539 of assets and \$9.51 a share at the end of 1960.

The annual report also notes that during the final half of last year new investments were made in Pure Oil, J. P. Stevens, Storer Broadcasting, Swift & Co., Western Publishing, American Agricultural Chemical, American Photocopy Equipment, Arkansas Louisiana Gas, Consumers Power, Emerson Electric Manufacturing, First Charter Finance, Great Western Finance Corp., Polaroid and Holt, Rinehart & Winston. Common stocks eliminated during that period included Bucyrus-Erie, Kimberly Clark, McGraw Edison, Montgomery Ward, Radio Corp. of America, Raytheon, Reynolds Metals, Signal Oil & Gas, Square D and Utah Power & Light.

Delaware Fund reports it has purchased 60,000 common shares of Imperial Tobacco of Canada.

Financial Industrial Income Fund reports that at Dec. 31, which completes the end of its second quarter, net assets amounted to \$2,467,765, or \$19.50 a share. This compares with \$761,489 of assets and \$17.90 per share at Dec. 31, 1960.

Growth Industry Shares puts net assets at Dec. 31 at \$35,201,585, or \$23.25 a share, against \$26,110,568 and \$19.83 a share at the end of the previous year.

Guardian Mutual Fund, reporting for the third month of the current fiscal year, puts net assets at Jan. 31 at \$17,320,417, or \$22.34 a share. On Oct. 31, 1961, assets were \$14,887,130 and per-share value was \$21.57.

Imperial Fund reports that at Dec. 31 net assets totaled \$8,844,817, equal to \$10.39 per share. Comparative figures a year earlier were \$3,485,356 of assets and \$8.61 a share.

Incorporated Investors puts net assets at the close of 1961 at \$327,699,840, or \$8.84 per share, compared with \$299,522,516 in assets and \$8.41 a share at the close of 1960.

Incorporated Income Fund ended 1961 with total net assets of \$126,751,112, or \$10.04 a share. This

New York Security Dealers Elect New Officers

At a meeting of the board of governors of the New York Security Dealers, Samuel Weinberg of S. Weinberg, Grossman & Co., Inc., was elected President.



Samuel Weinberg



Elbridge H. Smith



Herbert Singer



Robert N. Kullman



George A. Searight

Also elected were: Elbridge H. Smith of Stryker & Brown, and Herbert Singer of Singer, Bean & Mackie, Inc., as Vice-Presidents; Robert N. Kullman of John J. O'Kane, Jr. & Co. as Secretary; and George A. Searight of Ahalt & O'Connor, Inc. as Treasurer.

compares with \$103,612,945 and \$8.93 per share a year earlier.

International Investors ended 1961 with net assets of \$1,418,043 and \$15.38 a share. This compares with assets of \$1,239,750 and \$14.57 per share at the close of 1960.

Net operating income, excluding net gains on sales of investments of **Investors Diversified Services, Inc.** and its wholly-owned subsidiaries in 1961 was \$17,835,597, or \$12.27 a share, compared with \$15,439,408, equal to \$10.62 a share, for the preceding year.

Investors Group Canadian Fund reports that total net assets at Dec. 31 were \$101,276,687, or \$6.40 a share, compared with \$111,925,300 and \$5.32 a share at the close of 1960.

Investors Research Fund, Inc. ended 1961 with net assets of \$3,183,862, equal to \$14.38 per share. This compares with assets of \$2,951,139, equal to \$11.51 a share, at the end of 1960.

Istel Fund, Inc. reports that at Dec. 31 net assets were \$24,698,565, or \$38.90 a share, compared with \$20,857,704 and \$34.97 a share a year earlier.

Keystone Growth Fund K-2 became the third of Keystone's individual mutual funds to go over the \$100 million mark in total net assets, according to the annual report for the fiscal year ended Dec. 31. Total assets increased 58.7% to \$104,415,000 during the year. Assets under Keystone management have reached more than three-quarters of a billion dollars.

Net asset value per share for the Growth Fund increased 24.3% for the year, adjusted for the special year-end capital gains payment of 17 cents per share.

Major portfolio additions in the last six months included 12,000 Aldens, Inc., and 20,000 Fleming Co., boosting retail representation to 3.2% of the fund's assets. The

addition of 24,210 Shulton, Inc., and 13,000 Abbott Laboratories helped make the drugs, soaps and cosmetics industry representation the largest in the portfolio at 13.8%.

Nucleonics, Chemistry & Electronics Shares announces an initial investment in Plessey Co., Ltd., British manufacturer of communications equipment.

George Putnam Fund of Boston reports that at the end of 1961 total net assets were \$295,700,000, or \$17.05 a share. This compares with \$222,900,000 and \$14.57 per share 12 months earlier.

Research Investing Corp. closed 1961 with total assets of \$2,143,285, or \$11.54 a share, against \$1,332,442 and \$9.82 a share at the end of 1960.

T. Rowe Price Growth Stock Fund reports that at Dec. 31 total net assets were \$71,786,075, or \$16.89 per share, compared with \$39,913,712, equal to \$14.15 a share, a year earlier.

Net assets of **Stein Roe & Farnham Stock Fund, Inc.** rose to \$31,978,323 on Dec. 31, Harry H. Hagey, Jr., President reports. This compares with assets of \$15,860,306 on Dec. 31, 1960. Net asset value per share was \$35.80 compared with \$30.10 per share a year earlier.

Net assets of **Stein Roe & Farnham Balanced Fund, Inc.** rose to \$73,138,381 on Dec. 31, compared with \$50,706,789 a year earlier. Net asset value per share at the year-end was \$41.22, compared with \$37.54 the previous year.

UBS Fund of Canada, Ltd. had total net assets of \$5,070,253 as of Dec. 31 and net asset value per share of \$10.98, against the \$9.51 per share at the 1960 year-end. H. Nelson Conant, President, said in the annual report to shareholders. Total net assets at the end of 1960 were \$3,486,588.

We take pleasure in announcing the following appointments, effective February 1, 1962

MARTIN J. FRIBUSH

Vice President—Financial Planning

WILLIAM C. ROPER

Resident Vice President—East-Central States

THOMAS F. FORD

Assistant Vice President—Investment Research

WILLIAM H. KANE

Assistant Vice President—Investment Research

FRANK J. BARONE

Assistant Treasurer

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THE SECURITY I LIKE BEST...

Continued from page 2
with various Authorities and State Highway Departments by using part, or all, of existing facilities instead of building new roads that may offer competition to an existing tollroad. When Interstate Route No. 95 is fully completed it can only mean further use of the

Richmond Petersburg Turnpike, particularly by traffic operating between the Northeastern States along the Atlantic seaboard and Florida.

Information as to their operating results is shown in the accompanying table.

Period Year to—	Gross Revenues	Operating Expenses	Net Revenues	Times Bond Int. (\$221,438 per Month)
June 30, 1959—	\$2,964,000	\$995,000	\$1,969,000	0.74
June 30, 1960—	3,360,000	1,076,000	2,284,000	0.86
Dec. 31, 1960—	3,449,000	1,086,000	2,362,000	0.88
Dec. 31, 1961—	4,123,000	1,131,000	2,991,000	112.60

With car and truck traffic increasing constantly all over the entire Eastern seaboard from Maine to Florida—this much needed tollroad facility should continue to increase its net revenue substantially. All net revenues after interest must be used toward constant reduction of their bonds. Considering this increasing traffic, the Richmond Petersburg Turnpike Authority should, like other successful tollroads, pay off their bonds before maturity.

From the above it is readily seen that the bonds of this proven toll facility can now be considered worthy of purchase by conservative investors. With the publication of monthly reports, showing continued increase in traffic and net earnings, there should be an

increasing demand for these bonds which should be reflected by gradually increasing market valuations.

With excess earnings being used to maintain a reserve at all times equivalent to two years annual interest requirements, the time is not far off when the sinking fund on these bonds will commence to operate which will mean lower interest charges and a tendency to maintain a good market for the bonds at all times.

These bonds are currently offered at about 95½ which provides a current yield of 3.60%. The investor who purchases these bonds—which are actively traded—not only obtains a better yield than is currently available on stocks but his income will be tax-free.

Dealer-Broker Recommendations

Continued from page 8

dries and First National Bank of Boston.

Philips Lamp—Discussion in current issue of Investment letter—Hayden, Stone & Co., 25 Broad Street, New York 4, N. Y. In the same issue are discussions of **Bandix Corp.** and **Philadelphia & Reading** and a memorandum on **Fireco Sales**.

Pickwick International—Analysis—Richter & Co., 350 Madison Ave., New York 17, N. Y.

Plastic Materials & Polymers, Inc.—Report—Weston Smith Associates, 52 Broadway, New York 4, N. Y.

Products Research Company—Analysis—Schwabacher & Co., 100 Montgomery Street, San Francisco 4, Calif.

Radio Corporation of America—Analysis—John H. Lewis & Co., 63 Wall Street, New York 5, N. Y.

Raytheon Company—Analysis—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 4, N. Y. Also available are data on **General Electric**, **S. S. Kresge Co.**, **Illinois Power Co.**, **Lone Star Cement**, **Canaveral International Corp.** and **Air Products & Chemicals**.

Revlun—Memorandum—Brunns, Nordeman & Co., 115 Broadway, New York 6, N. Y.

Russell Stover—Report—Eppler, Guerin & Turner, Inc., Fidelity Union Tower, Dallas 1, Texas.

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

Science Resources, Inc.—Report—Hartley, Ziobro & Co., 158 Orchard Street, East Rutherford, N. J.

Scott Aviation Corp.—Memorandum—First Cleveland Corporation; National City East Sixth Building, Cleveland 14, Ohio.

Sealed Power Corporation—Analysis—A. G. Becker & Co., Incorporated, 60 Broadway, New York 4, N. Y.

See's Candy Shops, Inc.—Bulletin—Mitchum, Jones & Templeton, 650 South Spring Street, Los Angeles 14, Calif.

Shaw-Barton, Inc.—Analysis—First Columbus Corporation, 52 East Gay Street, Columbus 15, Ohio.

Simplicity Manufacturing—Report—Robert W. Baird & Co., 110 East Wisconsin Avenue, Milwaukee 1, Wis. Also available are data on **Crowell-Collier Publishing**.

Smith Corona Marchant—Memorandum—Sprayregen, Haft & Co., 26 Broadway, New York 4, N. Y. Also available is a memorandum on **Burroughs Corp.**

Spencer Chemical—Memorandum—Hirsch & Co., 25 Broad Street, New York 4, N. Y. Also available are memoranda on **International Telephone and First National City Bank**.

Swift & Company—Analysis—Hornblower & Weeks, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are data on **Burlington Industries**, **Phillips Petroleum**, **United Merchants & Manufacturers**, **American Enka**, **Southern Pacific**, **Siegler** and **Central Soya**.

Tensor Electric Development Co., Inc.—Analysis—Blank, Lieberman & Co., Inc., 115 Broadway, New York 6, N. Y.

Terminal Hudson Electronics—Memorandum—Penington, Colket & Co., 70 Pine Street, New York 5, N. Y.

Universal Data Processing Corp.—Analysis—Holton, Henderson & Co., 621 South Spring Street, Los Angeles 14, Calif.

Vactronic Lab. Equipment Inc.—Report—Mackay & Company, 524 Washington Street, Reading, Pa.

Van Camp Sea Food—Memorandum—First Citizens Corp., 3850 Santa Barbara Ave., Los Angeles 8, Calif. Also available is a memorandum on **Trade Winds**.

Geo. Weston Ltd.—Review—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y. Also available is a review of **Emerson Electric Manufacturing Co.**

White Stores Inc.—Review—McFetrick & Co., 132 St. James Street, West, Montreal, Que., Can.

Wilson Brothers—Memorandum—Hardy & Co., 25 Broad Street, New York 4, N. Y.

Witco Chemical Co., Inc.—Report—Robert Garrett & Sons, Garrett Building, Baltimore 3, Md.

Wurlitzer Company—Analysis—Pacific Northwest Company, 1000 Second Avenue, Seattle 24, Wash.

BANK AND INSURANCE STOCKS: This Week — Insurance Stocks

LIFE INSURANCE STOCKS — REVIEW AND OUTLOOK

The year 1961 will be fondly remembered by investors in life insurance stocks as the year of the second great bull market in life company equities. Not since 1954-55, when life insurance stocks were first discovered by investors as vehicles for long-term growth, have life stocks performed as spectacularly. Gains of 100%-200% in market value were not uncommon for the year, and the price of virtually every life stock advanced a minimum of 50% during the year. The common stocks of the life insurance industry were the top performers in price appreciation in 1961 of all the major industry groups.

The rediscovery of the industry by investors was apparently due to a number of factors. First, there was a recognition of the long-term growth factors inherent in the industry. Second, the industry demonstrated that the 1959 income tax law was only a temporary handicap and would not be a major impediment to future growth. Third, investors recognized that prices of many life insurance stocks had done little or nothing since 1954-55, despite substantial increases in premiums written, insurance in force, book value and earnings in the interval; therefore, the industry was being relatively undervalued by the stock market. Finally, investor interest switched to the life insurance group as being "hot" stocks as it has moved quickly from one group to another in the exceedingly selective stock market of recent years.

In retrospect, 1961 was a good year for the industry as it continued to establish record gains. During the year an estimated \$80 billion of new insurance was written, an increase of 7% over 1960. Gains were established in each of the three major life insurance groupings—ordinary, industrial and group. Total life insurance in force rose to approximately \$625 billion as assets of U. S. life companies increased over \$6 billion to \$126 billion. Under the influence of these basic growth factors, the majority of life insurance companies are expected to report earnings gains of 10%-20% for 1961, with a few reporting considerably higher increases.

The factors that were responsible for the 1961 earnings increases are likely to be present in 1962. The continued advancement in medical science in the battle against heart disease and cancer, the two principal causes of death, is a prime factor in the slight improvement in mortality experience that has occurred in each of the past three years. Further gains are anticipated for 1962 and the potential to the industry, if a major breakthrough should occur in the treatment of either of these two diseases, is enormous. Expense control will continue to be a problem for the industry, but will be held steady by the rise in the size of the policies issued and the expense savings gained through electronic data processing.

The major factor in the earnings gain for many life companies in 1961 was an increase in net investment income. The industry's net interest earned on invested assets rose for the 14th consecutive year in 1961 to an estimated 4.25% (before taxes). The rate earned on new investments was considerably higher. As the current interest assumptions in establishing premium rates are 2½%-3%, still well down from the 3½% assumption of the years prior to World War II, net investment income, after expenses and tabular interest requirements, is steadily rising. A leverage factor is added to the rate of earnings growth derived from investments, as earlier investments at low interest rates are replaced by the presently high yields available and insurance policies written at higher interest assumption expire, thereby lowering the overall rate of tabular interest requirements. The investment portion of earnings for life companies appears headed for a period of uninterrupted growth, after a pause because of the imposition of higher income taxes.

While the life insurance industry is expected to continue its consistent record of growth in 1962, stockholders of life insurance stocks cannot expect to experience the gains in market value this year that occurred in 1961. Nevertheless, many companies are likely to reward their stockholders with stock dividends and increases in the cash dividend rate during the coming months.

Selected Life Insurance Stocks

Company	Present Price	1962 Range	Est. 1961 Earnings*	Prices X '61 Est. Earn.
Aetna Life	126	138-124	7.00	18.1
Bankers National	61	71- 60	2.75	22.2
Beneficial Standard	47	48- 37	1.75	26.8
Business Men's Assur.	102	102- 93	3.50	29.3
Cal. Western States	124	124-109	5.50	22.5
Commonwealth Life	63	63- 51	2.50	25.2
Connecticut General	250	282-250	8.00	31.3
Continental Assurance	184	197-170	4.75	38.7
Franklin Life	132	140-127	4.00	33.0
Gulf Life	50	50- 41	2.50	20.0
Jefferson Standard	81	91- 79	3.75	21.6
Kansas City Life	3,200	3,300-3,200	50.00	21.3
Liberty National	90	99- 79	2.75	32.6
Lincoln National	167	174-156	8.00	20.9
Mass. Indemnity	55	63- 46	5.00	11.0
Monumental	95	100- 84	5.50	17.3
National Life & Acc.	214	221-210	7.50	28.5
Southwestern Life	125	137-125	5.00	25.0
Travelers Insurance	153	167-153	8.25	18.6
U. S. Life	75	79- 68	2.75	28.2

* Estimated 1961 earnings include adjustments for increase in life insurance in force.

Stephenson V.-P. Of Paribas Corp.

Edwin A. Stephenson has been elected a Vice-President of Paribas Corp., 40 Wall St., New York City, it was announced by Robert



Edwin A. Stephenson

H. Craft, President. This New York City investment banking firm is an affiliate of The Banque de Paris et des Pays-Bas, the largest private bank in France. Mr. Stephenson, head of the firm's municipal bond department,

joined Paribas Corp. in April, 1961. Prior to that he was with The Chase Manhattan Bank from 1928 to April 1961 and was manager of the Chase's Chicago office from 1946 to 1957, at which time he returned to the bank's main office in New York City.

Mr. Stephenson is a member of the Bond Club of New York; Bond Club of Chicago; Municipal Bond Club of New York; and Municipal Bond Club of Chicago.

Phila.-Balt. Exch. Member

MANCHESTER, N. H. — Eastern Investment Corporation, 45 Market Street, has announced that Charles P. Lawrence, President of the firm has been admitted to full membership in the Philadelphia-Baltimore Stock Exchange, effective Jan. 22. Mr. Lawrence is also an associate member of the Montreal Stock Exchange.

H. F. Weekley Branch

WAHIAWA, Oahu, Hawaii—H. F. Weekley & Company has opened a branch office at Wahiawa under the management of Edward McLarney. Mail address is P. O. Box 1184.

Named Director

Arthur L. Carter, general partner in Carter, Berlind, Potoma & Weill, members of the New York Stock Exchange, has been elected to the board of directors of Ozon Products, Inc., Brooklyn, N. Y.

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Revising the Provisions Governing Discount Window

Continued from page 3

be of the type that contribute to our nation's economic progress.

Sharp Increase in Term Loans, Including Consumer Loans

The importance of alert and wise administration of the loan portfolio is greatly magnified by another significant postwar development. During the period in which the loan-deposit ratio has been rising, bank lending policies have been undergoing a shift which has impinged further upon liquidity. I refer to the sharp increase in so-called term loans of extended maturities to both businesses and consumers. While normally we do not think of consumer loans as term loans, many actually are. For example, the maturity on modernization loans is five years; on new car loans the average maturity is approximately three years. Such loans, which accounted for only about 10% of total bank loans at the end of World War II, now constitute more than 20% of the loan portfolio.

The proportion of business loans to total loans has not changed significantly in the postwar period. At somewhat less than 50%, it is close to the postwar average and only slightly lower than in 1940. But, as all bankers know, term loans today make up a much larger percentage of overall business loans. While countrywide figures are not available, the situation among Central Reserve City banks may be taken as indicative of the national trend. In fact, in the large New York City banks, term loans now are said to account for more than half of the outstanding volume of all business loans. Moreover, from talking to many bankers, I have the impression that loans of this type are rising in banks throughout the entire country.

Again, bankers can be proud of their responsiveness to change and their willingness to meet the needs of their customers. While it is true that the rapid growth in consumer and business term loans has contributed greatly to the shrinkage of the excessive bank liquidity which existed at the end of World War II, the willingness of banks to make progressive reductions in their liquidity positions has been an important factor in the growth process during the period.

Consumer loans, for example, have helped to maintain and expand the base of mass consumption that is essential for an efficient system of mass production. Similarly, the term loans extended to businesses—large and small—have contributed significantly to the expansion and modernization of our nation's productive facilities. The close dependency, one upon the other, of high mass consumption, business plant expansion and modernization and a healthy, prosperous economy should not be underestimated. Indeed, these credit extensions by the nation's banks have been translated into billions of dollars of demand for the products of industry, and this demand, in turn, has insured the prosperous employment of millions of Americans.

The role of the term loan in helping to finance small business is particularly important. Small businesses find it difficult to enter the capital markets with bond or stock issues to raise the money which is essential for plant expansion and modernization. Moreover, retained earnings, as a result of inadequate depreciation reserves and high taxes, are usually insufficient to finance the needs of a rapidly growing concern whose survival is dependent upon modern and efficient equipment. These firms naturally have turned increasingly to banks for part of

their fixed capital requirements, and banks have responded by tailoring the type and maturity of the loan to the customer's needs.

Avoidance of Capital Markets

This type of term lending by banks is not only wholly warranted—it is necessary to support our changing economy. Indeed, if our efforts to remain competitive both at home and in international markets are to be effective, and if small businesses are to continue to flourish, then bank term lending to small and medium-sized concerns is, in my judgment, imperative. But I must state frankly that excessive concentration on rather lengthy term loans to large business concerns, fully able to raise needed capital from nonbank market sources, gives cause for thought and study. Such loans tend to expand most rapidly during periods of inflationary pressures and high interest rates, when large business concerns desire to postpone entry into the capital market in order to benefit from the lower interest rates that are expected later. This trend greatly complicates the task of monetary control; and, with the liquidity problem becoming more pronounced, it may tend to reduce the banking system's ability to finance the traditional short-term borrower as well as the small business concern and the individual consumer. I am not in any way suggesting that such loans should not be made. But I am suggesting that too great a proportion of loanable funds should not be tied up in such credit, lest our capacity to meet our traditional responsibilities be impaired.

Bank Liquidity Problems In the 1960's

Thus the developments of the postwar years—the rise in the loan-deposit ratio, the expansion of consumer loans, and the growth of term loans—have had a significant impact on bank liquidity. This leads naturally to the question: Is bank liquidity sufficient to permit the banking system to meet this nation's needs for funds to finance economic growth in the 1960's? In asking this vital question, I recognize that bank liquidity, has in recent months, risen to a cyclical high, as evidenced by some decline in the loan-deposit ratio and a build-up in holdings of short-term government securities. But I would emphasize that this is primarily a cyclical development which probably represents only a brief interruption in the long postwar trend. Indeed, the strong advance in business activity now under way promises to put increasing pressure on credit demands. As we strive to meet such demands, we should also be considering where the funds will come from to meet the demand. Idle corporate deposits of substantial amounts are a thing of the past because of increased bank efficiency in processing checks and a tendency of corporations to invest all deposits above the minimum amount needed to cover their operating activities. Deposits of individuals, of course, provide only a minimum of collectible funds available for lending purposes. Competition for the savings dollar, with the saving and loan associations and mutuals enjoying virtual tax immunity, is intense and will continue so despite the recent permissive regulations permitting commercial banks to pay higher interest rates. In prosperous times, in fact, banks cannot reasonably expect deposit totals to expand as rapidly as will the overall loan demand.

Fed's Discount Window

Thus, as bankers ponder the question of the adequacy of bank liquidity to support the sound financing of economic growth in the years ahead, the question of the proper role of the Federal Reserve discount mechanism is receiving increased attention. Specifically, should an important source of necessary bank liquidity be the discount window? Should the current "privilege" of member bank borrowing from the Federal Reserve banks be spelled out in detail and formalized to make it a limited "right"? Should such a right be at the volition of those banks that are doing an aggressive job in financing growth? Should the eligibility requirements for discounting paper in the main shaped almost 50 years ago, be reviewed in the light of changes that have taken place over the years? If 90-day commercial paper is discountable, why should not soundly made consumer loans also be discountable? If nine-month agricultural paper is discountable, why not safe, properly amortized term loans to companies of good standing? As I pointed out at the outset, I intend to raise more questions than I am prepared to answer, but I hope that the mere posing of these questions will stimulate discussion of this important topic. However, I cannot resist the temptation to give my thoughts on the matter.

In the first place, I am convinced that bankers would in fact be performing a public disservice if we pushed for more or less automatic access to the discount window. Borrowing from the Federal Reserve, in my judgment, must remain a privilege rather than a right of membership in the System. The reasons for this should be obvious: the funds that we obtain through the discount window are high-powered dollars, and their creation or extinction must be fully under the control of the monetary authorities and closely coordinated with other instruments of credit control, such as open market operations and changes in reserve requirements. Indeed, the achievement of more or less automatic entry to the discount window probably would mean little to the banking system as a whole. If member banks were to build up their loans from the Federal Reserve banks to relatively high levels at a time when credit restraint was being imposed, the Federal Reserve authorities, to counter such additional inflationary pressures, would simply offset this threat by restrictive use of open market operations or the imposition of additional reserve requirements. Thus the banks might be able to put new funds into one pocket, only to have them removed from the other.

For those bankers who have not done so recently, I suggest that they reread Regulation A of the Board of Governors of the Federal Reserve System. This regulation, revised in 1955 sets forth the Board's interpretation of those portions of the Federal Reserve Act which govern member bank's use of the discount window. To my mind, the most significant portions of the regulation are these two paragraphs taken from the foreword:

"Federal Reserve credit is generally extended on a short-term basis to a member bank in order to enable it to adjust its asset position when necessary because of developments such as a sudden withdrawal of deposits or seasonal requirements for credit beyond those which can reasonably be met by use of the bank's own resources. Federal Reserve credit is also available for longer periods when necessary in order to assist member banks in meeting unusual conditions, as may result from national, regional, or local difficulties or from exceptional circumstances involving only particular member banks. Under ordinary conditions, the continuous use of

Federal Reserve credit by a member bank over a considerable period of time is not regarded as appropriate.

"In considering a request for credit accommodation, each Federal Reserve bank gives due regard to the purpose of the credit and to its probable effects upon the maintenance of sound credit conditions, both as to the individual institution and the economy generally. It keeps informed of and takes into account the general character and amount of the loans and investments of the member bank. It considers whether the bank is borrowing principally for the purpose of obtaining a tax advantage or profiting from rate differentials and whether the bank is extending an undue amount of credit for the speculative carrying of or trading in securities, real estate, or commodities or otherwise."

To those bankers who are convinced, as are most of us, that discounting should not be an absolute right of membership, the current wording of Regulation A should be generally satisfactory, but much depends upon the policies and attitudes of the individual Federal Reserve banks. It can be assumed that such policies will reflect a large measure of wisdom and sound judgment, for the excellent manner in which monetary policy has been carried out since 1951 evokes confidence in our central banking system.

Sees Real Need for Revision of Discount Regulations

Still, however, there seems to me to be a real need for revision of those provisions of the Federal Reserve Act which govern Federal Reserve bank discounts and advances. Do the provisions defining eligibility requirements imply that banks that have been particularly active in meeting the needs of consumers or in granting term credits to small businesses have less access to the discount window than banks that have not made loans of this type? Primarily because of the negligible importance of both consumer and term loans at the time the Federal Reserve Act was adopted in 1913, there is no mention of such lending either in the Act or in Regulation A. Indeed, the requirements for eligibility strongly suggest that such lending is, in itself, suspect. If this is the case, an individual bank's access to the discount window might be impaired by its willingness to finance consumers and small businesses. I suggest that this would be a grave mistake.

These thoughts are not meant to imply that all consumer paper or business term loans should be eligible for discount at the Reserve banks. However, I am suggesting that the language of the Federal Reserve Act be reviewed to make certain that, if no discrimination against such loans is intended, no such discrimination be implied. And if legislation to amend the Federal Reserve Act is needed, I would urge the appropriate committees in The American Bankers Association to support such legislation. In particular, serious thought might be given to a complete repeal of the eligibility requirements for discounting or borrowing from the Federal Reserve on assets other than government securities. If we are to place complete faith in the Federal Reserve authorities for monetary management, why not remove the restrictions of eligibility, which certainly hampered effective use of the discount window in the 1930's and might well do so again? Why not permit the individual Federal Reserve banks to lend on what they consider to be any sound asset, as they are now permitted to do under Section 10b of the Act, but without the penalty rate now provided for in that Section? Such legislation would not only assure flexible administration of the discount window under all conditions, but it would also solve once and for all the problem of a pos-

sible shortage of bank assets eligible for discounting or pledge at the Reserve banks for borrowing or to support public deposits. It would also permit much sounder sleep for those bankers who are making a conscientious effort under rather severe handicaps to meet the legitimate credit needs of the areas which they serve.

Despite the problems which confront us, never before in the history of our country has our dual banking system been stronger or in a healthier condition. It is under such circumstances that a re-examination of the rules and regulations under which we operate seems to be most opportune. The welfare of our country and the sound growth of our economy are dependent upon the banking system's being attuned to the needs and requirements of an uncharted future. As bankers attempt to meet their full responsibilities, they have a right to expect that the legal framework which guides the administration of the discount window is also attuned to the times in which we live.

*An address by Mr. Fleming before the 14th National Credit Conference sponsored by ABA's Credit Policy Committee, Chicago, Ill., Jan. 22, 1962.

Shatterproof Glass Corp. Stock Offered

Shields & Co., Inc., New York City, and associates are offering 215,000 common shares of Shatterproof Glass Corp. at \$14.50 per share.

All the stock is being sold by certain shareholders. No proceeds will accrue to the company.

Shatterproof Glass, based in Detroit, makes and sells curved and flat laminated safety plate and laminated safety sheet glass, primarily under the trademark "Shat-R-Proof."

The automotive replacement market is the company's chief customer and curved laminated safety plate glass windshields are the company's principal product.

Goodbody & Co. Opens Milwaukee Office

MILWAUKEE, Wis.—Goodbody & Co., has opened an office in the Marine Plaza.

With the opening of their Milwaukee office, Goodbody & Co., whose home office is in New York City, will have 45 offices in 41 cities.

Co-Managers of the new office, will be Richard J. Stoeffel and Joseph W. Schemel. Mr. Stoeffel was employed by a New York brokerage firm for two years before coming to Milwaukee in 1955 where he has continued to work in the brokerage field. Mr. Schemel has been engaged in the brokerage business for over 10 years.

Arnold North Joins E. F. Hutton & Co.

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Arnold A. North has become associated with E. F. Hutton & Company, 623 South Spring Street. Mr. North who has been in the investment business for many years was formerly with Bache & Co. and William R. Staats & Co.

Form Alan Kaye

BROOKLYN, N. Y.—Alan Kornbluth is engaging in a securities business from offices at 1531 West 11th Street, under the firm name of Alan Kaye Enterprises.

Eastman Dillon Branch

ALEXANDRIA, Va.—Eastman Dillon, Union Securities & Co. has opened a branch office in the McNary Building under the management of Clarence Cottman.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Believe It

(Originally, this column was published in September, 1953. Once again, a small minority has brought disfavor upon a great industry. It seems to me that the sentiments expressed here are, therefore, of particular validity at this time.—J.D.)

A man without a belief in something is not likely to accomplish very much in this life. Believing in a course of action, in the rightness of a purpose, and having faith in something that will hold a man up when discouragement comes his way has carried some men through the most difficult experiences—those who did not believe lost out. I once read some of the experiences of our prisoners in the Korean War. How it was possible for some of them to live and come back out of that hell again none of us who did not go through it will ever know. Yet, others died when nothing was apparently wrong with them. The Doctors in the prison camps reported that after a while some of these men became resigned to the idea that they had nothing to live for.

In everyday life men who believe in their mission carry on and they succeed—others fall by the wayside. At times, I have the feeling that there is very little "believing" in the investment business. Possibly that is also why some men never become successful as security salesmen. Probably this lack of "faith" also has some bearing on the small percentages of people who own securities as compared to those who have bought government bonds, life insurance, and started savings accounts.

On the Defensive

For many years the people engaged in the securities business have been on the defensive. There are many who have assumed the attitude that our business (more than any other) needs watching and regulation by the government. How often have you heard investment men say, "I know there are some weaknesses in the Securities Acts but where do you think we would be without all these state and Federal regulations?" I am not arguing the point that regulation is unnecessary; nor that laws must be made to protect society. But it is the attitude of many people within the investment business that suggests a lack of faith, not only in the business itself but of the people who are engaged in it. In other words, unless we have a government bureau on our necks day and night our business could not perform its functions properly, and in the public interest. If I understand those who are always applauding more and more governmental controls, what they infer is a lack of faith in the integrity of their industry, and the vast majority of fine and honest people who work in it. These people cannot expect the public to have faith in a business in which they do not believe.

Apologists

For many years I have also heard some men who are engaged in the security business apologize for their calling. Possibly the memories of the twenties and the depression thirties still haunt them. Years of public abuse of Wall Street by professional politicians continue to ring in the ears of many a man who has spent the greater part of his life working in one of the most beneficial professions we have in this country today. For my part, I wonder how

anyone who believes in freedom and our American way of building up privately owned enterprise, can ever doubt that he is daily contributing to the welfare of his country to a far greater extent when he is engaged in the investment securities business than in practically any other line of endeavor.

I don't care what any demagogue, politician, business baiter, or just plain uninformed crank, has to say about the men who make their living buying and selling securities. I know that without someone who will go out and raise the money to buy the tools, build the factories, and pay the wages of the employees, the people of this country would not have their present system of privately owned and operated American business, which has supplied more material happiness and well being than has ever before been provided on this earth.

I also know that I have been a minute particle of a small group of men who have faced and weathered every storm of depression, war, boom, panic that the mind of man has had to face during the past thirty-seven years since I started out in this business as a young boy. Some of these men have made a great deal of money honestly and fairly and in so doing they have contributed to the welfare of this country in every phase of its economic growth. They have gathered the capital for its great defense industries, its factories, stores and shops, its scientific advancement, and every economic activity in which our people are engaged. Those of us who have been security salesmen have made our living selling shares in our country, and obligations of its government and corporate entities to other hardy, courageous, risk-taking, people who have had the FAITH to invest their savings in this land and its activities.

It is estimated there are only about 15,000,000 people who have believed in American enterprise strongly enough to invest in the ownership of this nation's business firms. Some of these people have seen their investments grow and prosper to an extent that those others who have not believed could never visualize as they have systematically buried their savings in so-called safe investments that have shrunk over 50% in purchasing power during the past 20 years. Others have lost on their common stock investments and to them too I take off my hat—rarely, if ever, have I heard a good, old-fashioned American risk taker bellyache (or ask the government to make up his losses) if some of his adventures in speculation did not work out profitably.

Our Customers

I also believe in the people who are our customers. They ARE the backbone of this country's economic well being. They have invested their money in creating jobs for the rest of us. They put up the cash to buy the tools, hire the experts and pay the salaries. They are the people for whom no apology is needed for Wall Street, or for any of their fellow Americans who work there.

As for our associates in this business, I believe that on the whole, they represent one of the finest groups of sincere American business people you will find anywhere. That includes those I have known who have worked in the back office, the clerks, the secretaries and the cashiers. It includes many who have labored far into

the night when the occasion demanded it in order to keep the markets open and trading orderly. It surely includes those who have risked their own capital in underwriting billions of dollars worth of securities, and who sometimes have taken licks that would have made lesser men despair and quit; yet they kept on and came back again.

And there are those when who make agreements involving millions of dollars every day in the week with no more security than their spoken and given word and who never have welched on a contract no matter how much it went against them. It also includes many security salesmen I have known who would rather turn down a piece of business than sell something that would be unsuitable for their customers.

And to sum it up—that's what I believe we have been doing in the investment securities business in this country—we've been helping people to live better. That's why I believe in this business and what I am trying to do. That is why no one, or anything, can convince me that when I go to my office in the morning that I am not on a good mission; that every day is a good day, and that this is one of the most beneficial businesses in the best country in the world.

Commonwealth Realty Trust Shares Sold

Offering of 400,000 shares of Commonwealth Realty Trust at \$10 per share is being made by Woodcock, Moyer, Fricke and French Inc., and Gerstley, Sunstein & Co., Philadelphia and associates. An additional 30,556 shares have been reserved for sale, without underwriters' commission, to certain persons designated by the Trust at \$9 per share.

The company of 8201 Fenton Rd., Philadelphia, was organized in May, 1961, to conduct the business of a "real estate investment trust." Net proceeds will be used by the Trust to acquire a 75% interest in the ownership of two shopping centers to be constructed near Baltimore, Md., and for other realty investments.

Silo Discount Centers, Inc. Stock Offered

Public offering of 165,000 common shares of Silo Discount Centers, Inc., at \$7 per share is being made by Boenning & Co., Philadelphia and Rodetsky, Walker & Co., Inc., New York City. Net proceeds will be used by the company for expansion, repayment of debt, working capital and other corporate purposes.

The company of 2514 N. Broad St., Philadelphia operates five retail discount stores in the Philadelphia-Camden area selling household appliances, home supplies, giftware and seasonal items. Through its subsidiaries, the company also engages in consumer finance, wholesale, and import operations.

Neale Leary Opens

GREENWICH, Conn.—Neale M. Leary is conducting a securities business from offices at 6 West Putnam Avenue under the firm name of Neale M. Leary & Co., 6 West Putnam Avenue. He was formerly an officer of Vickers, MacPherson & Warwick, Inc.

Sol Schwartz Opens

WESTBURY, N. Y.—Sol Schwartz is engaging in a securities business from offices at 169 Evergreen Drive.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Pioneer Natural Gas Company

Pioneer Natural Gas retails natural gas to a population of about 900,000 in 78 communities in the South Plains and Panhandle areas of Texas, and in three communities of northern Louisiana. The principal service area has enjoyed rapid population growth (from 125,000 in 1920 to 850,000 today) and the major cities served—Midland, Odessa, Amarillo and Lubbock—are expected to be among the nation's ten fastest-rising metropolitan areas in the 1959-1965 period.

Amarillo is a large wholesale distribution center. Lubbock is located in one of the most intensively irrigated regions in the United States. In 1961, 23 counties in this area produced 20% of all the cotton grown in the United States. The southern section is in the Permian Basin oil region which produces 20% of the oil output of the United States. There are numerous chemical plants here, and Odessa is the center of a \$50-million petro-chemical complex.

Natural gas sales account for about 93% of revenues, and oil and miscellaneous 7%. Gas revenues are about 35% residential, 23% irrigation pumping, 17% industrial, 9% commercial, and 16% miscellaneous. The average utility selling price of gas per Mcf in 1960 was residential 53 cents, commercial 42 cents, industrial 18 cents and irrigation pumping 36 cents. The average price paid for gas was about 15 cents per Mcf, and this is not expected to change in 1962.

The company produces about 13% of its gas requirements. The wholly-owned subsidiaries, Amarillo Oil and Pioneer Production, control about 132,000 acres with reserves of over 300 billion cf of gas and 3.4 million barrels of oil, together with some gas processing plants. A third subsidiary, Pioneer Gathering System, was sold last year. A substantial exploration and development program is underway with 12 wells being drilled in September; in October a Texas well with a potential of over 1,000 barrels a day was completed.

During the last six or seven years, Pioneer has developed an important market in supplying natural gas fuel for engines used in pumping irrigation water wells. There are 4,880,000 acres under irrigation (including 4,500,000 acres in the company's service area) representing about one-fifth of all the irrigated land in the United States. Irrigation now contributes heavily to Pioneer's operations, accounting for about one-fifth of total sales when rainfall is normal; the company serves nearly half of all the irrigation wells in its area.

Pioneer has for many years earned a good rate of return on net property, but this declined from 10.1% in 1954 to 8.3% in 1960. Accordingly, the company obtained a 10% increase in domestic, commercial and irrigation rates in January 1961, providing about \$1.8 million increased annual revenue or 26 cents a share on the common stock.

Construction expenditures last year totaled \$18 million and \$11 million is budgeted for this year. Bank borrowings are being relied on substantially and President Wall has stated that while no prediction could be made regarding long-term debt financing, "we do know that we do not anticipate the sale of any additional common stock in the foreseeable future."

Due to the growth of the area, the increasing irrigation load and other favorable factors, the company has enjoyed an excellent, though irregular, growth in share earnings—from 40 cents in 1950 to an estimated \$1.40 in 1961. (See table below.) Improved results in 1961 have been attributed to the rate increases in a portion of the area, improved operations of the production subsidiaries, and stabilization of gas purchase costs. On the other hand, irrigation sales were somewhat lower.

President Wall told the Analysts that "barring unforeseen difficulties, we expect that the company's revenues and earnings pattern should show continuing improvement through 1962." The temperature in Amarillo reached a record of nine below zero on Jan. 10 this year which would seem to indicate a peak send-out for natural gas, but he predicted that the peak day for 1962 would occur next August because of the anticipated heavy irrigation load.

Pioneer Natural Gas, at the recent over-counter price around 33½, yields 2.9% based on the increased 96 cent dividend rate, and sells at 23.9 times the estimated earnings of \$1.40 for calendar 1961.

	Revenues (Mills.)	Earnings Per Share	Percent Increase	Dividends Paid	Approximate Price Range
1961 Est.	\$36	\$1.40	12	\$.90	34 - 25
1960	35	1.25	D 11	.86	26 - 20
1959	33	1.40	33	.75	22 - 16
1958	26	1.05	D 2	.70	17 - 12
1957	22	1.07	6	.69	15 - 11
1956	19	1.01	15	.66	14 - 12
1955	15	.88	2	.62	16 - 12
1954	12	.86	28	.50	13 - 10
1953	11	.67	2	—	—
1952	10	.66	22	—	—
1951	9	.54	35	—	—
1950	7	.40	—	—	—

d. Decrease.

Bertram, Leonard Formed

PHILADELPHIA, Pa.—Bertram, Leonard & Williams, Inc., has been formed with offices at 1622 Chestnut Street to engage in a securities business. Officers are Paul B. Linn, President and Treasurer, and Isadore M. Beck, Secretary. Both were formerly with Mayo & Co., Inc.

Form Allstate Inv.

WASHINGTON, D. C.—Allstate Investment Corp. has been formed with offices in the Munsey Bldg. to engage in a securities business. Officers are Rudolph E. Kunkel, Jr., President; J. M. Kunkel, Vice-President; and George F. McCarthy, Secretary and Treasurer.

Bargains for Investor in Near Future Will Be Bond Market

Continued from page 1

(1) Will the international political situation improve or lead to war? Will it be possible to establish a relatively sound *modus vivendi* between the East and the West? Will Communist infiltration in Asia and in Africa cease? How will the newly established nations react to the appeal of a totalitarian government and of a forced planned economy?

(2) What will be the broad consequences of the Cuban evolution on the other Latin American countries, particularly those in which economic and social conditions do not differ materially from those which prevailed in Cuba prior to the Revolution?

(3) What will happen to France? Can the breach between the extreme right and left parties be bridged? What would happen if de Gaulle should disappear from the political scene?

Before answering some of these questions, one has to note first the bright spots in the picture. The Western European economies are strong and healthy, living standards are rising rapidly, the political squabbles of the past have largely disappeared, and a strong European economic and possibly political unit is in the making. A strong united Europe will constitute one of the strongest bulwarks against Communist aggression.

Militarily and economically the Western world is stronger today than at any time since the end of the war, and this constitutes the greatest atomic bulwark against war. In contrast, international Communism is confronted with many problems. There is a definite ideological split between the Soviet Union and Communist China. Agriculture in most Communist countries is lagging, and there seems to be considerable internal strains and stresses.

Playing the role of a prophet I should answer the questions I have raised as follows:

(1) There will be no global war, but sound political relations between the West and East cannot be established. The Cold War will continue, for the ultimate aim of international Communism to destroy the system of private enterprise has not undergone any change.

(2) The leaders of the Latin American countries have by now recognized the dangers resulting from the maldistribution of wealth, low income, and a poor system of land tenure. They, in cooperation with the U. S. Government, are endeavoring to rectify the situation; and thus I do not expect a spread of Castroism into other Latin American countries.

(3) The situation in France is serious, but one can rely on the strong democratic instincts, on the fierce love of freedom of the French people, and on the well established and entrenched civil service system to prevent revolutionary changes.

(4) I do not expect a decrease in defense expenditures — on the contrary, they will continue to rise.

International Financial Uncertainties

In this area, too, there are many questions, the answers to which fall within the realm of prophecy:

(1) How large will the balance of payments deficit of the United States be in 1962? How will it be met?

(2) What will the reaction be of foreign owners of short-term dollar assets to a continued large deficit in the balance of payments of the U. S., particularly if

it should coincide with the deficit of the Federal budget during fiscal 1962-1963? Will there be another dollar crisis caused by a large outflow of gold? Will there be a change in the price of gold?

Again, acting as a prophet, my answers are:

(1) The balance of payments will deteriorate because imports, due to increased business activity in the U. S. A., will rise and exports may decline. Serious efforts will be made by the government to increase exports and to shift some of the military and foreign economic aid on the shoulders of other industrial nations with a payments surplus. How successful these efforts will be cannot be predicted.

(2) There will be no dollar crisis, nor a large outflow of gold from the U. S. A. because the agreement recently reached between the I. M. F. and the leading industrial nations is intended to meet such an emergency. The entire free world is vitally interested in preventing a dollar crisis, for this would be tantamount to a crisis of international liquidity, which must be avoided at all costs.

(3) The dollar will not be devalued, and its value in terms of gold will not be changed in the foreseeable future.

The Common Market

Another great uncertainty which makes an accurate economic and financial appraisal of the future difficult is the way in which the U. S. A. will meet the challenge and opportunity of the Common Market. The most difficult stumbling block confronting the Common Market — namely, farm products — has been overcome, and his make possible the more rapid integration of the respective member countries. The task before the U. S. is how to adjust ourselves to this new situation, for in order to obtain concessions from the Common Market, the U. S. will have to reduce its own tariffs. Thus, the basic problem before the U. S. is whether to lower tariffs drastically across-the-board in order to obtain similar concessions from the Common Market countries, or to follow a policy of economic isolation. The latter, obviously, is impossible, particularly in view of the present international political situation. But this dilemma raises these questions:

(1) Is the nation ready for a drastic across-the-board reduction in tariffs?

(2) What will be the consequences of such a measure? Which industries will benefit and which will suffer?

(3) What measures will the Federal Government propose and the Congress enact in order to alleviate the hardships of those industries and workers adversely affected by a drastic tariff reduction?

(4) What will the cost be? How will it be financed and what impact will the new subsidies by the government have on the forces of the Free Market?

How these questions will resolve themselves not even a prophet can venture to say, for no prophet can foretell what the Congress will do. What we do know is that the problem somehow or another will be solved over a period of years and that no immediate drastic changes will be made and that the impact on the economy of the country as well as on the security markets will not be as great as some now fear. No solution to this problem would mean adoption of a policy of economic isolation, which is unthinkable.

The Realm of Forecasting

When it comes to the realm of forecasting financial trends, one can rely more on an analysis of the known facts and disregard intuition and prophecy. The financial outlook, however, cannot be considered in a vacuum and has to be analyzed in the framework of the economic picture. All business forecasts are more or less in agreement that the recovery which set in in March 1961 will continue on a sustainable basis. There is a possibility that during the second half business may level off, but this is far from certain. All major economic indicators point upward. Total government expenditures — Federal, state, and local — in the months ahead will be larger than a year ago, thus creating additional demand for goods and services. Personal disposable income is rising and indicates in turn an increased demand for durable and nondurable goods and services. Capital expenditures by corporations are likely to be 4% to 6% higher in the present year than a year ago. Although no building boom is in the making, it has been estimated that home construction will be about 4% higher this year than last year. Construction in general will be at a high level.

A boom is not in the making, nor can one envisage a renewal of a serious wage-price spiral with competition as keen as it is. In addition, the fear that any material increase in commodity prices would have an adverse effect on the competitive position of the U. S. and on the international position of the dollar makes it certain that a renewal of the wage-price spiral would be checked by government action. The trend of business can be affected by a prolonged steel strike, but I do not believe that this will take place. Similarly, a drastic decline in the equity market could exercise an adverse effect on consumer psychology and business spending.

The international political situation, as already stated, obviously will exercise an influence on business sentiment and activity. On the whole, however, one may conclude that the business climate will be favorable and that the level of business in 1962 will be higher than during 1961.

The Financial Outlook

Interest Rates. The movement of interest rates will be influenced by domestic economic developments as well as by international financial developments. The demand for short-term credit will increase. Business activity will be at a higher level, the cost of doing business will rise, and the inventories are being accumulated. This indicates an increased demand for commercial loans. While corporate liquidity is relatively high, it is not evenly distributed; and many corporations will seek bank accommodations in the months ahead. Consumer loans, reflecting the increase in sales of durable goods in general, will also witness a substantial increase. It has been estimated that the output and sale of automobiles in the present year may reach and even exceed 6½ million units. If this materializes, obviously it will lead to a substantial increase in installment loans. The outlook for the other durable consumer goods is also favorable. Total construction will be at a higher level than in 1961, and this too forecasts an increase in demand for construction loans.

The credit policies of the Reserve authorities will be guided partly by business developments at home and partly by international financial conditions. Since the return to convertibility at the end of 1958, there has been a tendency for short-term interest rates in the leading financial centers to be equalized; any material differential in short-term rates between New York and

London could lead to an outflow of funds.

So long as unemployment is still a problem, industry is not operating at capacity, and the forces of inflation remain dormant, the Reserve authorities will not endeavor to reduce materially the availability of bank credit. Greater emphasis will be placed on the movement of short-term rates of interest and on debt management than in previous years. A carefully thought-through credit policy, implemented by sound debt-management policy, can keep short-term rates in the U. S. at a level high enough to prevent an outflow of funds and at the same time furnish the banks with adequate reserves to meet all the legitimate requirements of industry, trade, and agriculture.

A dollar crisis is not in the making and is not likely to take place, even though the balance of payments of the U. S. continues to show a large deficit and the outlook is not particularly favorable. Already arrangements have been made between the International Monetary Fund on the one hand and a number of industrial nations on the other to increase the hard currencies at the disposal of the Fund. The sums at its disposal are large enough to prevent any speculative run on any important currency.

It should be noted, however, that these stand-by agreements are only temporary measures and the task before the U. S. to remedy the balance-of-payments problem remains unsolved. Without a dollar crisis, one need not expect a credit stringency of the type that prevailed at the end of 1959 and the early part of 1960.

Long-Term Rates of Interest. A moderate increase in long-term rates of interest is to be expected, reflecting in part the increase in short-term rates and in part supply and demand forces. It should be noted, however that supply and demand factors are in relatively good balance. The demand for capital by corporations will not be large since most of their capital requirements will be met from depreciation and the plowing back of earnings. If the 8% tax credit on acquisition of new machinery and equipment is passed by the Congress, this and the modification of the depreciation provisions of the Revenue Code should increase further the internal resources of corporations; but at the same time it may cause an increase in capital expenditures by corporations leading to an increase in the sale of securities.

The mortgage market will not impose an undue burden on the capital market. It is doubtful whether the Treasury, with the exception of advanced refunding, will offer any substantial amount of long-term obligations. On the other hand, the demand for long-term funds on the part of tax-levying bodies will remain substantial. The supply of funds seeking an outlet in long-term obligations should increase. The higher rate of interest paid on savings and time deposits should lead to a rise in these deposits in commercial banks and in the resources of the other thrift institutions. There is also a possibility that one may witness a growing shift from equities to the bond market.

Summing up the financial outlook, one may conclude that short- and long-term rates of interest will witness a moderate increase, and in all probability the discount rate in the months ahead will be raised to 3½%, the prime rate to 5%.

The Equity Market. It is obviously much more difficult to analyze the future trend of the equity market than that of the bond market. The latter depends primarily on the movement of interest rates. The former is subject to psychological as well as economic forces. What psychological forces can influence the

equity market in the future I have already indicated, and they fall within the realm of prophecy. It is, however, possible to ascertain with a fair degree of accuracy the economic forces which will be operating in the equity market. There are both strong as well as weak factors. Briefly analyzed, they are as follows. The strong factors are:

(1) We are in the midst of a healthy business recovery. While one cannot as yet ascertain how long the recovery will last and how far it will go, it is generally agreed that all economic indicators will reach levels higher than prevailed at the previous peaks.

(2) The increase in business activity is bound to be accompanied by an increase in corporate profit. While there is still a squeeze on the margin of profits, it is generally agreed that corporate profits during the present year will be larger than a year ago. Thus, for example, the Budget Message estimates that corporate taxes during fiscal 1963 will be \$5.3 billion larger than during the present fiscal year. Whether this will materialize, only time can tell.

(3) Great efforts will be made by the government to accelerate the rate of economic growth. The proposed 8% tax credit on investments by corporations, if enacted, as well as modifications of the depreciation provision of the Revenue Code, will not only stimulate capital expenditures by corporations but also increase the cash flow, which some security analysts consider important in evaluating prices of equities.

(4) Finally, the long-term growth of the economy which will take place is bound to influence some investors to retain their present equity holdings or even to increase them even though they may consider present equity prices too high. It goes without saying that the capital gains tax prevents many holders from selling part of their securities.

The unfavorable factors are:

(1) It is generally agreed that prices of equities are historically high and that even the upward movement of equity prices sooner or later has to come to an end.

(2) Similarly, price-earnings ratios are considered by many investors as too high, even by those who are projecting the growth of earnings of the past into the future.

(3) There is a wide discrepancy between bond and stock yields. A further increase in interest rates, which is likely to take place in the not distant future, will, unless accompanied by a decline in equity prices, further widen this spread. Many institutional investors, particularly those interested in income, may be induced to shift from equities into bonds, in order to increase the return on their investments. This is of particular importance to pension funds.

(4) It has been recognized that the inflationary process has come to an end. Since 1958 the Index of wholesale prices has remained relatively stable, fluctuating around 119. As before indicated, any renewal of the wage price spiral is bound to be combatted by the Administration because a further increase in commodity prices would further aggravate the balance of payments of the country and undermine confidence in the integrity of the dollar abroad. The latter has to be maintained at all costs in order to avoid an international liquidity crisis. With the fear of inflation receding and the belief in a devaluation of the dollar receding with it, the desire to hedge against these contingencies will cease to be a factor in the equity market.

I am quite sure that other strong and weak forces could be mentioned. Which of these two sets of forces will prevail is obviously impossible to tell. An analysis of the known factors;

however, gives the investment officer the possibility of making a sound decision. At present caution obviously is indicated. In my opinion, the bargains in the near future will be in the bond market and not in those equities that are selling at 30 times price-earnings ratio and higher.

Conclusions

(1) The economic scene in the U. S. is marked by many cross-currents and contradictions. There is the imperative need to increase production and productivity in order to raise the rate of economic growth and to become more competitive in the world's markets; and at the same time we witness a material reduction in the hours of work in an important segment of the construction industry, which is bound to lead to higher housing, hence higher living costs. While the government is vigorously enforcing the antitrust laws against business concerns, monopolistic practices of some labor unions are entirely overlooked. At a time when national security needs absorb nearly 60% of the total expenditures of the Federal Government, no effort is made to reduce other expenditures, as for example, the increase in "nonservice" connected pensions to veterans.

The estimates of the budget for fiscal 1963 are based on a very substantial increase in corporate profits; yet the equity market which should reflect this trend is jittery and on the whole weak. If one adds to this the highly uncertain international political situation, the problems arising from the balance of payments deficit and the challenge emanating from the Common Market, one can readily see that one has to be a prophet indeed to appraise accurately the economic and financial trends of the country.

(2) The basic tasks before the nation are quite clear; they can be expressed in one word—discipline.

(a) Discipline on the part of the government in its spending program to eliminate waste; to establish a set of priorities based on the pressing national needs, and through a thorough revision of the tax structure, to stimulate private initiative and investments.

(b) Discipline on the part of management and labor to increase productivity, to produce better quality goods at lower prices, and a realization that the U. S. can meet its responsibilities at home and abroad only by an increase in output; plus the realization that a rise in money supply, fiscal deficits, government handouts and featherbedding do not create wealth nor increase living standards. At a time when the U. S. has to spend billions of dollars on defense at home and abroad, when, in spite of the large balance of payments deficit and the dwindling gold reserves, foreign economic aid shows no decline, when in spite of the Treasury expectation of a continued uptrend in business activity and estimated revenues of \$92.5 billion, we can show a surplus (if any) of less than \$500 million, there obviously is a crying need for discipline and for the abandonment of the policy of politics as usual.

(3) Grave as the problems are and notwithstanding the lack of understanding of their seriousness by many segments of the population, there is no need for pessimism. The military might of the U. S. A. and the rapid integration of the Western world constitute a powerful bulwark against Soviet aggression. The U. S. can and must meet the challenge as well as the opportunities offered by the Common Market, for the alternative is economic isolation which under present international conditions is unthinkable. The balance of payments problem is serious; but in a sense it is a blessing in disguise, for, unless rectified, it imposes a certain degree of discipline on fiscal and monetary policy. This is

already evident in the latter. The integrity of the dollar must and will be maintained. Already measures have been taken to strengthen the resources of the I.M.F. to meet any speculative raid on a key currency, and it is fully realized by all financial leaders in the Free World that a dollar crisis would be tantamount to an international liquidity crisis.

While some labor unions, particularly in the construction and transportation industries, have taken advantage of their monopolistic position, those in manufacturing industries are realizing the effects which rising wages and prices have on employment and are adopting a more reasonable attitude in their demands for higher wages and fringe benefits. No prolonged work interruption in important and basic industries is to be expected.

(4) The decision of a trust investment officer will be influenced by the political, economic, and financial trends. He will, or he already has, realized that the present climate is not conducive to boldness, but on the contrary requires caution. While there are many favorable factors, the fact cannot be overlooked that prices of many equities are high, that they are selling at a very high price-earnings ratio, that the spread between bond and stock yields is wide. Since the percentage of equities held in many trusts is very large, this would seem to be an appropriate time to do something for the life tenant without hurting the remainderman. Although the budget forecasts a sharp increase in corporate profits which, if it materializes, should benefit equity holders, one must not forget that these are estimates and that past experience has shown that even a larger estimated surplus ultimately ended in a substantial deficit.

I have stressed the imperative need of discipline. This applies with equal force to trust investment officers. The experience of the fifties—when the economic growth of the country was greatly influenced by the effects of the war and its aftermath—cannot be projected into the first half of the present decade. In a period of low visibility, the best policy to follow is not to stand still but to slow down. When the fog lifts, as it always does, there will be ample time to take advantage of the opportunities which the economic and political changes then will offer.

An address by Dr. Nadler before the 43rd mid-winter conference sponsored by the American Bankers Assn., New York City, Feb. 5, 1962.

Atlas Electronics Stock Offered

Hay, Fales & Co., and McLaughlin, Kaufman & Co., New York City, are offering publicly, 185,000 common shares of Atlas Electronics, Inc., at \$2.10 per share. Net proceeds will be used by the company for the repayment of debt, purchase of additional inventory, and working capital.

The company, of 774 Pfeiffer Blvd., Perth Amboy, N. J., is engaged in the distribution of electronic components, parts and equipment, as well as high fidelity radio and television components and equipment, all of which are manufactured by others. For the fiscal year ended March 31, 1961, Atlas had sales of \$927,017 and net income of \$31,802 against \$527,190 and \$13,584, respectively, in the like period of 1960.

J. M. Rowley Co. Formed
CLAYTON, Mo. — J. M. Rowley Company is conducting a securities business from offices at 111 South Meramec. Partners are Joseph M. Rowley and K. M. Hough. Mr. Rowley was formerly with Dempsey-Tegeler & Co.

AS WE SEE IT

Continued from page 1

Kennedy had to say in 1960, though one may well doubt whether this technological revolution in agriculture is unique—however great and impressive as it has been. We may well question whether it was in so large a degree as seems to be implied a result of public policy. It seems to us to be part and parcel of the economic developments of the past two or three decades as a study of almost any area of economic production over that period of time will quickly reveal. It without question brought some very real problems in its wake just as similar developments in industry generally did. It may or may not be, as the President would like to have us believe, that these problems were and are more difficult of solution than in other branches, but the fact is clear to us that the basic reason why they played such havoc in agriculture is simply that government, under whatever pretext, set itself firmly and persistently to prevent or discourage such adjustments as were necessary in the premises and were actually made in most other branches.

At one point the President takes pains to suggest what the results of a radical change in government policy would be. His idea is no doubt to dismiss out of hand any plea for really sane agricultural programs, but what he seems to us to have done is to place the whole series of modern agricultural programs under the most severe condemnation. "Four independent studies," he says, "by Cornell University, Iowa State University, the Joint Economic Committee of Congress, and the Senate Committee on Agriculture and Forestry, show how sharp would be the drop in farm prices and farm income if farm programs were abandoned. These studies agree that wheat prices would be sliced almost in half, oat prices 25%, barley 28%, soybeans 38%, grain sorghums 22% and dairy products 17%. Non-price-supported commodities would also suffer. Livestock commodities would drop 24%, egg prices 20%, cattle prices 25%, hogs 30% and broilers and turkeys even lower than this year."

If such drops in prices would accompany or follow abandonment of farm programs, then, of course, these same programs have been forcing us all to pay that much more than is really necessary for products we all must buy in very considerable quantities to say nothing of the waste and losses that have been entailed in the process.

Sensible Statement

And it is at this point that the President makes the most

sensible statement of his entire message to Congress, "Nor can the Federal Government be expected to undertake an indefinite program of large and unpredictable budget expenditures to acquire stocks of commodities that we do not need and can not use. By the beginning of 1961—when the emergency legislation was introduced to reduce inventories—the Commodity Credit Corporation had over \$9,000,000,000 in loans and inventories. Carrying costs exceed a billion dollars a year." And so the President reaches the conclusion that radically different farm legislation is a must. One might have hoped that changes suggested would bear a close relation to the evils he has mentioned—or at least provide a reasonable hope that real relief would be afforded.

Like his predecessor, the President has arrived at the conclusion that something has to be done to reduce these enormous surpluses and prevent their recurrence. His idea of how this should be done is, however, radically different from that of his predecessor in office. In point of fact he seems to have borrowed a leaf from the notebook of those who believe that the cure for all sorts of evils is simply more government control. Do the farmers produce more than can be utilized or even stored at reasonable costs? Then the thing to do is to tell them they must cease and desist—and if they do not wish to take orders of this sort then they must simply not have any more of the subsidies that they have been getting. It is the New Deal all over again, except that more extreme measures are to be employed in the implementation of the program.

Not So Simple

Now, of course, our problem is not as simple as it is thus made to seem. The farmers are producing too much of various things. There is no point in trying to deceive ourselves with the old notion that somehow we can persuade people to consume them by this, that, and the other marketing scheme or by sudden discovery of new uses for them. Reduction in production is the only answer, and that means reduced acreages—greater reductions than in the past have sometimes been thought needed, since production per acre has so drastically increased. But it would hardly be a sensible solution to have the farmers pro rata reduce their acreage—and then sit on their hands the rest of the time, living on subsidies that you and I pay them. These men are important factors of production, or should be, and if what they

have been producing is no longer wanted in accustomed amounts, they must produce something else that is wanted.

This means when all is said and done that fewer men are needed to man our farms, and part of the present farm population must move to other fields. That movement is even now under way but too slowly. Nothing in the President's program is likely to stimulate such a movement, or to permit it to develop naturally.

J. Barth & Co. Admits Partner

SAN FRANCISCO, Calif.—Claude N. Rosenberg, Jr. has been admitted as a general partner of J. Barth & Co., 404 Montgomery St.,



C. N. Rosenberg, Jr.

members of the New York and Pacific Coast Stock Exchanges. Mr. Rosenberg joined the investment banking and brokerage firm in 1955, and has been a security analyst and registered representative. For the

several years he has been an instructor on investments in the Adult Education Program of the San Francisco school system and at the American Institute of Banking.

The new Barth partner received a Bachelor of Arts degree from Stanford University and a Masters of Business Administration degree from the Stanford Graduate School of Business.

Eon Corporation Common Offered

L. H. Rothchild & Co., 52 Wall St., New York City, is offering publicly 133,333 common shares of Eon Corporation at \$7.50 per share. Net proceeds will be used by the company for the purchase and installation of machinery, leasehold improvements, and working capital.

The company of 175 Pearl St., Brooklyn, N. Y., was organized under New York law in August 1961 for the purpose of developing and manufacturing equipment for radiation detection and measurement, as well as other electronic and nuclear instruments and devices for sale to governmental agencies and private industry.

Eastman Dillon Opens New Office

CHICAGO, Ill. — Eastman Dillon, Union Securities & Co. has opened a new and larger Central division office on the fourth floor of the field building, 135 South La Salle Street. Eastman Dillon, which was established in 1909, has maintained offices in Chicago for 30 years.

The firm has installed a new communications system including Translux repeaters on the New York and American Stock Exchanges, with several Quotron units which give instantaneous stock quotations.

Robert P. Walker and Willis L. Roberts are partners in charge of the Chicago office.

Kurz-Liebow Office

EDISON, N. J.—Kurz-Liebow & Company Inc. has opened a branch office at 66 Winthrop Road.

Atomic Energy and the Law

Continued from page 21

kept pace with its development. Almost from the very beginning of the days of the Manhattan Project, careful attention has been given to the biological and medical aspects of the subject. By contrast, the automobile revolutionized our pattern of living and working, but we are only now beginning to appreciate the problems of safety, urban congestion, nervous tension, and atmospheric pollution which have accompanied its development. In the same way, the development of the aircraft industry outran our knowledge of how to meet the environmental needs of the human beings it intended to transport through the skies."

Radioactivity and nuclear reactions, and their possible harmful effects on people, when uncontrolled, are the aspects of atomic energy which present novel problems for the law. Their presence is the main reason for two major consequences of the Statutory provisions for the AEC and which I should like to mention in relation to legal problems. First, the Commission has unique regulatory powers. Second, every expansion or new application of atomic energy is coupled with extensive and relentless research to insure safety, and the results are fed back into the regulatory program.

Unique Regulatory Powers

Consider some of the unique regulatory powers of the AEC which derive from the 1954 Statute and subsequent amendments to the Atomic Energy Act. The Commission has legal title to all special nuclear material. Only if he is licensed by the Commission may a person own or operate a facility for the production or utilization of atomic energy, or possess uranium, thorium, plutonium, or by-product material for civilian use.

The lawyer, whose client is an applicant for a license for a nuclear power plant, may feel that the AEC is obsessed with safety. The reason is that the AEC must make the likelihood of accidents as remote as possible. Therefore, the applicant must present in most complete detail his plans for reactor construction and operation. He must prepare a scientific analysis of foreseeable failures in design or operation that might cause a nuclear accident. He must show that he has provided adequate means of control of the energy and radioactivity that might be released if an accident should occur. This information is critically analyzed by the Commission staff and carefully reviewed by the Advisory Committee on Reactor Safeguards—a statutory body made up of outstanding scientists and technicians in the various disciplines associated with reactor technology and nuclear safety. In addition to determining that the proposed nuclear plant can be operated without undue risk to the public health and safety, the AEC requires individual personnel for the plant to obtain licenses by demonstration of qualifications and training and satisfactory completion of tests.

The location of a nuclear plant presents a safety concern. Proximity to populated areas, while an important consideration in itself, is not the only factor. We must also consider the topographical and sub-surface conditions, the proximity to surface or sub-surface bodies of water, prevailing wind directions, the frequency of earthquakes and proximity of geological faults. The importance of any or all of these factors will vary, depending upon the type of reactor, its power level, containment, and other characteristics. In the earlier years of development because of incomplete

knowledge of various reactor types, we had no established criteria for reactor location. The result has been that some sites have been found inadequate after a developer's plans had crystallized. The Commission has recently issued proposed general criteria for selection of reactor sites which we hope will permit the initiation of new projects with greater assurance that the proposed site will meet the Commission's requirements for protection of the public.

No Basis Seen for Public Anxiety

While radiation at times has produced public anxiety out of proportion to the hazard, the law and the members of the Bar must deal realistically with the facts of this risk. A good deal is known about immediate and long-term biological effects of exposures to internal and external radiation in large and small amounts occurring over short and long periods of time. There is a history of more than a half-century of the use of X-rays and radium in the diagnosis and treatment of disease and more recently in industry. The Manhattan Engineering District and subsequently the AEC have had broad experience with all forms of nuclear radiation and the effects and hazards thereof in nuclear research, industrial application, and in weapons effects; and both have sponsored continuing, intensive, and high-level research on the medical and biological effects of all forms of radiation on life, ranging from single-cell organisms to humans. The data derived from these experiences and studies have been extensively published and are available to the Bar.

The Commission has established as regulations standards for protection against radiation, setting forth maximum permissible levels of exposure of radiation workers and the general public.

Radioactive waste disposal is also a regulatory concern of the AEC. These "clinkers" of atomic energy, in gaseous liquid, or solid form, are created in essentially all nuclear energy operations, and we must dispose of them. The more intensely radioactive wastes are concentrated and confined to controlled areas, such as underground tanks, away from the environment, where they are under constant control by the AEC. Low level wastes do not require these measures, and may be released into the environment—the air, the sea, and the soil—after proper precautions have been taken.

Interesting Legal Questions

As you can see, we exercise great care in minimizing the risks of waste disposal and other atomic energy activities. But should problems arise at some time, I am sure you can imagine interesting legal questions that would be involved. In case of injury, what limitation should be established for commencement of a suit, since many years may expire before an injury is manifested? How can injury be identified as having been caused by a particular source of radiation, where there may have been a number of sources of possible exposure? The problem becomes complex, indeed, since the cause may not even be radiation.

Space Safety

As we introduce atomic energy into aerospace uses, we begin to get "far out," not only literally but legally. However, the AEC is also involved in questions of space safety and law. We are, for example, developing nuclear propulsion devices for NASA space vehicles. We have been engaged in developing in a joint program with NASA radioisotope and reactor-powered SNAP devices,

which have and will provide auxiliary power for instruments in satellites.

I should like to recall, once again, the paradox visualized in the invention of the internal combustion engine: on the one hand were the great benefits; on the other the serious dangers to people. Our whole modern civilization is founded upon new technologies that have the same built-in paradox. We have learned to seize upon and exploit the benefits, while reducing the risk to health and safety.

As a nation, we appear to have less perspective on these problems so far as peaceful atomic energy is concerned. The atom is less tangible than the automobile or the airplane. It is more mysterious, and what is unknown sometimes creates unwarranted fears. Is it possible, then, that our reactions are more emotional than logical? An important contribution the legal profession can make is, by the acquisition and application of knowledge, to place the risk in a realistic perspective for both the law and the public.

Our infinite care — onerous at times to those who must deal with the AEC—has been worthwhile in my judgment. Our safety consciousness has been carried over into the conventional phases of our industrial operations, such as transportation and the use of chemicals and machine tools. The result is that the AEC has achieved an outstanding record of safety, winning the National Safety Council Award year after year and having a lost-time accident record far better than the average of other industries. I cite this record, not with complacency, but in all humility. For it seems clear that, despite the most effective safety precautions we can undertake in Government and industry, some accidents in atomic energy are likely to occur, as they have in the past on rare occasions. But I do cite it to indicate what can be accomplished with the kind of care and attention health and safety receives in the AEC program.

I should like to congratulate the Federal Bar Association for the contribution it has made toward educating the Bar concerning atomic energy matters through the conduct of briefing conferences and the activities of its Committee on Atomic Energy. I understand that the problems of atomic energy and workmen's compensation are being considered at the meeting of that committee during this convention.

I am told that legal principles from the early common law of England proved adaptable to the Air Age, and I am confident that it will prove to be equally adaptable in the Age of the Atom and Space. Today, atomic energy is a new force and a new challenge for the law. I welcome the help of the legal profession in speeding the integration into our society of this new development that is bound to affect the course of history on the earth and in the nearby universe for the foreseeable future.

*Remarks by Mr. Seaborg at the Annual Convention, Federal Bar Association, Washington, D. C.

Distributors Group Elects Officers

Distributors Group, Inc., 80 Pine St., New York City, national sponsor and investment advisor for Group Securities, Inc., have elected the following officers of the company effective Feb. 1:

Martin J. Fribush, Vice-President—financial planning; William C. Roper, resident Vice-President—East Central States; Thomas F. Ford and William H. Kane, assistant Vice-Presidents—investment research; and Frank J. Barone, Assistant Treasurer.

A. B. A. Promotes Staff Members



William P. Bogie



G. Edwin Heming



George J. Kelly

The American Bankers Association has promoted three staff members to the rank of Deputy Manager, Executive Vice-President. Charles E. Walker has announced.

The designations went to: William P. Bogie, Editor, "Banking" Magazine, the A. B. A. journal; G. Edwin Heming, Manager, Advertising Department; and George J. Kelly, Director, News Bureau.

Mr. Bogie has served on "Banking's" staff since 1932 and became its Editor Feb. 1 of this year.

Mr. Heming joined the A. B. A. Advertising Department in 1944 and has managed it since 1953. Previously he was an account executive of the Merrill Anderson Company of New York and for 16 years was associated with the First National Bank, Freeport, N. Y., serving as Vice-President, Trust Officer, and member of the Board of Directors. He also was the First President of Nassau County Chapter, American Institute of Banking, and Secretary of the Nassau County Bankers Association.

Mr. Kelly came with the Association in 1956 as Director of Information of its Washington, D. C. office. Formerly national public relations director of The American Legion, he became Assistant Director of the News Bureau in 1958 and transferred to New York City as its Director in 1960.

New York City Pension Fund To Change Investment Policies

Abraham D. Beame, New York City's Comptroller, took the occasion of his luncheon address before the Brooklyn Civic Council on Monday of this week to announce some startling changes in the investment goals and management of the City's retirement pension fund. The following contains the highlights of his address.

During the past election campaign, I put the problem of pension fund investments high on my program. I promised to seek ways immediately of re-investing these funds to increase their interest yield.

Under the Retirement System, the City guarantees that its employees' savings in the pension funds will earn an average of almost 3½% interest a year. Yet, the present investments earn much less. The difference — \$16 million a year — must be made up by the city out of much-needed tax money.

We must seek new investment policies and methods to wipe out this deficit, while maintaining the safety of the pension funds. I am happy to state here that, after weeks of conferences, such a plan is going into effect.

Seven of the city's leading financial experts have agreed to serve, without salary, as advisers on investment policy.

To Use Advisory Service

I am also negotiating to retain the services of a top-flight investment organization which will advise me, on a day-to-day basis, about new and more profitable investment opportunities to increase the yield on pension funds.

Several outstanding organizations have been asked to submit offers. I expect to announce a choice soon.

The men who have agreed to serve on my advisory board represent a cross-section of our financial community. Their wide experience will be invaluable in helping to solve many difficult problems.

For example, almost two-thirds of our pension funds — nearly \$2 billion — is invested in New York City bonds, which bear comparatively low rates of interest.

We must proceed with great skill and care in marketing these securities and re-investing these funds and new funds in higher-yielding holdings.

We will seek investments of rock-ribbed safety — the same type allowed to savings banks — for these funds are the nest-eggs of thousands of city employees.

I expect soon to make a deep dent in that \$16 million deficit. Eventually, I hope to eliminate the deficit completely, and earn, at least, the guaranteed yield on our pension investments.

Names Advisers

The names of six of the seven financial experts who will serve as advisers in a re-investment program aimed at wiping out the \$16 million annual deficit in City Pension Funds are as follows:

The Chairman of the Committee of Advisers is R. E. McNeill, Jr., President of the Manufacturers Hanover Trust Co.

The others are Earl Harkness, President of the Greenwich Savings Bank; Joseph A. Kaiser, President of the Williamsburg Savings Bank; J. V. Herd, Chairman of America Fore Loyalty Group; George S. Moore, President of the First National City Bank; John B. Bridgewood, Executive Vice-President of the Chase Manhattan Bank.

The seventh member of the Committee has indicated his willingness to serve but wants to discuss this program with his associates. He is out of town and will be back by the end of this week.

C. H. Holding Forms Co.

RICHMOND, Va. — Clarence H. Holding is conducting a securities business from offices at 920 East Main Street, under the firm name of Clarence H. Holding & Co.

H F & R Formed

H F & R Inc. has been formed with offices at 2 Park Avenue, New York City, to engage in a securities business. Arthur L. Feinstein is a principal of the firm.

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.

● Acro Electronic Products Co. (2/19-23)

July 17, 1961 filed 155,000 class A common. Price—\$2. 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—119 St. Mihiel Dr., Riverside, N. J. Underwriter—Roth & Co., Inc., and Janov & Co., Philadelphia.

Acrylic Optics Corp. (2/13-16)

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 Firth National Bank, Detroit. Underwriter—A. D. Gilhard & Co., Inc., N. Y.

Admiral Automotive Products, Inc.

Jan. 11, 1962 filed 100,000 common. Price—\$4. Business—A warehouse distributor of automobile equipment accessories and supplies. Proceeds—For expansion and working capital. Office—3294 Steinway St., Astoria, N. Y. Underwriter—Baruch Brothers & 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. (2/13-16)

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.

★ Aerodyne Controls Corp.

Jan. 29, 1962 ("Reg. A") 90,000 common. Price—\$2. Business—Design, manufacture and sale of systems, controls and assemblies for the missile, rockets and aircraft industries. Proceeds—For equipment, debt repayment, expansion and working capital. Office—90 Gazza Blvd., Farmingdale, N. Y. Underwriter—Robbins, Clark & Co., N. Y.

Aero Space Electronics, Inc.

Dec. 22, 1961 ("Reg. A") 80,000 common. Price—\$3. Business—Design and production of electronic components used in electronic and electro-mechanical apparatus. Proceeds—For working capital, new product development, equipment and other corporate purposes. Office—2036 Broadway, Santa Monica, Calif. Underwriter—Walter Security Co., 320 Northern Blvd., Great Neck, N. Y.

Agency Tile Industries, Inc. (2/26-3/2)

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.

Ainsbrooke Corp. (3/26-30)

Jan. 8, 1962 filed 200,000 capital shares, of which 100,000 are to be offered by the company and 100,000 by the stockholders. Price—\$10. Business—Manufacture of men's and boys' underwear and pajamas. Proceeds—For expansion, inventory and working capital. Office—350 Fifth Ave., N. Y. Underwriters—Richard Bruce & Co., Inc., and Reubin Rose & Co., Inc., N. Y.

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.

● Airtronics International Corp. of Florida (2/14)

July 29, 1961 filed 186,625 common, of which 150,000 are to be offered by the company and 36,625 by stockholders. Price—By amendment. Business—Manufacture of electronic, mechanical and components. Proceeds—Repayment of loans, expansion and working capital. Office—8900 West Road 84, Fort Lauderdale, Fla. Underwriters—Stein Bros. & Boyce, Baltimore and Vickers, McPherson & Warwick, Inc., N. Y.

● Alan-Randal Co., Inc.

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. Offering—In mid-March.

● Alaska Pacific Lumber Co. (3/12-16)

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. (2/14)

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.

Alberto-Culver Co.

Jan. 12, 1962 filed 68,000 common. Price—By amendment. Business—Manufacture and sale of cosmetics and toiletry preparations, particularly in the hair care field. Proceeds—For selling stockholders. Office—2525 Armitage Ave., Melrose Park, Ill. Underwriter—Shields & Co., N. Y. Offering—Expected in mid-March.

Al-Crete Corp.

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. Note—This offering was temporarily postponed.

● All-State Auto Rental Corp. (2/13-16)

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.

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.

Allied Capital Corp. (2/19-23)

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.

● Allied Entertainment Corp. of America, Inc.

Jan. 23, 1962 ("Reg. A") 125,000 common. Price—\$2. Business—Music publishing; the manufacture and distribution of phonograph records, and the development and production of TV jingles. Proceeds—For debt repayment and working capital. Office—9171 Wilshire Blvd., Beverly Hills, Calif. Underwriter—Ellis Securities, Inc., Great Neck, N. Y.

Alloys & Chemicals Corp.

Dec. 27, 1961 filed 225,000 common. Price—By amendment. Business—An aluminum smelter and refiner engaged in the production of aluminum alloys. Proceeds—For selling stockholders. Office—4365 Bradley Road, Cleveland. Underwriter—Joseph, Mellen & Miller, Inc., Cleveland.

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. (3/19-23)

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.

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.

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.

American Bolt & Screw Mfg. Corp. (2/26-3/2)

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. (2/19-23)

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 (2/19-23)

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 Cardboard & Packaging Corp.

Jan. 5, 1962 filed 150,000 common. Price—\$3.50. Business—Manufacture and sale of cardboard boxes, display boards, etc. Proceeds—For general corporate purposes. Office—1101 W. Cambria St., Philadelphia. Underwriters—Milton D. Blauner & Co., Inc., M. L. Lee & Co., Inc., N. Y., and Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia. Offering—Expected in March.

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, and a loan and finance company. Proceeds—For general corporate purposes. Office—930 Grant St., Denver. Underwriter—Nation-Wide Underwriters, Inc., Denver (a subsidiary).

★ Ameritron Electronics, Inc.

Feb. 1, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Manufacture of electronic components and the production of an expandable polystyrene thermal insulating cup. Proceeds—For general corporate purposes. Office—377 Fifth Ave., N. Y. Underwriter—None.

American Finance Co., Inc. (2/15)

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 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. (2/15)

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 research. Underwriter—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.

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American Phoenix Corp.

Jan. 24, 1962 filed 315,000 class A shares. Price—\$10. Business—General real estate. Proceeds—For corporate purposes. Office—320 Park Ave., N. Y. Underwriter—Interamerica Securities Corp., 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—A. C. Allyn & Co., Chicago and Goodbody & Co., N. Y. Offering—Expected in March.

American Pipe & Construction Co.

Jan. 15, 1962 filed 300,000 common. Price—By amendment. Business—Manufacture of reinforced concrete pipe used in construction of water mains, sewers and storm drains. Proceeds—For property improvements and working capital. Office—390 S. Atlantic Blvd., Monterey Park, Calif. Underwriter—Dean Witter & Co., San Francisco.

● **American Realty & Petroleum Corp. (2/26-3/2)**
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 Space Exploration, Inc.

Jan. 22, 1962 filed 250,000 common. Price—\$2. Business—Company plans to manufacture digital voltmeters, digital chronometers and solid state counters. Proceeds—For general corporate purposes. Office—3910 S. Kalamath St., Englewood, Colo. Underwriter—Preferred Securities, Inc., Denver.

American Telephone & Telegraph Co. (2/14)

Jan. 19, 1962 filed \$300,000,000 of debentures due Feb. 1, 1994. Proceeds—For advances to subsidiaries, expansion and other corporate purposes. Office—195 Broadway, N. Y. Underwriters—(Competitive). Probable bidders: Morgan Stanley & Co.; First Boston Corp. and Halsey, Stuart & Co. Inc. (jointly). Bids—Feb. 14 (11:30 a.m. EST) in Room 2315, 195 Broadway, N. Y.

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., R. W. Pizzini & Co., Inc. and Atlas Securities Corp., New York. Offering—Expected sometime in March.

Anchor Coupling Co., Inc.

Jan. 26, 1962 filed 488,000 common. Price—By amendment. Business—Manufacture of pressure hydraulic hose and metal tube assemblies. Proceeds—For selling stockholders. Office—342 N. Fourth St., Libertyville, Ill. Underwriter—Paine, Webber, Jackson & Curtis, N. Y.

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. Offering—Expected in mid-March.

Anscott Chemical Industries, Inc.

Jan. 5, 1962 filed 95,000 common. Price—\$2. Business—Development, sale and distribution of specialty chemicals and detergents. Proceeds—For sales promotion, new product development and general corporate purposes. Office—Industrial West, Allwood-Clifton, N. J. Underwriters—Glass & Ross, Inc. and Globus, Inc., N. Y.

Arizona Biochemical Co. (2/26-3/2)

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.

Arizona-New Mexico Development Corp.

Jan. 3, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Development of underground caverns as a tourist attraction. Proceeds—For debt repayment. Office—Suite No. 9—4344 E. Indian School Rd., Phoenix. Underwriter—Preferred Securities, Inc., Denver.

Arnav Industries, Inc. (3/12-16)

Dec. 29, 1961 filed \$600,000 of 6% convertible subordinated debentures and 36,000 common stock purchase warrants to be offered for sale in units of one \$1,000 debenture and 60 warrants. Price—By amendment. Business—Manufacture of hydraulic system devices and parts for the aircraft and missile industries, etc. Proceeds—For debt repayment and the purchase of additional equipment. Office—32 Industrial Ave., Little Ferry, N. J. Underwriter—Gianis & Co., Inc., N. Y.

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.

Art Packaging, Inc.

Jan. 26, 1962 ("Reg. A") 70,000 class A. Price—\$2. Business—Design, manufacture and sale of clear plastic, vacuum formed "blisters" for packaging. Proceeds—For equipment, inventory and working capital. Office—126 Greenpoint Ave., Brooklyn, N. Y. Underwriter—Bernard L. Madoff, N. Y.

Artlin Mills, Inc. (2/26-3/2)

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. (2/19-23)

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.

Ascot Publishing Co., Inc.

Jan. 29, 1962 ("Reg. A") 103,000 common. Price—\$2. Business—Publishing of a bowling magazine. Proceeds—For general corporate purposes. Office—14 W. 55th St., N. Y. Underwriter—Dana Securities Co., Inc., 258 Broadway, N. Y.

Associated Baby Services, Inc.

Jan. 17, 1962 filed 160,000 common, of which 60,000 are to be offered by the company and 100,000 by stockholders. Price—\$7.50. Business—Operates diaper services, supplies linens, and publishes "Baby Talk" magazine which is distributed in U. S. and Canada. Proceeds—For equipment and working capital. Office—149 Madison Ave., N. Y. Underwriter—Brand, Grumet & Seigel, Inc., N. Y. Offering—Expected sometime in March.

Astro-Science Corp. (2/26-3/2)

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.

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.

Atlantic Capital Corp. (2/26-3/2)

Aug. 29, 1961 filed 500,000 common. Price—\$12.50. Business—A small business investment company. Proceeds—For general corporate purposes. Office—744 Broad St., Newark, N. J. Underwriter—Paine, Webber, Jackson & Curtis, N. Y. C.

Atlantic Utilities Corp.

Jan. 26, 1962 filed 200,000 common. Price—\$6. Business—Construction and operation of water-treatment and sewage-disposal plants. Proceeds—For construction, plant expansion, and a loan to a subsidiary. Office—17850 N. 29th Court, Opa Locka, Fla. Underwriter—Hardy & Co., N. Y.

Atmospheric Controls, Inc.

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. Offering—In late February.

Anchor Coupling Co., Inc.

Jan. 26, 1962 filed 488,000 common. Price—By amendment. Business—Manufacture of hoses and related fittings. Proceeds—For selling stockholders. Office—342 N. Fourth St., Libertyville, Ill. Underwriter—Paine, Webber, Jackson & Curtis, N. Y.

Ausco, Inc. (2/13)

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.

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. Note—This registration was withdrawn.

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 Controls, Inc.

Dec. 28, 1961 filed 50,000 common. Price—\$4. Business—Design, manufacture and installation of electrical, pneumatic, hydraulic and mechanical systems, controls and devices to control and automatically operate industrial machinery and processes. Proceeds—For general corporate purposes. Office—3601 Merrick Rd., Seaford, N. Y. Underwriter—S. Schramm & Co., Inc., 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.

B. V. D. Co., Inc. (2/26-3/2)

Dec. 28, 1961 filed 600,000 common, of which 400,000 are to be offered by the company and 200,000 by stockholders. Price—By amendment. Business—Manufacture of men's underwear, ties and accessories. Proceeds—For debt repayment, expansion and working capital. Office—404 Fifth Ave., N. Y. Underwriter—Drexel & Co., Philadelphia.

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 sometime in April.

Bacharach Industrial Instrument Co.

(2/26-3/2)
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.

Bank "Adanim" Mortgages & Loan Ltd.

Dec. 29, 1961 filed \$556,000 of 6% cumulative preference dividend participating dollar-linked shares. Price—By amendment. Business—A mortgage lending company. Proceeds—For general corporate purposes. Address—108 Achad Haam St., Tel-Aviv, Israel. Underwriter—Adanim American Israel Investment Co., Inc.

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.

Barry (R. G.) Corp. (2/26-3/2)

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.

Barth Vitamins Corp.

Jan. 23, 1962 filed 180,000 class A shares. Price—By amendment. Business—The mail order sale of vitamins and dietary products. Proceeds—For selling stockholders. Office—270 W. Merrick Rd., Valley Stream, L. I., N. Y. Underwriter—H. Hentz & Co., N. Y.

Basic Inc. (2/15)

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.

Baxter Laboratories, Inc. (3/12-16)

Jan. 22, 1962 filed \$10,000,000 of convertible subordinated debentures due 1982, and 120,000 common shares. Price—By amendment. Business—Manufacture of pharmaceutical supplies and equipment. Proceeds—For debt repayment and working capital. Office—6301 Lincoln Ave., Morton Grove, Ill. Underwriters—Lehman Brothers and Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

Bay State Electronics Corp. (2/19-23)

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.

Beacon Investing Corp.

Dec. 20, 1961 filed 300,000 shares of capital stock. Price—Net asset value. Business—A mutual fund. Proceeds—For investment. Office—22 The Fenway, Boston. Underwriter—None.

Bebell & Bebell Laboratories, Inc.

Jan. 2, 1962 ("Reg. A") 75,000 common. Price—\$4. Business—Production of colored photographic prints, slides and transparencies. Proceeds—For equipment, advertising, leasehold improvements and working capital. Office—108 W. 24th St., N. Y. Underwriter—Stevens, Hickey & Co., N. Y. Offering—Expected in late March.

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.

Becton, Dickinson & Co. (3/26-30)

Jan. 26, 1962 filed 480,000 common, of which 200,000 are to be offered by the company and 280,000 by stockholders. Continued on page 32

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ers. **Price**—By amendment. **Business**—Manufacture of products used in the medical profession. **Proceeds**—For expansion and working capital. **Office**—East Rutherford, N. J. **Underwriter**—F. Eberstadt & Co., N. Y.

★ **Bell Color Lithographers, Inc.**

Feb. 5, 1962 filed 130,000 common. **Price**—\$4.50. **Business**—Engaged in commercial offset lithography. **Proceeds**—For debt repayment and working capital. **Office**—225 Varick St., N. Y. **Underwriter**—Market Values, Inc., N. Y.

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., Gardena, 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.

Bernalen, Inc.

Jan. 12, 1962 ("Reg. A") 70,000 common. **Price**—\$2.62½. **Business**—Design, manufacture and installation of photographic equipment. **Proceeds**—For general corporate purposes. **Office**—9821 Foster Ave., Brooklyn, N. Y. **Underwriter**—Amber, Burstein & Co., Inc., N. Y. **Offering**—Expected in mid-March.

● **Berne of California, Inc. (2/26-3/2)**

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.

★ **Berry Door Corp. (2/26-3/2)**

Dec. 18, 1961 ("Reg. A") 40,000 common. **Price**—\$7.50. **Business**—Manufacture, sale and distribution of doors. **Proceeds**—For working capital and general corporate purposes. **Office**—2400 E. Lincoln Rd., Birmingham, Mich. **Underwriter**—Raymond Moore & Co., Los Angeles.

★ **Beryllium International, Inc.**

Feb. 1, 1962 filed 1,000,000 common. **Price**—\$5. **Business**—Company plans to manufacture various type beryllium products. **Proceeds**—For land and buildings, equipment, and working capital. **Office**—528 Union Trust Bldg., Washington, D. C. **Underwriter**—None.

● **Besco Enterprises, Inc. (3/5-9)**

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. (3/5-9)**

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.

Big "C" Stores, Inc.

Jan. 22, 1962 ("Reg. A") 18,000 common. **Price**—At-the-market. **Business**—Company plans to operate supermarkets in Washington and Oregon. **Proceeds**—For selling stockholders. **Office**—1845 S. E. 3rd Ave., Portland, Ore. **Underwriters**—J. Barth & Co. and First California Co., San Francisco; Hill, Darlington & Grimm, Seattle.

Big Drum, Inc.

Dec. 29, 1961 filed 100,000 common. **Price**—By amendment. **Business**—Furnishes packaging materials and equipment to producers of frozen confections. **Proceeds**—For debt repayment and working capital. **Office**—1183 Essex Ave., Columbus, O. **Underwriters**—Merrill, Turben & Co., Inc., Cleveland and The Ohio Co., Columbus.

Bilnor Corp.

Jan. 8, 1962 filed 100,000 class A capital shares. **Price**—By amendment (\$11 max.). **Business**—Manufacture of wading pools. **Proceeds**—For the selling stockholders. **Office**—300 Morgan Ave., Brooklyn, N. Y. **Underwriter**—A. C. Allyn & Co., N. Y.

★ **Bison Manufacturing Corp.**

Jan. 26, 1962 ("Reg. A") 25,000 common. **Price**—\$5. **Business**—Design, manufacture and sale of merchandising equipment for outdoor use. **Proceeds**—For inventory, working capital, debt repayment and equipment. **Office**—35 Roetzer St., Buffalo, N. Y. **Underwriter**—S. D. Lunt & Co., Buffalo, 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.

Blane Chemical Corp.

Jan. 29, 1962 filed 120,000 common. **Price**—\$3. **Business**—The processing of plastic raw materials into compounds for extruding and moulding into plastic products. **Proceeds**—For debt repayment, equipment and working capital. **Office**—35 Pequit St., Camden, Mass. **Underwriter**—Godfrey, Hamilton, Taylor & Co., Inc., N. Y.

● **Block (H. R.), Inc. (2/14)**

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 (2/26-3/2)**

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.

Bolsa Chica Oil Corp.

Jan. 29, 1962 filed \$1,000,000 of 6% conv. subord. debentures due 1977. **Price**—At par. **Business**—Prospects for, develops, produces, and markets oil and gas. **Proceeds**—For debt repayment, exploration, and development. **Office**—612 S. Flower St., Los Angeles. **Underwriter**—Bregman, Cummings & Co., N. Y.

Bolsa Chica Oil Corp.

Jan. 29, 1962 filed \$1,024,700 of 6% conv. subord. debentures due 1977, to be offered for subscription at the rate of \$100 of debentures for each 65 shares held. **Price**—At par. **Business**—Prospects for, develops, produces, and markets oil and gas. **Proceeds**—For debt repayment, exploration, and development. **Office**—612 S. Flower St., Los Angeles. **Underwriter**—Bregman, Cummings & 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. **Offering**—Imminent.

Bowey's, Inc. (2/15)

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**—Cruttenden, Podesta & Co., Chicago.

★ **Brach (E. J.) & Sons**

Feb. 7, 1962 filed 210,000 common. **Price**—By amendment. **Business**—Manufacture of popular priced candies. **Proceeds**—For selling stockholders. **Office**—4656 W. Kinzie St., Chicago. **Underwriter**—Goldman, Sachs & Co., N. Y.

● **Brentwood Financial Corp. (3/5-9)**

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**—12001 San Vicente Blvd., Los Angeles. **Underwriter**—Hayden, Stone & Co., N. Y.

Bridge Electronics Co., Inc.

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. **Underwriter**—Roth & Co., Inc., Philadelphia. **Offering**—Expected in April.

Brown Engineering Co., Inc.

Jan. 22, 1962 filed 80,000 common. **Price**—By amendment. **Business**—Engineering and custom manufacturing activities pertaining to the space and missile programs. **Proceeds**—For debt repayment and working capital. **Address**—P. O. Drawer 917, Huntsville, Ala. **Underwriter**—Goodbody & Co., N. Y.

Brunswig Drug Co.

Jan. 15, 1962 filed 85,000 common. **Price**—By amendment. **Business**—A wholesale drug distributor. **Proceeds**—For selling stockholders. **Address**—Vernon, Calif. **Underwriter**—William R. Staats & Co., Los Angeles. **Offering**—Expected sometime in April.

● **Building Ventures, Inc. (2/13-16)**

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.

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. (2/26-3/2)

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. (3/9)**

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 counseling. **Proceeds**—For working capital. **Office**—527 Lexington Ave., N. Y. **Underwriter**—Morton Klein & Co., Inc., N. Y. **Offering**—Expected in late March.

C. M. P. Corp.

Jan. 19, 1962 filed 70,000 common. **Price**—By amendment. **Business**—Manufacture of molded plastic products, principally melamine dinnerware. **Proceeds**—For expansion, working capital and debt repayment. **Office**—118 Santa Barbara, Santa Paula, Calif. **Underwriter**—Pistell, Inc., N. Y.

Cable Carriers, Inc.

March 23, 1961 filed 196,109 shares of capital stock. **Price**—\$1.15. **Business**—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. **Proceeds**—For working capital. **Office**—Kirk Boulevard, Greenville, S. C. **Underwriter**—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. (3/5-9)**

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.

★ **Calev Photolabs, Inc.**

Jan. 29, 1962 filed 93,000 common. **Price**—\$3.25. **Business**—Company processes black and white and color photographic film, and sells photographic supplies and equipment. **Proceeds**—For sales promotion, equipment and repayment of loans. **Office**—21-20 45th Rd., L. I. C., N. Y. **Underwriter**—Amber, Burstein & Co., Inc., N. Y.

● **Calumet Industries, Inc.**

Jan. 8, 1962 filed \$1,550,000 of 6½% s. f. subord. debentures due 1982 and 100,750 common shares to be offered in units, each consisting of \$1,000 of debentures and 65 shares. **Price**—\$1,032.50 per unit. **Business**—Marketing of lubricating and fuel oils and asphalt products. **Proceeds**—For debt repayment and working capital. **Office**—10 S. La Salle St., Chicago. **Underwriter**—Cruttenden, Podesta & Co., Chicago. **Offering**—March.

● **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 May.

Cameo-Parkway Records, Inc.

Dec. 29, 1961 filed 200,000 class A common, of which 40,000 are to be offered by company and 160,000 by a stockholder. **Price**—By amendment. **Business**—Recording and distributing of phonograph records. **Proceeds**—For general corporate purposes. **Office**—1405 Locust St., Philadelphia. **Underwriter**—Godfrey, Hamilton, Taylor & Co., Inc., N. Y. **Offering**—Expected sometime in March.

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.

Capital Management Corp.

Dec. 27, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—An investment company which will hold mortgages, land contracts, etc. **Proceeds**—For investment. **Office**—44 E. Indian School Rd., Scottsdale, Ariz. **Underwriter**—Pacific Underwriters, Inc., Scottsdale, Ariz.

★ **Caprico International, Inc.**

Jan. 22, 1962 ("Reg. A") 52,000 common. **Price**—\$3. **Business**—Design, manufacture and wholesaling of a proprietary line of sporting goods. **Proceeds**—For general corporate purposes. **Office**—76 Madison Ave., N. Y. **Underwriter**—Douglas Barr, Zrike, Hart & Alkazin, Inc., New York.

● **Caribbean Cement Co., Ltd.**

Oct. 18, 1961 filed 288,000 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. (2/19-23)**

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.

● **Carmer Industries, Inc. (3/12-16)**

Nov. 28, 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**—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.

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- Graham Chemical Corp.**
Jan. 22, 1962 ("Reg. A") 100,000 common. Price—\$2.25. Business—Manufacture of dental anesthetic cartridges and related products. Proceeds—Production, advertising and promotion of disposable needles. Office—129-21 Merrick Blvd., Springfield Gardens, N. Y. Underwriter—Paul Eisenberg Co. Inc., N. Y.
- Grand Bahama Development Co., Ltd.**
Jan. 23, 1962 filed 250,000 common. Price—By amendment. Business—Sale and development of land on Grand Bahama Island for residential and resort purposes. Proceeds—For general corporate purposes. Office—250 Park Ave., N. Y. Underwriter—Allen & Co., N. Y. Offering—Expected sometime in April.
- Graniteville Co. (2/19-23)**
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.
- Gray Drug Stores, Inc.**
Jan. 2, 1962 filed \$5,230,000 of 5% convertible subordinated debentures due 1982, to be offered for subscription by common stockholders on the basis of \$100 of debentures for each 12 shares held. Price—By amendment. Business—Operation of a retail drug chain. Proceeds—For expansion and working capital. Office—2400 Superior Ave., Cleveland. Underwriter—McDonald & Co., Cleveland.
- Grayson-Robinson Stores, Inc.**
Jan. 26, 1962 filed \$10,000,000 of 5% senior subord. debentures due 1985. Price—By amendment. Business—Retail sale of women's and children's apparel and photographic and audio equipment. Proceeds—For expansion, diversification, and working capital. Office—550 W. 59th St., N. Y. Underwriter—To be named.
- 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. Offering—Imminent.
- Great Eastern Foods Corp.**
Jan. 29, 1962 filed 150,000 common. Price—\$4. Business—Retail distributing of food freezers, frozen foods, groceries, etc. Proceeds—For general corporate purposes. Office—3325 Keswick Rd., Baltimore. Underwriter—Switzer & Co., Inc., Silver Spring, Md.
- Great Lakes Homes, Inc.**
Dec. 26, 1961 filed 93,000 common. Price—By amendment. Business—Manufacture of custom-designed, factory built "house packages" consisting of basic carpentry for houses, and construction of shell homes. Proceeds—For debt repayment and for working capital. Office—Sheboygan Falls, Wis. Underwriter—The Milwaukee Co., Milwaukee.
- 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 New York Box Co., Inc.**
Dec. 29, 1961 filed 100,000 common. Price—By amendment (\$7 max.). Business—Manufacture of corrugated board and containers. Proceeds—For general corporate purposes. Office—149 Entin Rd., Clifton, N. J. Underwriter—D. H. Blair & Co., N. Y.
- 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 Acres Funtown Inc.**
Jan. 23, 1962 filed 225,000 common to be offered for subscription by stockholders of Bowling Corp. of America, parent. Price—\$3. Business—Company will operate an indoor amusement and recreation area in Green Acres Shopping Center, Valley Stream, L. I. Proceeds—For general corporate purposes. Office—120 Broadway, N. Y. Underwriter—R. L. Warren Co., St. Louis.
- Green (Henry J.) Instrument Co.**
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—To be named. Note—This registration may be withdrawn and refilled at a later date.
- 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. (2/15)**
Sept. 11, 1961 filed 99,288 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.
- Growth Consulting & Financing Co., Inc.**
Dec. 29, 1961 ("Reg. A") 198,250 common (with warrants). Price—\$1.155. Business—A holding company for a broker-dealer, farm equipment manufacturer and a finance company. Proceeds—For an acquisition and working capital. Office—33 N. LaSalle St., Chicago. Underwriter—Growth Issuers, Inc., (same address).
- Gryphon Fund, Inc.**
Jan. 11, 1962 filed 1,000,000 shares of capital stock. Price—Net asset value (for first 30 days, thereafter an additional 8½% sales charge). Business—A mutual fund. Proceeds—For investment. Office—714 Boston Bldg., Denver. Underwriter—None.
- 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—Guayanille, Puerto Rico. Underwriter—I. R. E. Investors Corp., Levittown, N. Y. Offering—Imminent.
- Gulf American Fire & Casualty Co. (3/12-16)**
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.
- Hampden Fund, Inc.**
Jan. 24, 1962 filed 500,000 common. Price—\$10. Business—A closed-end investment trust which plans to become open end. Proceeds—For investment. Office—2100 East Ohio Bldg., Cleveland. Underwriter—Fulton, Reid & Co., Inc., Cleveland.
- Hanna-Barbara Productions, Inc.**
Dec. 29, 1961 filed 200,000 capital shares. Price—By amendment. Business—Production of television cartoons and commercials. Proceeds—For a new building and working capital. Office—3501 Cahuega Blvd., Los Angeles. Underwriter—Carl M. Loeb, Rhoades & Co., Inc., N. Y. Offering—Expected sometime in March.
- Hannett Industries, Inc. (3/19-23)**
Aug. 11, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Fabrication of components for missiles, jet 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.
- Hanover Consumer Cooperative Society, Inc.**
Jan. 22, 1962 ("Reg. A") 25,000 common and 4½% five-year and 5% 10-year unsecured non-convertible debentures. Price—For stock: \$5; for debentures: at par. Business—Operation of a retail food and grocery business. Proceeds—For acquisition of land and working capital. Address—Hanover, N. H. Underwriter—None.
- Happy House, Inc. (2/26-3/2)**
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.
- Hardlines Distributors, Inc.**
Jan. 26, 1962 filed 200,000 common, of which 100,000 are to be offered by the company and 100,000 by a stockholder. Price—By amendment. Business—Retail sale of housewares, hardware, lighting fixtures, automotive accessories, etc. Proceeds—For debt repayment, expansion and working capital. Office—1416 Providence Highway, Norwood, Mass. Underwriter—McDonnell & Co., N. Y. Offering—Expected sometime in April.
- 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., Cheverly, Md. Underwriter—Switzer & Co., Inc., Silver Springs, Md.
- Harper Vending, Inc.**
Jan. 12, 1962 filed 100,000 common. Price—\$3.25. Business—Operation of automatic vending machines. Proceeds—For expansion, debt repayment, and working capital. Office—498 Seventh Ave., N. Y. Underwriter—Greenman Co., N. Y.
- Hartman Marine Electronics Corp. (2/26-28)**
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.
- Harwyn Publishing Corp.**
Jan. 29, 1962 filed 300,000 class A common. Price—By amendment. Business—Publishes illustrated encyclopedic works for children and operates an advertising agency for sale of TV and radio spot time. Proceeds—For working capital. Office—170 Varick St., N. Y. Underwriter—Van Alstyne, Noel & Co., N. Y. Offering—Expected in early April.
- Hayden Publishing Co., Inc. (2/19-23)**
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.
- 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 aimed 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—Indefinite.
- High Temperature Materials, Inc.**
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 Aircraft & Leasing Corp.**
Jan. 29, 1962 ("Reg. A") 100,000 capital shares. Price—\$3. Business—General aviation. Proceeds—For working capital, equipment, advertising and inventory. Office—Fulton County Airport, Atlanta, Ga. Underwriter—First Fidelity Securities Corp., Atlanta.
- 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. (2/26-3/2)**
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.
- Holiday Mobile Home Resorts, Inc.**
Jan. 31, 1962 filed 3,500,000 common and 5-year warrants to purchase 700,000 shares, to be offered in units of 5 shares and one warrant. Price—\$50 per unit. Business—Development and operation of mobile home resorts. Proceeds—For debt repayment, expansion and working capital. Office—4344 E. Indian School Road, Phoenix. Underwriter—None.
- Honig's-Parkway, Inc. (2/26-3/2)**
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. Underwriters—Richard Bruce & Co., Inc., and Reubin Rose & Co., Inc., N. Y.
- 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.**
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—Processing and marketing of fertilizers. Proceeds—For redemption of preferred stock and working capital. Address—Bluffton, Ind. Underwriter—Patterson Securities & Investment Co., Inc., Ft. Wayne, Ind. Offering—Imminent.
- House of Westmore, Inc. (2/19-23)**
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.
- Hudson Wholesale Groceries, Inc.**
Jan. 23, 1962 filed 100,000. Price—\$8. Business—Procurement, storage and wholesaling of groceries and non-food items. Proceeds—For debt repayment and working capital. Office—Lyndhurst, N. J. Underwriter—J. R. Williston & Beane, N. Y. Offering—In April.
- 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. (2/26-3/2)**
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.
- 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.
- Imperial Vending Co.**
Jan. 9, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Manufacture of a vending unit which provides thermostatically controlled hot water. Proceeds—For debt repayment and other corporate purposes. Office—920 E. Walnut, Fullerton, Calif. Underwriter—Marache & Co., Los Angeles.
- Index & Retrieval Systems, Inc.**
Jan. 29, 1962 filed 125,000 common. Price—By amendment. Business—Publishes "The Financial Index" and other indexes and abstracts. Proceeds—For equipment,

Miami Data Processing Center, Inc.

Jan. 2, 1962 ("Reg. A") 70,000 common. Price—\$3. Business—Furnishes statistical information to customers by using data processing equipment. Proceeds—Debt repayment, leasehold improvements and working capital. Office—7750 N. W. 7th Ave., Miami, Fla. Underwriter—E. W. Stewart & Co., Inc., Miami, Fla.

Michaels (J.), Inc. (2/26-3/2)

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.

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.

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.

Milli-Switch Corp.

Dec. 20, 1961 ("Reg. A") 100,000 capital shares. Price—\$3. Business—Manufacture of switches and other electronic components. Proceeds—For general corporate purposes. Office—1400 Mill Creek Rd., Gladwyne, Pa. Underwriter—Seymour Blauner Co., N. Y.

Milo Components, Inc. (2/19-23)

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. Eillette, Inc. (3/5-9)

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 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., Denver.

Mississippi-Red River Transport Co.

Jan. 22, 1962 filed 200,000 common. Price—By amendment (\$2.50 estimated). Business—A motor carrier of petroleum products. Proceeds—For purchase of tugs and barges and construction of docking facilities. Office—2809 N. Main St., Fort Worth, Tex. Underwriter—William N. Edwards & Co., Fort Worth, Tex.

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 Rentals Corp. (2/13)

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.

Molecular Dielectrics, Inc. (2/26-3/2)

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.

Monroe Lake Enterprises, Inc.

Jan. 29, 1962 ("Reg. A") 149,950 common. Price—\$2. Business—Company plans to carry on all business required by the development. Proceeds—For working capital. Office—1270 South Ave., Plainfield, N. J. Underwriter—None.

Morse Electro Products Corp. (3/26-30)

Dec. 29, 1961 filed \$1,250,000 of 6½% convertible subordinated debentures due March, 1977. Price—At par. Business—Operates retail stores selling sewing machines

and vacuum cleaners. Proceeds—For expansion and working capital. Office—122 W. 26th St., N. Y. Underwriter—Standard Securities Corp., N. Y.

Morse Shoe, Inc.

Jan. 26, 1962 filed 630,000 common. Price—By amendment. Business—Retail sale of popular-priced foot wear. Proceeds—For selling stockholders. Office—1047 Commonwealth Ave., Boston. Underwriters—Blyth & Co., Inc. and Lehman Brothers, N. Y. Offering—In April.

Motor Parts Industries, Inc. (2/26-3/2)

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.

Mountain Electronics Co., Inc.

Jan. 16, 1962 filed 140,000 common. Price—\$3.50. Business—Wholesale distribution of radios, television sets and other electronic products and parts. Proceeds—For debt repayment and working capital. Office—708 Bigley Ave., Charleston, W. Va. Underwriters—Maltz, Greenwald & Co., N. Y. and Clayton Securities Corp., Boston.

Multronics, Inc.

Jan. 5, 1962 ("Reg. A") 100,000 capital shares. Price—\$3. Business—Production of electronic parts and components and the furnishing of consulting services in the radio-engineering field. Proceeds—For debt repayment, equipment, and working capital. Office—2000 P St., N. W., Washington, D. C. Underwriter—Switzer & Co., Inc., Silver Spring, Md.

Municipal Investment Trust Fund, First Pa.**Series (2/26-3/2)**

April 28, 1961 filed \$6,375,000 (6,250 units) of interests. Price—To be supplied by amendment. Business—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political sub-divisions. Proceeds—For investment. Sponsor—Ira Haupt & Co., 111 Broadway, 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.

Music Fair Enterprises, Inc.

Jan. 24, 1962 filed 100,000 common. Price—\$5. Business—A theatrical holding company. Proceeds—For construction, equipment, and working capital. Office—124 S. 18th St., Philadelphia. Underwriter—Supplee, Yeatman, Mosley Co., Philadelphia.

N. T. W. Missile Engineering, Inc.

Dec. 29, 1961 filed 250,000 common. Price—\$8. Business—Engaged in the aircraft and missile industries. Proceeds—For debt repayment, inventories and research and development. Office—4820 Alcoa Ave., Los Angeles. Underwriter—None.

Narrows Premium Corp.

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. Offering—Mid-Mar.

National Bowling Lanes, Inc. (2/13-16)

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.

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 (2/15)

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. Note—The SEC has issued an order temporarily suspending this proposed offering.

National Real Estate Investment Trust**(2/26-3/2)**

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 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 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 March.

Nationwide Bowling Corp.

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—Jennings, Mandel & Longstreth, Philadelphia. Offering—In late February.

Nebraska Boiler Co., Inc.

Dec. 29, 1961 filed \$400,000 of first mortgage sinking fund bonds due 1977 (with warrants) and 15,000 shares of 6% series A convertible preferred (par \$10). Price—At par. Business—Design and manufacture of steam and hot water boilers. Proceeds—For construction and debt repayment. Office—235 N. 9th St., Lincoln, Nebr. Underwriter—First Nebraska Securities Corp., Lincoln.

New Plan Realty Corp.

Jan. 24, 1962 filed 150,000 class A shares. Price—\$11. Business—A real estate management company. Proceeds—For debt repayment, working capital, and general corporate purposes. Office—369 Lexington Ave., N. Y. Underwriter—None.

New York Testing Laboratories, Inc.

Jan. 29, 1962 filed 50,000 common. Price—\$5. Business—Analyzing and testing of electronic, chemical and other materials. Proceeds—For plant relocation, equipment, and working capital. Office—47 West St., N. Y. Underwriter—Robbins, Clark & Co., Inc., N. Y.

Newark Electronics Corp.

Jan. 17, 1962 filed \$2,000,000 of convertible subordinated debentures due 1982 and 110,000 class A shares. Price—Debentures: At par; Stock: By amendment. Business—Distribution of electronic parts and equipment and electrical supplies. Proceeds—For general corporate purposes. Office—223 W. Madison St., Chicago. Underwriter—H. M. Bylesby & Co., 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 Hope Academy of the Arts, Inc.

Jan. 17, 1962 filed 150,000 common. Price—\$10. Business—Operation of a school of performing arts for children and young adults. Proceeds—For general corporate purposes. Office—152 Whitemarsh Rd., Philadelphia. Underwriter—Mayo & Co., Philadelphia.

New World Laboratories, Inc. (2/26-3/2)

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.

Nigeria Chemical Corp. (3/26-30)

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. (3/5-9)

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.

North Star Chemicals, Inc.

Jan. 8, 1962 ("Reg. A") 185,000 common to be offered for subscription by stockholders on the basis of 18½ of a share for each share held. Price—\$1.20. Business—Manufacture and sale of sulfuric acid. Proceeds—For expansion and debt repayment. Address—P. O. Box 28, S. St. Paul, Minn. Underwriter—White, Weld & Co., First National Bank Bldg., Minneapolis. Offering—Imminent.

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.

Northwestern Glass Co.

Jan. 24, 1962 filed 95,000 common, of which 60,000 are to be offered by the company and 35,000 by stockholders. Price—By amendment. Business—Manufacture, warehousing and distribution of a diversified line of

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glass containers. **Proceeds**—For debt repayment, plant expansion, and equipment. **Office**—5801 East Marginal Way South, Seattle, Wash. **Underwriter**—Dean Witter & Co., San Francisco and Pacific Northwest Co., Seattle.

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. (2/14)

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. (3/5-9)

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.

Optech, Inc.

Dec. 26, 1961 filed 160,000 common. **Price**—\$3. **Business**—Research, development and fabrication of materials used in optical electronics. **Proceeds**—For equipment and working capital. **Office**—246 Main St., Chatham, N. J. **Underwriters**—Stone, Ackerman & Co., Inc., and Heritage Equity Corp., N. Y.

Orion Electronics Corp. (3/14)

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. (2/26-3/2)

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. **Underwriters**—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.

FCS Data Processing, Inc. (2/26-3/2)

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.

P-G Products Manufacturing Co., Inc.

Oct. 10, 1961 filed 110,555 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, Labrousse, 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.

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. **Underwriters**—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.

Pan-Video Productions, Inc.

Dec. 15, 1961 filed 100,000 common. **Price**—\$3. **Business**—Production of films. **Proceeds**—For general corporate purposes. **Office**—200 W. 57th St., N. Y. **Underwriter**—R. J. Curylo Co., 2166 Broadway, N. Y.

Papekote, Inc. (2/13-16)

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.

Paramount Foam Industries (2/19-23)

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 early March.

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. **Offering**—Expected sometime in April.

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.

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. Mersh Securities Co., Washington, D. C.

Pictronics Corp.

Jan. 18, 1962 filed 80,000 common. **Price**—\$5. **Business**—Manufacture of professional audio visual and sound recording equipment. **Proceeds**—Debt repayment, equipment and working capital. **Office**—236 E. 46th St., N. Y. **Underwriter**—Bayer, Rose & Co., Inc., N. Y.

Pierce Proctor Schultze & 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 March.

Plasticrete Corp. (2/13-16)

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.

Plasto-O-Tron, Inc.

Jan. 26, 1962 ("Reg. A") 84,666 common. **Price**—\$3. **Business**—Design and manufacture of vacuum thermoforming machinery for production of plastic packaging materials. **Proceeds**—For inventory, equipment, expansion and working capital. **Office**—60 Park Pl., Newark, N. J. **Underwriter**—Armstrong & Co., Inc., N. Y.

Plymouth Discount Corp. (3/5-9)

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. (2/19-21)

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.

Policy-Matic Affiliates, Inc. (2/15)

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.

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. **Offering**—Imminent.

Power Industrial Products Co. (2/26-3/2)

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.

Precision Automotive Components Co.

Dec. 28, 1961 filed 100,000 common. **Price**—By amendment. **Business**—Manufacture of carburetor replacement parts. **Proceeds**—For debt repayment, retirement of 6% pfd., and working capital. **Address**—Ballwin, Mo. **Underwriter**—G. H. Walker & Co., Inc., N. Y.

Precision Instrument Co. (2/26-3/2)

Dec. 28, 1961 filed 125,000 capital shares of which 111,000 are to be offered by the company and 14,000 by stockholders. **Price**—By amendment. **Business**—Development and manufacture of instrumentation magnetic tape recording equipment. **Proceeds**—For debt repayment, construction and working capital. **Office**—1011 Commercial St., San Carlos, Calif. **Underwriters**—Lehman Brothers, N. Y. and J. Barth & Co., San Francisco.

Presidential Realty Corp.

Jan. 29, 1962 filed 260,000 class B common, of which 250,000 are to be offered by the company and 10,000 by stockholders. **Price**—By amendment. **Business**—Acquisition and development of real estate projects. **Proceeds**—For debt repayment and the purchase of stock in subsidiaries. **Office**—180 S. Broadway, White Plains, N. Y. **Underwriter**—Burnham & Co., N. Y.

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.

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.

Printing Corp. of America (2/26-3/2)

Dec. 28, 1961 filed 454,000 common. **Price**—By amendment. **Business**—Printing of trade and business periodicals and textbooks by lithography. **Proceeds**—For selling stockholders. **Office**—71 W. 35th St., N. Y. **Underwriter**—Goldman, Sachs & Co., N. Y.

Producers Cotton Oil Co.

Jan. 18, 1962 filed 200,000 common. **Price**—By amendment. **Business**—Growing cotton, operating cotton gins, processing cottonseed and selling raw cotton and cottonseed products. **Proceeds**—For expansion. **Office**—2907 S. Maple Ave., Fresno, Calif. **Underwriters**—Kidder, Peabody & Co., N. Y. and Dean Witter, San Francisco. **Offering**—Expected in late March.

Product Research of Rhode Island, Inc. (2/26-3/2)

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, North Providence, R. I. **Underwriter**—Investment Planning Group, East Orange, 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.

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. **Underwriter**—Roth & Co., Inc., Philadelphia. **Offering**—In mid-March.

Puerto Rico Capital Corp. (2/26-3/2)
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.
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. **Note**—This offering was temporarily postponed.

Pyramid Publications, Inc. (2/19-23)
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.

Pyroil Co., Inc.
Jan. 2, 1962 ("Reg. A") 30,000 common. Price—\$5. **Business**—Manufacture of additives for gasoline, motor oils, etc. **Proceeds**—For debt repayment and general corporate purposes. **Address**—La Crosse, Wis. **Underwriters**—Loewi & Co., Inc. and J. M. Dain & Co., Inc., Milwaukee.

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.

Quality Brake Rebuilders, Inc.
Jan. 3, 1962 ("Reg. A") 300,000 common. Price—\$1. **Business**—Rebuilding and reconditioning of automotive brake shoes. **Proceeds**—For general corporate purposes. **Office**—94 Gazza Blvd., Farmingdale, N. Y. **Underwriter**—Meadowbrook Securities, Inc., Hempstead, N. Y.

RF Interonics, Inc. (2/26-3/2)
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.

Radio Electric Service Co. of New Jersey, Inc.
Jan. 23, 1962 ("Reg. A") 75,000 common. Price—\$4. **Business**—Wholesaling of electronic parts, supplies and equipment and the retailing of high-fidelity and stereophonic equipment and components. **Proceeds**—For debt repayment, expansion, moving expenses and working capital. **Office**—513-15 Cooper St., Camden, N. J. **Underwriter**—D. L. Greenbaum & Co., Philadelphia.

Rapid Film Technique, Inc.
Sept. 19, 1961 filed 75,000 common. Price—\$3.50. **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. **Offering**—Imminent.

Realty Equities Corp. of New York
Sept. 28, 1961 filed \$2,126,800 of 7½% subordinated debentures due 1972 (with warrants attached) being offered for subscription by stockholders in 21,268 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 of record Jan. 31 with rights to expire Feb. 15, 1962. Price—\$100 per unit. **Business**—General real estate and construction. **Proceeds**—General corporate purposes. **Office**—666 Fifth Ave., N. Y. **Underwriter**—Sutro Bros. & Co., N. Y.

Recco, Inc. (2/15)
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.

Regulators, Inc.
Jan. 29, 1962 filed 75,000 common, of which 50,000 are to be offered by the company and 25,000 by Electronic Specialty Co., parent. Price—\$5. **Business**—Design and manufacture of regulating and control devices used in

the electric and electronic fields. **Proceeds**—For debt repayment and working capital. **Office**—455 W. Main St., Wyckoff, N. J. **Underwriter**—Myron A. Lomasney & Co., N. Y.

Research Products, Inc.
Dec. 28, 1961 filed 250,000 common. Price—\$9. **Business**—Manufacture of lithographic blankets used in printing. **Proceeds**—For debt repayment and working capital. **Address**—Hato Rey, Puerto Rico. **Underwriters**—Gross & Co., N. Y. and Elmaleh & Co., Inc.

Rex Craft Associates, Inc.
Dec. 27, 1961 ("Reg. A") 100,000 common. Price—\$3. **Business**—Design, installing and constructing packaged commercial interiors and exteriors for buildings. **Proceeds**—For general corporate purposes. **Office**—Route 315 & Vine St., Avoca, Pa. **Underwriter**—M. G. Davis & Co., Inc., N. Y.

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. **Offering**—Expected in April.

Ridge Tool Co. (3/15)
Dec. 28, 1961 filed 284,586 class A common. Price—By amendment. **Business**—Manufacture of pipe working tools and machines. **Proceeds**—For selling stockholders. **Office**—400 Clark St., Elyria, Ohio. **Underwriters**—White, Weld & Co., N. Y. and McDonald & Co., Cleveland.

Ridgerock of America, Inc.
Dec. 29, 1961 filed 100,000 common. Price—\$2.50. **Business**—Production of stone facing for buildings. **Proceeds**—For debt reduction and general corporate purposes. **Address**—Sebring, O. **Underwriter**—Baruch Brothers & Co., Inc., N. Y.

Ripley Industries, Inc., and Jomar Plastics, Inc. (2/14-16)
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.

Rising's Inc.
Jan. 18, 1962 filed 100,000 capital shares. Price—\$3. **Business**—Distribution of electrical and electronic parts, components and equipment. **Proceeds**—For debt repayment and working capital. **Office**—151 N. Vermont Ave., Los Angeles. **Underwriter**—Vickers, MacPherson & Warwick, Inc., N. Y. **Offering**—Expected sometime in April.

Rite Electronics, Inc.
Jan. 29, 1962 filed 62,000 common. Price—\$6. **Business**—Sale and distribution of receiving tubes, television picture tubes, and electronic components, parts and equipment. **Proceeds**—For an acquisition, equipment and working capital. **Office**—1927 New York Ave., Huntington Station, N. Y. **Underwriter**—Robbins, Clark & Co., Inc., 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.

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.

Rockover Brothers, Inc. (2/26-3/2)
Jan. 19, 1962 filed 150,000 common, of which 50,000 will be sold by the company and 100,000 by stockholders. Price—By amendment. **Business**—Retail sales of men's and boys' clothing. **Proceeds**—For additional inventory and working capital. **Office**—160 West Lehigh Ave., Philadelphia. **Underwriter**—Drexel & Co., Philadelphia.

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. **Offering**—Expected sometime in April.

Rooke Engineering Corp. (2/19-23)
Dec. 29, 1961 ("Reg. A") 120,000 common. Price—\$2.50. **Business**—Design and manufacture of fasteners and related parts for the aircraft and missile industries. **Proceeds**—For debt repayment and working capital. **Office**—8560 Tujunga Ave., Sun Valley, Calif. **Underwriter**—Adams & Co., Los Angeles.

Roth Greeting Cards
Dec. 26, 1961 ("Reg. A") 100,000 common. Price—\$1.50. **Business**—Design, production and sale of "contemporary" greeting cards. **Proceeds**—For design and introduction of new greeting card line and working capital. **Office**—504 E. Broadway, Glendale, Calif. **Underwriters**—R. E. Bernhard & Co., Beverly Hills, Calif.; Schaefer, Lowe & McCamant, Inc., San Francisco; Costello, Rusotto & Co., Los Angeles; Amos C. Sudler & Co., Denver; G. H. Muekamp & Co., Cincinnati and V. E. Anderson & Co., Salt Lake City.

Roto Cylinders, Inc. (2/19-23)
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. (2/26-3/2)
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.

Ruby Silver Mines, Inc.
Jan. 2, 1962 ("Reg. A") 2,400,000 common. Price—12½ cents. **Business**—Exploration and development of mineral deposits. **Proceeds**—For debt repayment and general corporate purposes. **Address**—Box 1088, Wallace, Idaho. **Underwriter**—Pennaluna & Co., Spokane, Wash.

S. M. S. Instruments, Inc. (2/26-3/2)
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.

Saladmater Corp.
Jan. 3, 1962 filed \$700,000 of 6% subord. conv. debentures due 1972 and 126,030 common (of which 15,399 shares are to be offered by the company and 110,631 shares by stockholders). Price—For debentures, at par; for stock, by amendment. **Business**—Sale of kitchenware, tableware and a food cutting machine. **Proceeds**—For debt repayment and general corporate purposes. **Office**—131 Howell St., Dallas. **Underwriter**—Parker, Ford & Co., Dallas.

Sav-Mor Oil Corp.
July 5, 1961 ("Reg. A") 92,000 common shares (par one cent). Price—\$2.50. **Business**—Wholesale distribution of gasoline and oil to service stations. **Proceeds**—For expansion. **Office**—151 Birchwood Park Dr., Jericho, L. I., N. Y. **Underwriter**—Amber, Burstein & Co., Inc., N. Y.

Save-Mor Drugs, Inc.
Dec. 28, 1961 ("Reg. A") \$300,000 of 6% 15-year subord. conv. debentures. Price—At par. **Business**—Operation of a chain of drug stores. **Proceeds**—For general corporate purposes. **Office**—3310 New York Ave., N. E., Washington, D. C. **Underwriter**—C. A. Taggart, Inc., Towson, Md.

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. (2/26-3/2)
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., Washington, D. C.

Sea-Wide Electronics, Inc.
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**—Janov & Co., Philadelphia.

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 Aluminum Corp.
Jan. 26, 1962 filed 200,000 common. Price—By amendment. **Business**—Manufacture of aluminum sliding windows and doors. **Proceeds**—For equipment, moving expenses and working capital. **Office**—503 E. Pine Ave., Compton, Calif. **Underwriter**—Vickers, MacPherson & Warwick, Inc., N. Y.

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. (2/19-23)
Sept. 28, 1961 filed 110,000 common. Price—By amendment. **Business**—Design and manufacture of networks

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- 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.
- 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.
- Servonuclear Corp. (2/19-23)**
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.
- 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.
- Shelley Manufacturing Co.**
Dec. 29, 1961 filed 55,000 common. **Price**—\$6.50. **Business**—Manufacture of automatic equipment for handling packaged foods, and various food serving devices. **Proceeds**—For equipment, advertising, plant expansion and working capital. **Office**—3800 N. W., 32nd Ave., Miami, Fla. **Underwriter**—George, O'Neill & Co., Inc., N. Y.
- Shenk Industries, Inc. (3/5-9)**
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 Boening & Co., Philadelphia.
- Sheraton Corp. of America**
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. **Note**—This offering was temporarily postponed.
- 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.
- Signalite Inc.**
Jan. 29, 1962 filed 126,000 common. **Price**—\$4.50. **Business**—Manufacture, sale and development of glow lamps for use as indicators and circuit components. **Proceeds**—For debt repayment, equipment and working capital. **Office**—1933 Heck Ave., Neptune, N. J. **Underwriter**—Milton D. Blauner & Co., N. Y.
- Ski & Recreation Corp.**
Jan. 29, 1962 filed 120,000 class A common (with warrants). **Price**—\$4.45. **Business**—Development and operation of a ski, and year-round resort. **Proceeds**—For construction of the resort. **Office**—Sheridan Springs Rd., Lake Geneva, Wis. **Underwriter**—To be named.
- Sokol Brothers Furniture Co., Inc.**
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**—To be named.
- Solid State Products, Inc.**
Feb. 1, 1962 filed 110,000 common. **Price**—By amendment. **Business**—Development, manufacture and sale of semiconductor devices. **Proceeds**—For a new plant, debt repayment and working capital. **Office**—1 Pingree St., Salem, Mass. **Underwriter**—Tucker, Anthony & R. L. Day, N. Y.
- Solon Industries, Inc.**
Dec. 28, 1961 filed 75,000 common. **Price**—By amendment. **Business**—Installation of its coin operated laundry equipment at designated residential locations. **Proceeds**—For selling stockholders. **Office**—115 L St., S. E. Washington, D. C. **Underwriter**—None.
- 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.**
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. **Offering**—Imminent.
- South European Pipeline Co.**
Feb. 1, 1962 filed \$40,000,000 of sinking fund debentures due March 1, 1982. **Price**—By amendment. **Business**—Company is constructing a 474-mile 34-inch crude oil pipeline from Marseilles, France to refining centers near Strasbourg, France and Karlsruhe, Germany. **Proceeds**—For construction, interest costs, and working capital. **Office**—Paris, France. **Underwriters**—Morgan Stanley & Co., and Lazard Freres & Co., N. Y.
- ★ Southeastern Propane Gas Co.**
Jan. 30, 1962 filed 75,000 common. **Price**—By amendment. **Business**—Sale of liquefied petroleum gas and related products. **Proceeds**—For general corporate purposes. **Office**—617 du Pont Plaza Center, Miami, Fla. **Underwriters**—A. C. Allyn & Co., Chicago and Bioren & Co., Philadelphia.
- Southeastern Towing & Transportation Co., Inc. (3/5-9)**
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 Growth Industries, Inc. (2/19-23)**
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.
- Southwest Recreation Associates, Inc. (2/19-23)**
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.
- 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.
- Southwestern Public Service Co. (3/6)**
Jan. 30, 1962 filed 442,362 common shares to be offered for subscription by stockholders on the basis of one new share for each 20 shares held of record March 6. **Price**—By amendment. **Business**—Generation, transmission and distribution of electric energy in the Texas Panhandle area. **Proceeds**—For debt repayment and working capital. **Office**—720 Mercantile Dallas Bldg., Dallas, Tex. **Underwriter**—Dillon, Read & Co., 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.
- Spartan International Inc. (3/5)**
Dec. 22, 1961 filed 175,000 common. **Price**—\$4. **Business**—Manufacture of metal shower receptors, precast concrete receptors, prefabricated metal showers, baseboard radiators and rope and twine. **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.
- ★ Spencer Gifts, Inc.**
Jan. 29, 1962 filed 135,000 common, of which 15,000 are to be offered by the company and 120,000 shares by a selling stockholder. **Price**—By amendment. **Business**—Mail order, sale of general merchandise. **Proceeds**—For debt repayment and working capital. **Office**—1601 Albany Blvd., Atlantic City. **Underwriter**—Carter, Berlind, Potoma & Weill, N. Y.
- Sperti Products, Inc. (3/19-23)**
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. **Office**—730 Grand St., Hoboken, N. J. **Underwriter**—Blair & Co., N. Y.
- Spiral Metal Co., Inc. (2/19-23)**
Dec. 7, 1961 ("Reg. A") 100,000 common. **Price**—\$2.50. **Business**—Broker and dealer 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. (2/26-3/2)**
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. (2/15)**
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.
- 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.
- 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**—To be named.
- Steel Plant Equipment Corp. (2/15)**
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.
- Stelber Cycle Corp.**
Jan. 5, 1962 filed \$240,000 of 8% convertible debentures due 1972 and 60,000 common shares to be offered in units, each consisting of one \$200 debenture and 50 shares. **Price**—\$500 per unit. **Business**—Manufacture of bicycles, tricycles and toy automobiles. **Proceeds**—For debt repayment, moving expenses and a new product line. **Office**—744 Berriman St., Brooklyn, N. Y. **Underwriters**—Lloyd Securities, Inc., Richard Bruce & Co., Inc., and Reubin Rose & Co., Inc., N. Y.
- Sterner Lighting, Inc.**
Jan. 2, 1962 ("Reg. A") 260,000 common. **Price**—\$1.15. **Business**—Manufacture of outdoor fluorescent lighting devices. **Proceeds**—For working capital, equipment, inventory. **Address**—Winsted, Minn. **Underwriter**—Midwest Planned Investments, Inc., Minneapolis.
- 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.
- Stokely-Van Camp, Inc. (2/14)**
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. (2/13-16)**
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.
- Suburban Directory Publishers, Inc.**
Dec. 28, 1961 filed 90,000 common. **Price**—\$3. **Business**—Publishing and distributing telephone directories. **Proceeds**—For repayment of bank loans, additional equipment, expansion and working capital. **Office**—60 N. State St., Wilkes-Barre, Pa. **Underwriter**—G. K. Shields & Co., N. Y.
- Sun City Dairy Products, Inc. (2/26-3/2)**
Oct. 27, 1961 filed 110,000 common. **Price**—\$4. **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**—Finkle & Co., N. Y.
- Sylvan Life Insurance Co.**
Jan. 8, 1962 ("Reg. A") 9,600 common. **Price**—\$25. **Business**—Writing of insurance in Utah, Colorado and Nevada. **Proceeds**—For capital and surplus accounts. **Office**—410 Utah Savings Bldg., Salt Lake City. **Underwriters**—Peters, Writer & Christensen, Inc., Denver and Ure, Davis & Co., Salt Lake City.
- Szemco, Inc.**
Dec. 29, 1961 filed 66,666 common. **Price**—By amendment (\$1.50 max.). **Business**—Design and manufacture of ordnance, automotive, aircraft and guided missile parts and components. **Proceeds**—For selling stockholders. **Office**—4417 Okechobe Rd., West Palm Beach, Fla. **Underwriter**—None.
- 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.**
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. **Offering**—March.
- 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. (3/12-16)**

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-Cine, Inc.**

Dec. 29, 1961 ("Reg. A") 100,000 common and \$100,000 of 6% 5-year subordinated debentures. **Price**—For stock, \$1; for debentures, at par (\$100). **Business**—Production of television programs. **Proceeds**—For equipment, debt repayment and other corporate purposes. **Office**—1017 New Jersey Ave., S. E., Washington, D. C. **Underwriter**—Turnbull, Deter & Sullivan, Inc., Charlottesville, Va.

• **Tellite Corp.**

Jan. 29, 1962 filed 125,000 common. **Price**—\$3. **Business**—Manufacture of "Tellite," a new material used in connection with electronic circuits. **Proceeds**—For expansion, research and development, acquisition of a technical library, and working capital. **Office**—200 S. Jefferson St., Orange, N. J. **Underwriter**—Magnus & Co., 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 Tennessee Industries, Inc. (2/19-23)**

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.

• **Thomasville Furniture Industries, Inc. (3/26-30)**

Jan. 16, 1962 filed 343,551 common. **Price**—By amendment. **Business**—Manufacture of household furniture. **Proceeds**—For the selling shareholders. **Office**—401 E. Main St., Thomasville, N. C. **Underwriter**—Hornblower & Weeks, 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 expansion and general corporate purposes. **Office**—Canal St., Lancaster, N. H. **Underwriter**—Packer-Wilbur Co., Inc., N. Y.

• **Thunderbird International Hotel Corp.**

Jan. 2, 1962 filed 175,000 common. **Price**—By amendment (\$10 max.). **Business**—Hotel ownership and management. **Proceeds**—For construction. **Office**—525 N. Sepulveda Blvd., El Segundo, Calif. **Underwriter**—Vickers, MacPherson & Warwick, Inc., N. Y.

• **Tidewater Lumber Co. (2/26-3/2)**

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, Rennert & Co., Inc., N. Y.

• **Tokyo Shibaura Electric Co., Ltd. ("Toshiba")**

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 Depositary 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. **Offering**—Imminent.

• **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.

• **Torch Rubber Co., Inc.**

Jan. 26, 1962 filed 110,000 common. **Price**—\$3.50. **Business**—Manufacture of waterproof rubber footwear. **Proceeds**—For equipment, moving expenses, expansion and working capital. **Office**—1302 Inwood Ave., N. Y. **Underwriter**—Carroll Co., N. Y.

• **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.

• **Towers Marts International, Inc.**

Feb. 1, 1962 filed 550,000 capital shares. **Price**—By amendment. **Business**—Company builds and operates retail discount department stores. **Proceeds**—For expansion. **Office**—41 E. 42nd St., N. Y. **Underwriter**—W. C. Langley & Co., N. Y.

• **Trail-Aire, Inc. (2/13-16)**

Dec. 27, 1961 ("Reg. A") 55,000 capital shares. **Price**—\$5. **Business**—Manufacturing, servicing and repairing of

commercial truck trailers. **Proceeds**—For debt repayment and general corporate purposes. **Office**—18033 S. Santa Fe Ave., Long Beach, Calif. **Underwriter**—Adams & Co., Los Angeles.

• **Trans-Alaska Telephone Co. (2/26-3/2)**

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 mid-March.

• **Trenton Foods, Inc.**

Jan. 26, 1962 filed 100,000 common. **Price**—By amendment. **Business**—Preparation and packaging of meat food products for other firms and the large scale breeding of pigs. **Proceeds**—For debt repayment, plant expansion and working capital. **Office**—4733 Bellevue, Kansas City, Mo. **Underwriter**—Scherck, Richter Co., St. Louis.

• **Tri-Point Industries, Inc. (2/19-23)**

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.

• **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. **Offering**—Expected sometime in March.

• **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. (2/26-3/2)**

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., and Hornblower & Weeks. **Offering**—In March.

• **Tyler Pipe & Foundry Co. (4/2-6)**

Jan. 25, 1962 filed 120,000 common. **Price**—By amendment. **Business**—Design, development and manufacture of cast iron products. **Proceeds**—For selling stockholders. **Office**—Lindale Rd., Swan, Texas. **Underwriter**—First Southwest Co., Dallas.

• **Tyson Metal Products, Inc. (2/19-23)**

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, Lestrang & Co., Pittsburgh.

• **Ultra Plastics Inc.**

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 working capital. **Office**—875 North 28th St., Philadelphia. **Underwriter**—To be named.

• **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. (2/26-3/2)**

Aug. 26, 1961 filed 282,000 capital shares. **Price**—\$7.50. **Business**—The insuring of real estate titles. **Proceeds**—For working capital and expansion. **Office**—222 N. Central Ave., Phoenix. **Underwriter**—None.

• **United Aero Products Corp. (2/15)**

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. **Underwriter**—Hess, Grant & Remington, Inc., Philadelphia.

• **United Camera Exchange, Inc.**

Jan. 29, 1962 filed 105,000 common. **Price**—\$3. **Business**—Operation of retail camera stores. **Proceeds**—For expansion and general corporate purposes. **Office**—25 W. 43rd St., N. Y. **Underwriter**—M. G. Davis & Co., Inc., N. Y.

• **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. **Underwriters**—Waddell & Reed, Inc., Kansas City, Mo., and Kidder, Peabody & Co., N. Y. **Offering**—Expected in late April.

• **United Packaging Co., Inc. (3/5-9)**

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.

• **U. S. Controls, Inc.**

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**—To be named.

• **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 (2/13)**

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. (3/5-9)**

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 Kurean Co., N. Y.

• **Universal Electronics Laboratories Corp. (2/26-3/2)**

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**—Stearns & Co., Clark, Weinstock & Porges, and Elmeh & Co., Inc., N. Y.

• **Universal Foods Corp.**

Jan. 25, 1962 filed 104,196 common, of which 47,248 are to be offered by the company and 56,948 by stockholders. **Price**—By amendment. **Business**—Production of yeast and other food products. **Proceeds**—For possible diversification and acquisitions. **Office**—221 E. Buffalo St., Milwaukee. **Underwriter**—Smith, Barney & Co., N. Y. **Offering**—Expected in late March.

• **Universal Lighting Products, Inc. (2/26-3/2)**

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.

• **Uropa International, Inc. (2/15)**

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. (2/19-23)**

Sept. 18, 1961 ("Reg. A") 33,097 common. **Price**—\$5. **Business**—Operation of a discount department store. **Office**—3629 N. Teutonia Ave., Milwaukee, Wis. **Underwriter**—Continental Securities Corp., Milwaukee, Wis.

• **Vahsing, Inc.**

Jan. 29, 1962 filed 100,000 common. **Price**—By amendment. **Business**—Grows, packages, and ships fresh frozen potatoes. **Proceeds**—For inventory, and working capital. **Office**—Easton, Maine. **Underwriter**—Pistell, Inc., N. Y.

• **Val-U Homes Corp. of Delaware**

Aug. 28, 1961 filed 100,000 common. **Price**—\$5. **Business**—The manufacture of prefabricated buildings and build-

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ing components. 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. (3/5-9)**
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-Pak, Inc. (3/26-30)**
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.

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.

★ **Vapor Corp.**
Feb. 2, 1962 filed 156,762 common. Price—By amendment. Business—Manufacture of steam generators for diesel locomotives; temperature control systems for rail cars, buses and aircraft; and door control devices for rail passenger cars. Proceeds—For selling stockholders. Office—80 E. Jackson Blvd., Chicago. Underwriter—William Blair & Co., Chicago.

Vassar Corp.
Dec. 27, 1961 filed 124,900 common, of which 55,000 are to be offered by the company and 69,900 by stockholders. Price—By amendment. Business—Design, manufacture and distribution of aids for hair styling, and the production of eyebrow pencils, lip liners, etc. Proceeds—For debt repayment, equipment and working capital. Office—585 Gerard Ave., N. Y. Underwriter—J. R. Wiliston & Beane, N. Y. Offering—Expected in March.

● **Vendex, Inc.**
Jan. 12, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Manufacture of coin operated vending machines. Proceeds—For an acquisition and general corporate purposes. Office—1290 Bayshore Blvd., Burlingame, Calif. Underwriter—Pacific Coast Securities Co., San Francisco. Offering—Expected sometime in April.

● **Vic Tanny Enterprises, Inc.**
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. Note—This registration will be withdrawn.

Victor Electronics, Inc.
Jan. 23, 1962 filed 150,000 common. Price—\$5. Business—Manufacture, lease and sale of an amusement device known as Golfit. Proceeds—For debt repayment and general corporate purposes. Office—1 Bala Ave., Bala-Cynwyd, Pa. Underwriter—D. L. Greenbaum Co., Philadelphia.

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. Offering—Expected in late March.

Vitamin Specialties Co. (2/13-16)
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.

★ **Volt Technical Corp.**
Jan. 29, 1962 filed 190,000 class A shares. Price—\$10.25. Business—Preparation of technical publications. Proceeds—For selling stockholders. Office—241 Church St., N. Y. Underwriter—Andresen & Co., N. Y.

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. (2/14)
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. (2/19-23)
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. Underwriter—John Joshua & Co., Inc., N. Y.

Wade, Wenger ServiceMASTER Co. (3/19-23)
Dec. 28, 1961 filed 140,000 capital shares. Price—By amendment. Business—Sale of franchises for on-location cleaning and moth-proofing of rugs, furniture, etc. Company also manufactures and sells cleaning equipment and supplies to franchise holders. Proceeds—For debt repayment, new building and equipment and other corporate purposes. Office—2117-29 N. Wayne, Chicago. Underwriter—Laren Co., N. Y.

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.

Warlick Press, Inc.
Jan. 25, 1962 filed 180,000 common. Price—By amendment. Business—Printing of legal and financial documents. Proceeds—For debt repayment, equipment, and working capital. Office—2263 Valdina St., Dallas. Underwriter—Eppler, Guerin & Turner, Inc., Dallas.

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.

Weinkles Liquor Stores, Inc.
Dec. 27, 1961 filed 165,000 common, of which 80,000 are to be offered by the company and 85,000 by stockholders. Price—\$4.50. Business—Retail sale of liquor in and about Miami, Fla. Proceeds—For working capital. Office—2305 N. W. 12th Ave., Miami, Fla. Underwriter—Charles Plohn & Co., N. Y. Offering—In April.

Welcome Baby, Inc.
Dec. 28, 1961 filed 75,000 common. Price—\$2. Business—Company renders direct mail public relations, sales promotion and advertising services to mothers on behalf of retail stores. Proceeds—For debt repayment and general corporate purposes. Office—210-07 48th Ave., Bay-side, N. Y. Underwriters—Globus, Inc., and First Philadelphia Corp., N. Y. Offering—In mid-March.

★ **Wesreb Oil Co.**
Jan. 19, 1962 ("Reg. A") 75,000 common. Price—\$4. Business—Drilling and production of oil and gas. Proceeds—For debt repayment, equipment and working capital. Office—422 Washington Bldg., Washington, D. C. Underwriter—None.

West Falls Shopping Center Limited Partnership (2/26-3/2)
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.

West Penn Power Co. (3/5)
Jan. 12, 1962 filed \$30,000,000 of first mortgage bonds, series S, due March 1, 1992. Proceeds—For debt repayment and construction. Address—Cabin Hill, Greensburg, Pa. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co. Stone & Webster Securities Corp. (jointly); Lehman Brothers; Eastman Dillon, Union Securities & Co.—First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co.—White, Weld & Co. (jointly). Bids—Expected March 5 (at 12 noon EST). Information Meeting—March 2 (10:30 a.m. EST) 55 Wall St. (5th fl.), N. Y.

Westates Land Development Corp. (3/5-9)
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 record 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—15900 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 Reserve Life Assurance Co. of Ohio
Dec. 29, 1961 filed 213,734 common to be offered for subscription by stockholders on the basis of two new shares for each 3 held. Price—By amendment. Proceeds—For expansion. Office—335 Euclid Ave., Cleveland. Underwriters—McDonald & Co., and Ball, Burge & Kraus, Cleveland.

Western States Real Investment T
Nov. 13, 1961 filed 32,000 shares of class A common. Price—\$6.25. Business—A small business company. Proceeds—For investment in real estate. Office—Ursula St., Aurora, Colo. Underwriter—Ursula St., Aurora, Colo.

Wham-O Mfg. Co.
Dec. 26, 1961 filed 145,000 common, of which 100,000 are to be offered by the company and 45,000 by stockholders. Price—By amendment. Business—Distribution and sale of toys and games, especially housewares. Proceeds—For working capital. Office—E. El Monte St., San Gabriel, Calif. Underwriter—To be named.

White Electromagnetics, Inc.
Oct. 5, 1961 filed 63,000 common. Price—By amendment. Business—Rendering of consulting services for electronic system analysis. Proceeds—For liquidation of technical papers, marketing equipment and working capital. Office—Bethesda, Md. Underwriter—Weil & Co., Bethesda, Md.

Wiatt (Norman) Co. (2/26-3/2)
Nov. 28, 1961 filed 135,000 common, of which 100,000 shares are to be offered by the company and 35,000 by stockholders. Price—By amendment. Business—Manufacture of ladies' dresses. Proceeds—For general corporate purposes. Office—124 E. Los Angeles, Los Angeles. Underwriters—Schwabacher Barth & Co., San Francisco; and Bear, Stearns & Co., N. Y.

● **Widmann (L. F.), Inc. (2/27)**
Oct. 27, 1961 filed 162,000 common, of which 100,000 shares are to be offered by the company and 62,000 by stockholders. Price—\$3. Business—Operation of drug stores. Proceeds—Expansion, step-up working capital. Office—738 Bellefonte Ave., Dayton, Ohio. Underwriter—Godfrey, Hamilton, Taylor & Co., Dayton, Ohio.

● **Wiggins Plastics, Inc. (2/26-3/2)**
Oct. 20, 1961 ("Reg. A") 100,000 common. Price—\$1. Business—Custom compression, transfer molding of plastic materials. Proceeds—For debt repayment and general corporate purposes. Office—Kingsland Rd., Clifton, N. J. Underwriter—Planning Group, Inc., East Orange, N. J.

● **Windsor Texprint, Inc.**
Aug. 25, 1961 filed 263,000 common, of which 150,000 shares are to be offered by the company and 113,000 by stockholders. Price—\$2. Business—The printing of textile products. Proceeds—For debt repayment. Office—2357 S. Michigan Ave., Chicago. Underwriter—D. E. Liederman & Co., Inc., N. Y. Offering—Indefinitely postponed.

● **Winslow Electronics, Inc.**
Dec. 28, 1961 filed 125,000 common. Price—By amendment. Business—Design and manufacture of precision electronic measuring devices and test equipment. Proceeds—For debt repayment and other corporate purposes. Office—1005 First Ave., Asbury Park, N. J. Underwriter—To be named.

Wolf Corp.
Jan. 26, 1962 filed \$4,500,000 of 8.5% convertible debentures due 1977 (with right to be offered for subscription by stockholders) on the basis of \$500 of debentures for each 100 shares held. Price—\$500 per unit. Business—Real estate. Proceeds—For debt repayment and acquisitions. Office—10 E. 40th St., N. Y. Underwriter—S. E. Securities, Inc., N. Y.

● **World Scope Publishers, Inc. (3/2)**
July 31, 1961 filed 300,000 common, of which 200,000 shares are to be offered by the company and 100,000 by stockholders. Business—The publishing of and other reference books. Proceeds—For debt, working capital and general corporate purposes. Office—290 Broadway, Lynbrook, N. Y. Underwriter—Standard Securities Corp., N. Y.

World Toy House, Inc. (2/26-3/2)
Nov. 24, 1961 filed 150,000 common, of which 100,000 shares are to be offered by the company and 50,000 by stockholders. Business—A manufacturers' branch for the sale of toys, hobby goods and related products. Proceeds—For general corporate purposes. Office—St. Paul, Minn. Underwriter—Lauenroth & Co., St. Paul, Minn.

Worldwide Fund Ltd.
Sept. 19, 1961 filed 100,000 common. Price—By amendment. Business—The Fund plans to invest primarily in securities of foreign issuers. Office—1100 Bldg., Hamilton, Bermuda. Underwriter—To be named.

Wulpa Parking Systems, Inc.
Oct. 13, 1961 ("Reg. A") 75,000 common. Price—By amendment. Business—Company plans to manufacture and sell parking devices called the "Wulpa Lift." Proceeds—For debt, working capital and increase working capital. Office—240 Ave. N. Y. Underwriter—Ehrlich, Auer & Co., N. Y. Offering—Expected sometime in March.

Wynlit Pharmaceuticals, Inc.
Dec. 28, 1961 filed 125,000 common, of which 100,000 shares are to be offered by the company and 25,000 by stockholders. Business—Development and manufacture of pharmaceuticals and medical products. Proceeds—For general corporate purposes. Office—91 Main St., N. Y. Underwriter—Andresen & Co., N. Y.

● **Youthcraft Creations, Inc. (2/29)**
Dec. 6, 1961 filed 130,000 class A shares, of which 100,000 shares are to be offered by the company and 30,000 by stockholders. Price—By amendment. Business—Manufacture of foundation garments for women. Proceeds—To finance increase in working capital and for other corporate purposes. Office—Borden Ave., Long Island City, N. Y. Underwriter—Paine, Webber, Jackson & Curtis, N. Y.

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ing components. **Proceeds**—For working capital. **Office**—785 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. (3/5-9)**

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-Pak, Inc. (3/26-30)**

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.

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.

★ **Vapor Corp.**

Feb. 2, 1962 filed 156,762 common. **Price**—By amendment. **Business**—Manufacture of steam generators for diesel locomotives; temperature control systems for rail cars, buses and aircraft; and door control devices for rail passenger cars. **Proceeds**—For selling stockholders. **Office**—80 E. Jackson Blvd., Chicago. **Underwriter**—William Blair & Co., Chicago.

Vassar Corp.

Dec. 27, 1961 filed 124,900 common, of which 55,000 are to be offered by the company and 69,900 by stockholders. **Price**—By amendment. **Business**—Design, manufacture and distribution of aids for hair styling, and the production of eyebrow pencils, lip liners, etc. **Proceeds**—For debt repayment, equipment and working capital. **Office**—585 Gerard Ave., N. Y. **Underwriter**—J. R. Williston & Beane, N. Y. **Offering**—Expected in March.

• **Vendex, Inc.**

Jan. 12, 1962 ("Reg. A") 300,000 common. **Price**—\$1. **Business**—Manufacture of coin operated vending machines. **Proceeds**—For an acquisition and general corporate purposes. **Office**—1290 Bayshore Blvd., Burlingame, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco. **Offering**—Expected sometime in April.

• **Vic Tanny Enterprises, Inc.**

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 gymnasia and health centers for men and women. **Office**—375 Park Ave., N. Y. **Underwriters**—Globus, Inc., and Ross, Lyon & Co., Inc., N. Y. **Note**—This registration will be withdrawn.

Victor Electronics, Inc.

Jan. 23, 1962 filed 150,000 common. **Price**—\$5. **Business**—Manufacture, lease and sale of an amusement device known as Golfit. **Proceeds**—For debt repayment and general corporate purposes. **Office**—1 Bala Ave., Bala-Cynwyd, Pa. **Underwriter**—D. L. Greenbaum Co., Philadelphia.

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. **Offering**—Expected in late March.

Vitamin Specialties Co. (2/13-16)

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.

★ **Volt Technical Corp.**

Jan. 29, 1962 filed 190,000 class A shares. **Price**—\$10.25. **Business**—Preparation of technical publications. **Proceeds**—For selling stockholders. **Office**—241 Church St., N. Y. **Underwriter**—Andresen & Co., N. Y.

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. (2/14)

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. (2/19-23)

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. **Underwriter**—John Joshua & Co., Inc., N. Y.

Wade, Wenger ServiceMASTER Co. (3/19-23)

Dec. 28, 1961 filed 140,000 capital shares. **Price**—By amendment. **Business**—Sale of franchises for on-location cleaning and moth-proofing of rugs, furniture, etc. Company also manufactures and sells cleaning equipment and supplies to franchise holders. **Proceeds**—For debt repayment, new building and equipment and other corporate purposes. **Office**—2117-29 N. Wayne, Chicago. **Underwriter**—Laren Co., N. Y.

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.

Warlick Press, Inc.

Jan. 25, 1962 filed 180,000 common. **Price**—By amendment. **Business**—Printing of legal and financial documents. **Proceeds**—For debt repayment, equipment, and working capital. **Office**—2263 Valdina St., Dallas. **Underwriter**—Eppler, Guerin & Turner, Inc., Dallas.

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.

Weinkles Liquor Stores, Inc.

Dec. 27, 1961 filed 165,000 common, of which 80,000 are to be offered by the company and 85,000 by stockholders. **Price**—\$4.50. **Business**—Retail sale of liquor in and about Miami, Fla. **Proceeds**—For working capital. **Office**—2305 N. W. 12th Ave., Miami, Fla. **Underwriter**—Charles Plohn & Co., N. Y. **Offering**—In April.

Welcome Baby, Inc.

Dec. 28, 1961 filed 75,000 common. **Price**—\$2. **Business**—Company renders direct mail public relations, sales promotion and advertising services to mothers on behalf of retail stores. **Proceeds**—For debt repayment and general corporate purposes. **Office**—210-07 48th Ave., Bay-side, N. Y. **Underwriters**—Globus, Inc., and First Philadelphia Corp., N. Y. **Offering**—In mid-March.

★ **Wesreb Oil Co.**

Jan. 19, 1962 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Drilling and production of oil and gas. **Proceeds**—For debt repayment, equipment and working capital. **Office**—422 Washington Bldg., Washington, D. C. **Underwriter**—None.

West Falls Shopping Center Limited Partnership (2/26-3/2)

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.

West Penn Power Co. (3/5)

Jan. 12, 1962 filed \$30,000,000 of first mortgage bonds, series S, due March 1, 1992. **Proceeds**—For debt repayment and construction. **Address**—Cabin Hill, Greensburg, Pa. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co. Stone & Webster Securities Corp. (jointly); Lehman Brothers; Eastman Dillon, Union Securities & Co.—First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co.—White, Weld & Co. (jointly). **Bids**—Expected March 5 (at 12 noon EST). **Information Meeting**—March 2 (10:30 a.m. EST) 55 Wall St. (5th fl.), N. Y.

Westates Land Development Corp. (3/5-9)

Sept. 28, 1961 filed \$1,500,000 of 7% convertible subordinated 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 record 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 Reserve Life Assurance Co. of Ohio

Dec. 29, 1961 filed 213,734 common to be offered for subscription by stockholders on the basis of two new shares for each 3 held. **Price**—By amendment. **Proceeds**—For expansion. **Office**—335 Euclid Ave., Cleveland. **Underwriters**—McDonald & Co., and Ball, Burge & Kraus, Cleveland.

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.

Wham-O Mfg. Co.

Dec. 26, 1961 filed 145,000 common, of which 72,500 are to be offered by the company and 72,500 by stockholders. **Price**—By amendment. **Business**—Design, manufacture and sale of toys and games, sporting goods and housewares. **Proceeds**—For working capital. **Office**—835 E. El Monte St., San Gabriel, Calif. **Underwriter**—To be named.

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. (2/26-3/2)

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. (2/27)**

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. (2/26-3/2)**

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.

• **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. **Note**—This offering was indefinitely postponed.

• **Winslow Electronics, Inc.**

Dec. 28, 1961 filed 125,000 common. **Price**—\$4. **Business**—Design and manufacture of precision electrical and electronic measuring devices and test equipment. **Proceeds**—For debt repayment and other corporate purposes. **Office**—1005 First Ave., Asbury Park, N. J. **Underwriter**—To be named.

Wolf Corp.

Jan. 26, 1962 filed \$4,500,000 of 6.5% convertible subordinated debentures due 1977 (with attached warrants) to be offered for subscription by stockholders of class A stock on the basis of \$500 debentures for each 100 class A shares held. **Price**—\$500 per unit. **Business**—Real estate. **Proceeds**—For debt repayment and realty acquisitions. **Office**—10 E. 40th St., N. Y. **Underwriter**—S. E. Securities, Inc., N. Y.

• **World Scope Publishers, Inc. (3/5-9)**

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. (2/26-3/2)

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.

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. **Offering**—Imminent.

Wulpa Parking Systems, Inc.

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. **Offering**—Expected sometime in March.

Wynlit Pharmaceuticals, Inc.

Dec. 28, 1961 filed 125,000 common. **Price**—By amendment. **Business**—Development and manufacture of pharmaceuticals and medical products. **Proceeds**—For general corporate purposes. **Office**—91 Main St., Madison, N. J. **Underwriter**—Andresen & Co., N. Y.

• **Youthcraft Creations, Inc. (2/19)**

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. Dear St., Englewood, N. J. Underwriter—Sulco Securities, Inc., N. Y.

ATTENTION UNDERWRITERS!

Do you have an issue you're planning to register? Our Corporation News Department would like to know about it so that we can prepare an item similar to those you'll find hereunder. Would you telephone us at REctor 2-9570 or write us at 25 Park Place, New York 7, N. Y.

Prospective Offerings**Alabama Power Co. (5/31)**

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$17,000,000 30-year first mortgage bonds in June. Office—600 N. 18th St., Birmingham, Ala. Underwriters—(Competitive). Probable bidders: Blyth & Co., Inc.—Kidder, Peabody & Co. (jointly); Morgan Stanley & Co.; First Boston Corp.; Eastman Dillon, Union Securities & Co.—Equitable Securities Corp.—Drexel & Co. (jointly); Lehman Brothers, Halsey, Stuart & Co., Inc. Bids—Expected May 31.

Atlantic Coast Line RR. (2/13)

Jan. 22, 1962 it was reported that this road plans to sell \$4,155,000 of equipment trust certificates in February. Office—220 E. 42nd St., N. Y. Underwriters—(Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co., Inc. Bids—Feb. 13 (12 noon EST) in Room 3112, 220 E. 42nd St., N. Y.

Century Bank (Los Angeles)

Feb. 6, 1962 it was reported that this bank is offering its stockholders the right to subscribe for an additional 20,000 shares on the basis of one new share for each 2½ held of record Jan. 31, with rights to expire Feb. 19. Price—\$50. Proceeds—To increase capital funds. Office—2028 Westwood Blvd., Los Angeles. Underwriters—Stern, Frank, Meyer, & Fox and J. Barth & Co., Los Angeles.

Chicago, Burlington & Quincy RR. (2/8)

Jan. 17, 1962 it was reported that this road plans to sell \$6,450,000 of equipment trust certificates due Sept. 1, 1962-77 in February. Two additional issues totaling about \$6,500,000 also will be sold in the late Spring and Fall. Office—547 West Jackson Blvd., Chicago. Underwriters—(Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co., Inc. Bids—Feb. 8 (12 noon CST), at above address.

Consolidated Edison Co. of New York, Inc.

Feb. 7, 1962 it was reported that this company expects to raise some \$262,000,000 of new money in 1962. The type of security to be sold will be determined by the condition of the securities market. A spokesman stated that the company's capital structure was "somewhat high on the debt side, which suggests equity financing shortly" to be "followed very promptly with a debt issue." Proceeds—For repayment of debt and construction. Office—4 Irving Place, N. Y. Underwriters—To be named. The last sale of bonds on Nov. 22, 1961 was won at competitive bidding by First Boston Corp. The last sale of preferred was made privately on May 1, 1961 by First Boston Corp., and Morgan Stanley & Co., who also handled the last sale of common (a rights offering on Jan. 29, 1959).

Consumers Power Co.

Jan. 9, 1962 it was reported that this company plans to sell about \$40,000,000 of securities, probably first mortgage bonds, about mid-year. Proceeds—For construction. Office—212 West Michigan Ave., Jackson, Mich. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; White, Weld & Co.—Shields & Co. (jointly); Harriman Ripley & Co., Inc.—First Boston Corp. (jointly); Morgan Stanley & Co.

Denver & Rio Grande Western RR (3/14)

Jan. 31, 1962 it was reported that this road plans to sell \$4,830,000 of equipment trust certificates. Office—1530 Stout St., Denver. Underwriters—(Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co., Inc. Bids—March 14 (12 noon MT) in Denver.

Fairfield County Trust Co.

Jan. 10, 1962 it was reported that stockholders are to vote Feb. 15 on increasing authorized stock to provide for sale of 49,875 additional shares to stockholders on the basis of one new share for each 11 held of record Feb. 20. Price—\$40. Proceeds—To increase capital and surplus. Office—300 Main St., Stamford, Conn. Underwriter—None.

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.

Georgia Power Co. (11/7)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$23,000,000 30-year first mortgage bonds in November. Office—270 Peachtree Bldg., Atlanta, Ga. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; Harriman Ripley & Co., Inc.; Blyth & Co., Inc.; Kidder, Peabody &

Co.—Shields & Co. (jointly); Equitable Securities Corp.—Eastman Dillon, Union Securities & Co. (jointly); First Boston Corp.; Lehman Brothers; Morgan Stanley & Co. Bids—Expected Nov. 7. Registration—Scheduled for Oct. 5.

Georgia Power Co. (11/7)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$7,000,000 of preferred stock in November. Office—270 Peachtree Bldg., Atlanta, Ga. Underwriters—(Competitive). Probable bidders: Blyth & Co., Inc.; First Boston Corp.; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.—Equitable Securities Corp. (jointly); Lehman Brothers. Bids—Expected Nov. 7. Registration—Scheduled for Oct. 5.

Gulf American Land Corp.

Feb. 6, 1962 stockholders approved issuance of up to \$12,000,000 of 6½% 15-year convertible subordinated debentures to be offered for subscription by shareholders on a pro rata basis. Business—Company is engaged in the development of unimproved land as planned communities. Office—557 N. E. 81st St., Miami, Fla. Underwriters—Morris Cohon & Co., and Street & Co., Inc., 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.

Japan Development Bank

Jan. 10, 1962 it was reported that the Japanese Finance Ministry had authorized the bank to issue \$30,000,000 of Guaranteed External Loan Bonds, preferably in the U. S., in fiscal 1962. Business—The bank was incorporated in 1951 as a Japanese Government financial institution to supply long-term funds to Japanese industry for promotion of economic reconstruction and industrial development. Office—Tokyo, Japan. Underwriters—To be named. The last sale of bonds on Oct. 3, 1961 (\$20,000,000) was underwritten by First Boston Corp., Dillon, Read & Co., Inc., and Smith, Barney & Co., Inc.

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.

La Salle National Bank (Chicago)

Jan. 31, 1962 it was reported that the bank is offering stockholders the right to subscribe for an additional 50,000 shares on the basis of one new share for each nine held of record Jan. 24, with rights to expire Feb. 20. Price—\$50. Office—135 So. La Salle St., Chicago. Underwriters—McCormick & Co.; A. C. Allyn & Co., and A. G. Becker & Co., Inc., Chicago.

Long Island Lighting Co. (3/14)

Jan. 31, 1962 it was reported that this company plans to offer about 421,300 common shares to stockholders on the basis of one new share for each 20 held of record about March 14. Office—250 Old Country Rd., Mineola, N. Y. Underwriters—To be named. The last two rights offerings were underwritten by Blyth & Co., First Boston Corp., and W. C. Langley & 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.

Mississippi Power Co. (4/12)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$6,000,000 30-year first mortgage bonds in April. Office—2500 14th St., Gulfport, Miss. Underwriters—(Competitive). Probable bidders: Eastman Dillon, Union Securities & Co.—Equitable Securities Corp. (jointly); Halsey, Stuart & Co., Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. Bids—Expected April 12. Registration—Scheduled for Mar. 16.

Napco Industries, Inc.

Jan. 3, 1962 it was reported that the company is considering the public offering of 250,000 common shares "in the near future providing the market is favorable." Business—Manufacture of heavy duty equipment for trucks, busses and military vehicles. Proceeds—For additional working capital. Office—834 No. Seventh St., Minneapolis. Underwriter—Van Alstyne, Noel & Co., N. Y.

National Community Bank of Rutherford (N. J.)

Feb. 7, 1962 it was reported that this bank is offering stockholders the right to subscribe for an additional 48,500 common shares on the basis of one new share for each five held of record Jan. 23 with rights to expire Feb. 20. Price—\$35. Proceeds—To increase capital funds. Office—24 Park Ave., Rutherford, N. J. Underwriters—Dean Witter & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and Reynolds & Co., Inc., N. Y.

Ohio Oil Co.

Jan. 16, 1962 it was reported that this company plans to issue about \$80,000,000 of 25-year straight debentures to help finance the proposed acquisition of Plymouth Oil Co., on April 2. The sale is subject to receipt of a favorable tax ruling from the IRS and approval of the asset sale by Plymouth stockholders on March 28. Office—539 So. Main St., Findlay, O. Underwriters—First Boston Corp.—Lehman Brothers (jointly).

Oklahoma Gas & Electric Co. (3/8)

Jan. 17, 1962 it was reported that this company plans to offer stockholders the right to subscribe for an additional 328,912 common shares on the basis of one new share for each 20 held of record about March 8. Pro-

ceeds—For construction. Office—321 N. Harvey St., Oklahoma City. Underwriter—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

Pacific Gas & Electric Co. (3/13)

Jan. 22, 1962 it was reported that this company plans to sell \$65,000,000 of first and refunding mortgage bonds due 1994. Proceeds—For expansion. Office—245 Market St., San Francisco, Calif. Underwriters—(Competitive). Probable bidders: First Boston Corp.—Halsey, Stuart & Co., Inc. (jointly); Blyth & Co., Inc. Bids—Expected March 13 at 11:30 a.m. (EST).

Pacific Power & Light Co. (4/2)

Feb. 7, 1962 it was reported that this company plans to issue \$35,000,000 of first mortgage bonds due 1992. Proceeds—For construction. Office—920 S. W. Sixth Ave., Portland, Ore. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; Lehman Brothers; Eastman Dillon, Union Securities & Co.; Blyth & Co.—White, Weld & Co. (jointly). Bids—Expected April 11 (11 a.m. EST). Information Meeting—April 2 (3:30 p.m.) at 2 Rector St., N. Y.

Playboy Clubs International, Inc.

Feb. 7, 1962 it was reported that this company plans to file a registration covering its first offering of 270,000 common shares. Price—About \$7. Business—Operation of membership "key" clubs in Chicago, Miami and New Orleans. Proceeds—For expansion. Office—Chicago, Ill. 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.

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.

Seaboard Air Line RR.

Jan. 23, 1962 it was reported that this company plans to sell \$5,565,000 of 1-15 year equipment trust certificates later this year. This is the final installment of a \$11,130,000 issue which will help finance the purchase of \$13,929,533 of additional rail equipment. Office—3600 W. Broad St., Richmond, Va. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; Salomon Brothers & Hutzler.

(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.

Southern Electric Generating Co. (11/28)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$6,500,000 30-year first mortgage bonds in November. Office—600 N. 18th St., Birmingham, Ala. Underwriters—(Competitive). Probable bidders: First Boston Corp.; Halsey Stuart & Co., Inc.; White, Weld & Co.—Kidder, Peabody & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.—Blyth & Co., Inc. (jointly); Eastman Dillon, Union Securities & Co.—Equitable Securities Corp.—Drexel & Co. (jointly); Morgan Stanley & Co. Bids—Expected Nov. 28. Registration—Scheduled for Nov. 1.

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).

Utah Power & Light Co. (5/22)

Jan. 17, 1962 it was reported that subject to approval of directors, the company plans to sell about \$20,000,000 of mortgage bonds and \$10,000,000 of common stock in May. Office—1407 W. North Temple St., Salt Lake City. Underwriters—(Competitive). Probable bidders on the bonds: First Boston Corp.—Blyth & Co., Inc. (jointly); Kidder, Peabody & Co.; Halsey, Stuart & Co., Inc.; Salomon Brothers & Hutzler; White, Weld & Co.—Stone & Webster Securities Corp. (jointly); Eastman Dillon, Union Securities & Co.—Smith, Barney & Co. (jointly); Lehman Brothers—Bear, Stearns & Co. (jointly). The last issue of common on Sept. 17, 1957 was underwritten by Blyth & Co., Inc.—Kidder, Peabody & Co.—Merrill Lynch, Pierce, Fenner & Smith, Inc. (jointly). Other bidders were First Boston Corp., and Lehman Brothers. Bids—Expected May 22.

Vacco Valve Co.

Feb. 7, 1962 it was reported that this company plans to file a registration covering 100,000 common. Price—\$5. Business—Operation of a general machine shop and the design and manufacture of tools, valves, machinery, etc. Proceeds—For a new plant, equipment, and working capital. Office—El Monte, Calif. Underwriter—California Investors, Los Angeles.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—When President Kennedy sent the proposed 1963 fiscal year budget to Congress recently there was one subject that was passed over entirely or got little attention. The projected Federal activities in public works and other construction activities is colossal.

A record of \$6.5 billion in expenditures for civil public works is proposed starting July 1. This obviously is a huge figure. It is four times the 1954 figure submitted to Congress by former President Eisenhower.

Biggest increase in recent years of course is the vast Federal aid highway construction program, financed of course by the motorists. Big government in this country has now come to mean big public works programs.

Indicative of the role Washington is taking in construction programs is the ever-growing number of matching funds. For instance, the House of Representatives a few days ago passed and sent to the Senate a bill authorizing \$1.5 billion of Federal grants and loans to be used by colleges for building academic structures during a five-year period.

There are many grants and loans to state and local governments for numerous types of public works construction. They appear to be increasing.

Besides the billions for civil public works, the proposed expenditures for military construction in 1963 (excluding civil defense structures) are estimated at \$1.2 billion. There is also an item of military housing that will involve a large outlay.

During the current fiscal year, Congress in appropriating money for construction of family quarters for military personnel in scattered sections directed that the cost per unit for generals or the equivalent shall not exceed \$22,000 per unit; housing for colonels or equivalent \$19,800; for lieutenant colonels and majors \$15,400; for second lieutenants, lieutenants, captains and warrant officers \$13,200. When units are constructed outside the continental United States or in Alaska, the average cost per unit shall not exceed \$32,000, and in no event shall the individual cost go above \$40,000.

The new budget before Congress calls for many new projects calling for a total of \$362 million the coming year. However, the total commitments for the coming years on these projects would run about \$2.4 billion.

More for Public Power

The Corps of Army Engineers plan to start 36 new projects with an estimated total cost of \$492 million, including eight navigation projects, six flood control reservoirs, and three multi-purpose projects with hydroelectric power facilities.

In the field of public power, the Federal Government plans to be-

gin work on a 900,000-kilowatt steam power unit for the Tennessee Valley Authority (TVA); two new transmission lines by the Bonneville Power Administration, and six lines by the Southwestern Power Administration.

Numerous new office buildings, including courthouses and post-offices, will be started by the General Services Administration. Total estimated cost of these new "starts" proposed will total \$712 million.

The swift-growing space industry in this country means a large amount of new construction, particularly in the Gulf South and the Cape Canaveral area on the Atlantic side of Florida.

Huge Space Program

Congress is being asked to appropriate \$3,787,276,000 for the whole space program for the coming year or more than double the amount appropriated the current year. The National Aeronautics and Space Administration will supervise the expenditures, and a substantial part of the total sum will go into construction and rounding up many thousands of acres of land particularly in coastal Mississippi near New Orleans where a lot of static testing will be done in the "Operation Moon" program before the missiles will be barged to Cape Canaveral.

New construction starts for some of the other government agencies will include veterans hospitals, schools for Indian children, research laboratories, roads and recreational facilities in the national parks and forests, air navigation facilities, foreign service and Coast Guard facilities.

Expenditures are going up for the mighty highway programs—interstate, primary, secondary and urban roads. Federal assistance will be increased by \$224 million to nearly \$3.4 billion. The largest part of the Federal expenditures will be earmarked in the so-called Highway Trust Fund for the 41,000-mile interstate system.

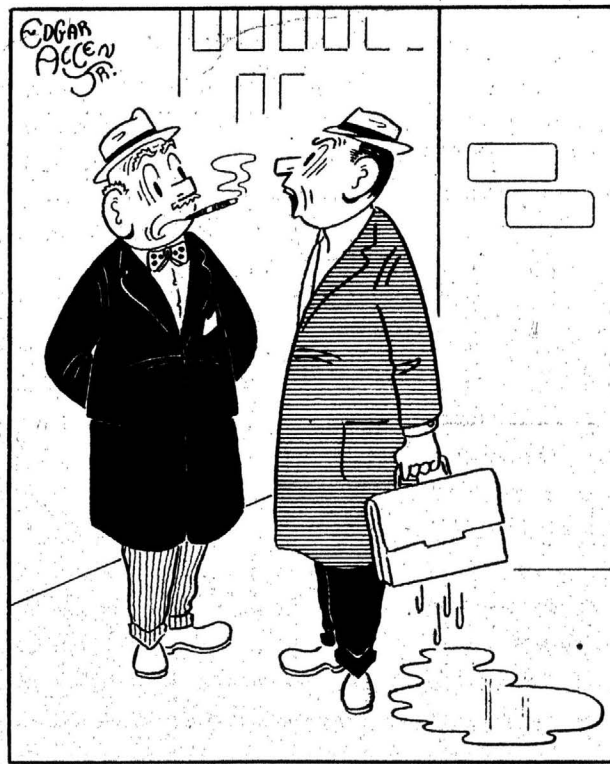
There will be, assuming Congress provides the money, very substantial sums spent in the building areas for health, labor, and welfare. An estimated \$288 million is scheduled for public works in the education field. This total sum would include \$195 million in loans and \$64 million in grants.

While the number of commercial farms and farm workers continues to decline, there is nevertheless an increase in the use of electricity and telephones in the rural parts of the country. The budget is asking for \$435 million of REA loans in 1963, and \$135 million for telephones. The loans to these cooperative associations are subsidized by the tax payers, because the Federal Government borrows the money at a cost of about 4%, and then turns around and loans it out to REA cooperatives for considerably less than cost.

AID Program Expanding

Congress probably will not approve all the new loans that the New Frontier Administration is recommending, because the total amount represents a staggering sum of \$8.1 billion. This figure would represent a 60% increase above the actual commitments last year. Nearly all major programs would share in the proposed expansion.

The largest single commitment is proposed for the new Agency for International Development for loans to developing countries



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for highways, power plants, and industrial plants of various kinds.

The Agency for International Development (AID) combines under a single administrator the functions previously performed by the International Cooperation Administration and the Development Loan Fund.

Atomic Energy Commission expenditures in 1963 are estimated at \$2.8 billion. Development of atomic power for civilian use will be carried on at about the same rate that it is now being done.

Overall, the United States Government will spend a record amount of funds for construction, if Congress gives the go ahead signal. It is apparent that the budget of expenditures will continue to climb and climb, year after year.

[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.]

Form Harry Anderson Co.

MINNEAPOLIS, Minn.—Harry A. Anderson Co. has been formed with offices at 702 Fourth Street, S. E., to engage in a securities business. Officers are Harry A. Anderson, Jr., President; Marvin D. Scherzer, Vice-President and Treasurer; and Herbert J. Bernick, Secretary. Mr. Anderson was formerly with Peters, Donnelly & Jansen, Inc. and Irving J. Rice & Co. in St. Paul.

Allen J. White Forms Co.

EAST PROVIDENCE, R. I.—Allen J. White has formed Allen J. White & Co., Inc. with offices at 791 North Broadway to engage in a securities business.

COMING EVENTS

IN INVESTMENT FIELD

Feb. 9, 1962 (Boston, Mass.)

Boston Securities Traders Association Annual Winter Dinner at the Statler Hilton Hotel.

March 2, 1962 (Houston, Tex.)

Stock and Bond Club of Houston annual outing at the Champions Golf Club.

March 9, 1962 (Philadelphia, Pa.)

Investment Traders Association of Philadelphia annual dinner at the Bellevue-Stratford.

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.

April 27, 1962 (New York City)

Security Traders Association of New York Dinner at the Waldorf-Astoria.

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.

May 17-18, 1962 (Nashville, Tenn.)
Nashville Association of Securities Dealers annual spring party.

May 19-23, 1962 (Detroit, Mich.)
Financial Analysts Federation 15th Annual Convention at the Statler Hilton Hotel.

June 1-2, 1962 (Miami Beach, Fla.)
Spring Conference of the National Association of Investment Clubs at the Seville Hotel.

Sept. 11-12, 1962 (Chicago, Ill.)
Investment Bankers Association Municipal Conference at the Pick Congress Hotel.

Sept. 13-14, 1962 (Chicago, Ill.)
Municipal Bond Club of Chicago outing.

Sept. 19-21, 1962 (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. 4-9, 1962 (Boca Raton, Fla.)
National Security Traders Association Convention at the Boca Raton Hotel & Club.

Nov. 25-30, 1962 (Hollywood, Fla.)
Investment Bankers Association Annual Convention at Hollywood Beach Hotel.

April 27-May 1, 1963 (Boston, Mass.)

National Association of Mutual Savings Banks 43rd annual conference at the Hotel Statler.

I. L. Brooks Adds

(Special to THE FINANCIAL CHRONICLE)
SAN FRANCISCO, Calif.—Bruce E. Rueppel has been added to the staff of I. L. Brooks & Co., Inc., 333 Pine Street, members of the Pacific Coast Stock Exchange. He was previously with Reynolds & Company.

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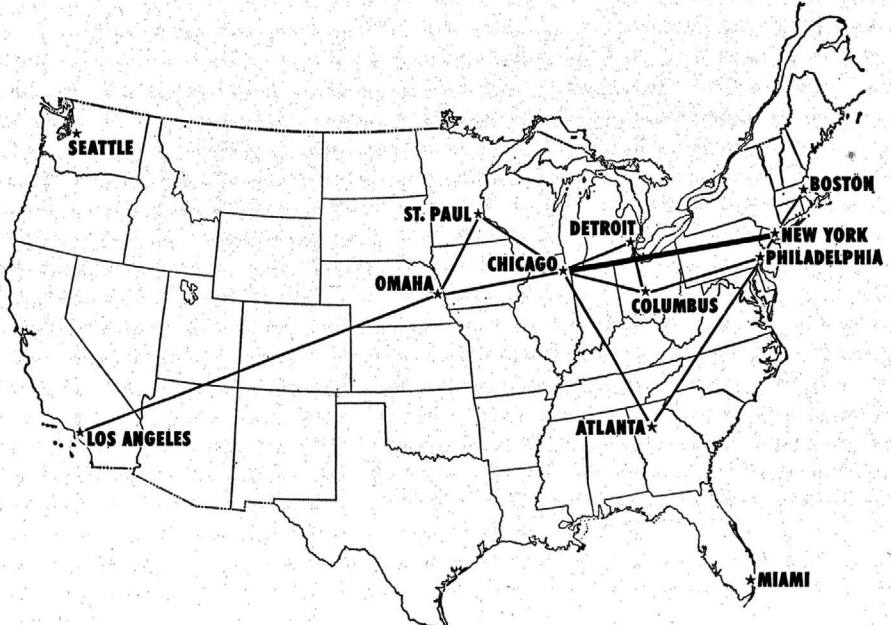
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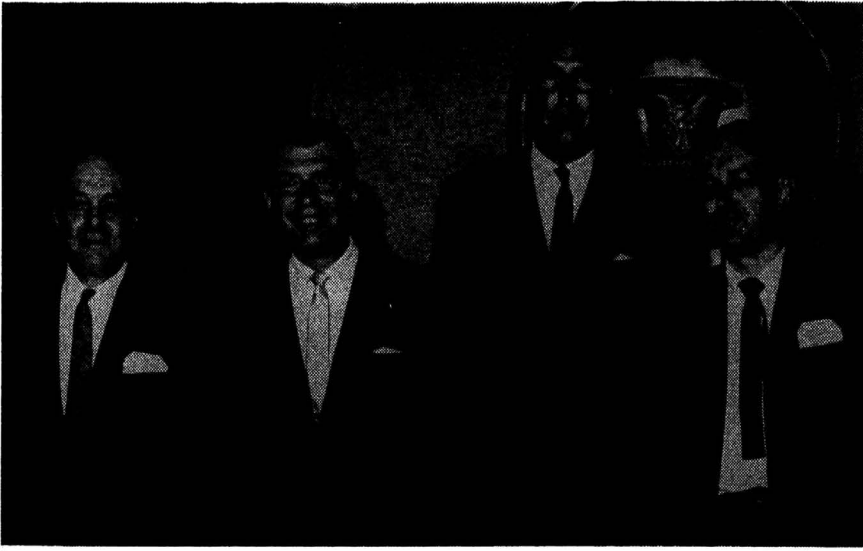


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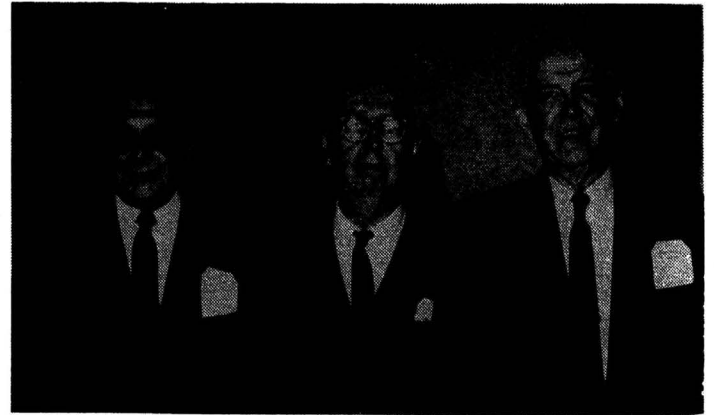
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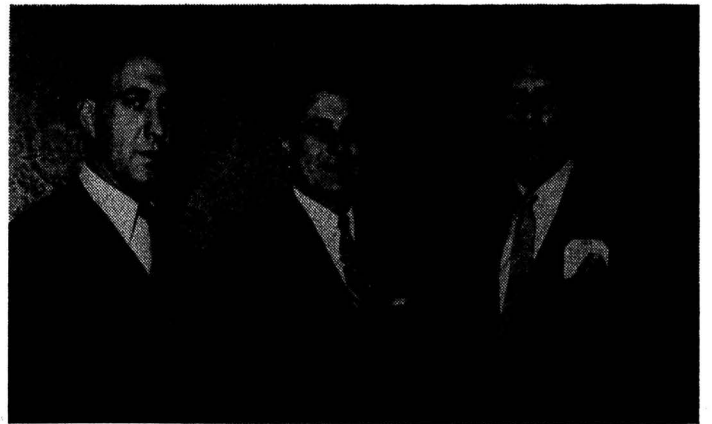
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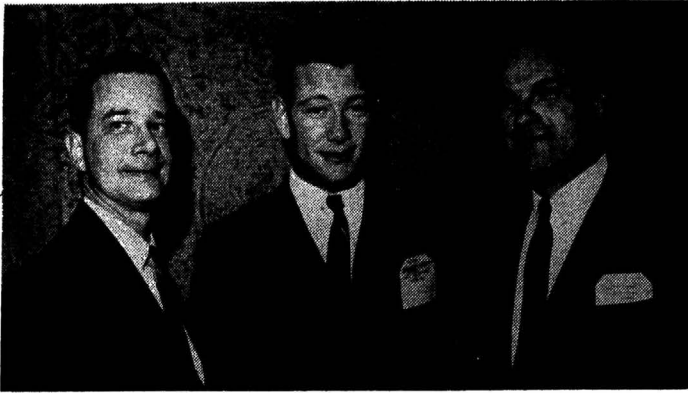
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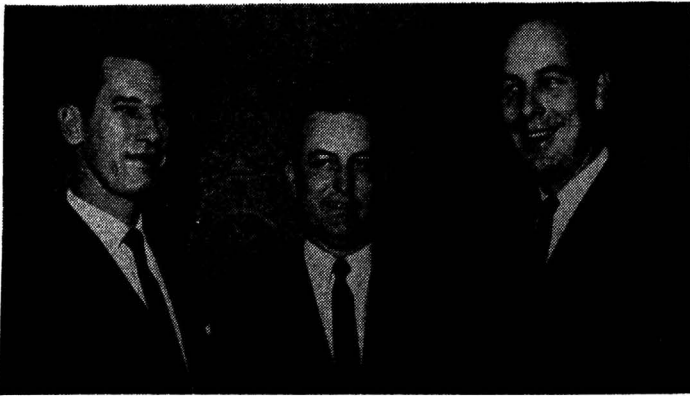
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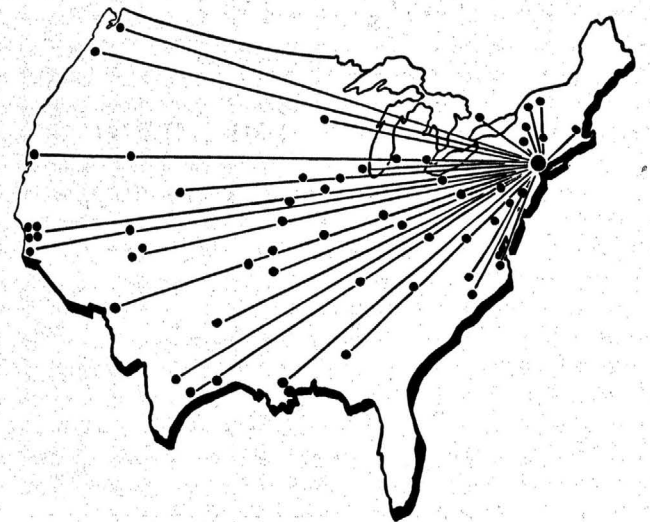
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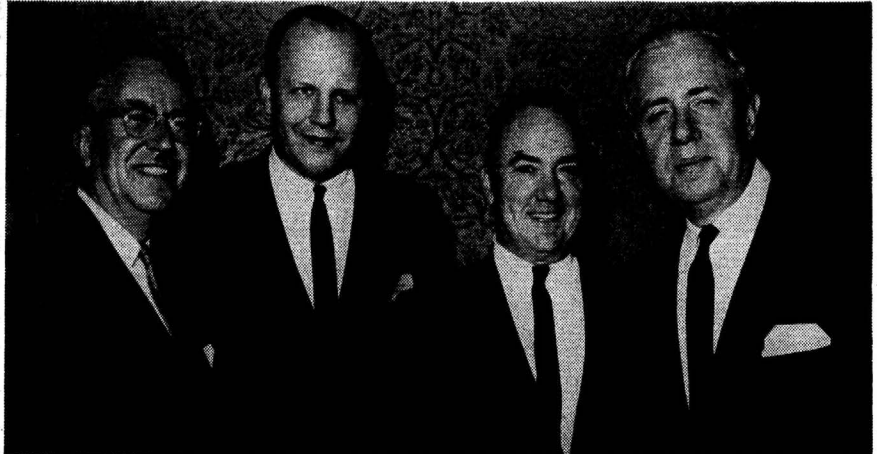
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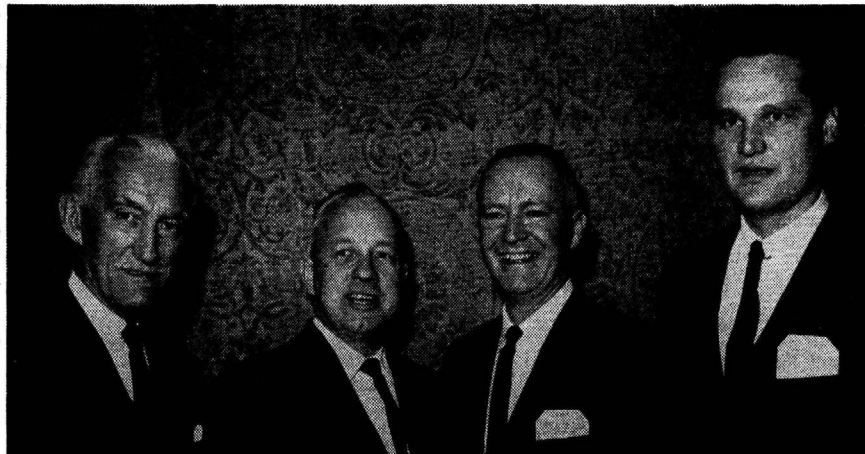
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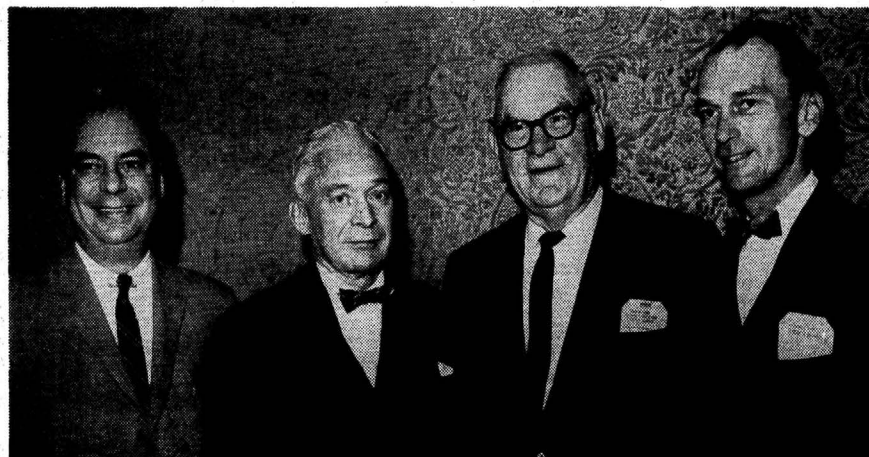
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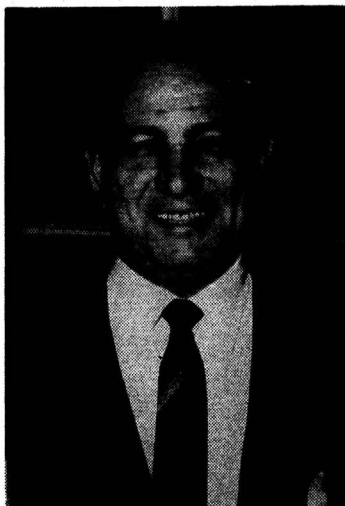
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