Editorial
As We See It

The U. S. Attorney General has returned from an extended tour of populous countries of the East, impressed and apparently somewhat distressed by what appeared to him to be the ignorance of the people concerning us and our policies, or perhaps it would be better to say by the misinformation and misunderstanding about us. Robert Kennedy finds it all but impossible that they be more visitation by responsible people of this country in such lands as these and a greater and more systematic effort to "explain" ourselves and our intentions. He found a great deal of interest—and emotion—in the subject of "colonialism" and "imperialism" and soon discovered that the communists and their followers had made good use of their time and energy in convincing these peoples that we definitely were of colonial leanings and, in fact, were imperialists at heart. Naturally, he found when questioning these critics that their notions of such terms as these were elementary to say the least, but such terms are essentially labels in these former colonial dependencies and it is all but useless to expect these colonials to remain unemotional and rational concerning them.

What's the Answer?

Here is a situation which exists in one form or another and in one degree or another almost everywhere in the world—even here among ourselves—and one that can be definitely damaging to the cause of human welfare. The question is what can best be done about it. "Explanations" usually—as was the case with the Attorney General—are very likely to develop quickly into some form of Marxist dialectics and, accordingly, are quite ineffective and useless. The truth of the matter is that our own thinking, our own governmental philosophy and the rationale of our public policies are all but hopelessly engulfed in confusion of thought and differences of opinion, to say nothing of plain misunderstanding, elementary sociological and eco-

(Continued on page 13)

Comming Soon — the only comprehensive quarterly analysis of the stocks purchased and sold by mutual and closed-end funds will be published in our May 17 issue.
The Security I Like Best...

A continuous flow in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

DAVID A. BAKER
Security Analyst, Jessup & Lombard, New York City

Hammerrill Paper Co.

Hammerrill Paper Company is a soundly managed, conservative enterprise, which appears to be on the threshold of a rapid expansion in early 1962. Quoting from p. 341 in a recent article, "A well-conceived growth program..." which had considerably altered the company's basic structure...This year's earnings are expected to increase 50% and the stock is likely to continue its upward course.

DAVID A. BAKER
Security Analyst, Jessup & Lombard, New York City

This Week's Forum Participants and Their Selections

Hammerrill Paper Co.—David A. Baker, Security Analyst, Jessup & Lombard, New York City (Page 2)

Univis, Inc.—Eugene F. Gerwe, Research Dept, Univis, Inc., Davison, Iowa (Page 2)

(2) Non—recurring expenses have obscured the company's rapid development over recent years. These charges, which reduced 1960 and 1961 earnings by approximately $1 per share, are now behind the company and should allow earnings to return to a more normal level in relation to sales in the years ahead.

(4) Despite the excellent outlook, UNIVIS Common Stock is currently selling at a reasonable price in relation to the current annual rate of earnings of the company and the price earnings ratio for the past five years.

UNIVIS was incorporated in Ohio in 1918 and over the years has developed a strong position as a leading manufacturer of eyeglasses. In the past the company has been primarily a local company, but now sales are made in the four-year period ending 1963 because of the strong growth and the increasing market for eyeglasses. The company's earnings have been growing rapidly since that time is due to the efforts of these men in broadening the product line, expanding advertising and merchandising programs, and instituting efficient order and inventory procedures.

...
Bond Markets and the Interest Rate Outlook

By Tilford C. Gaines, Vice-President, First National Bank of Chicago

Chicago banker charts influences responsible for this recovery period's record-low and almost unprecedented bond market.

Looking ahead, the former N.Y. Federal Reserve officer tots up several forces strongly implying somewhat higher interest rates are in store for next three to six months. However, the anticipated heavier credit demands are likely to increase pressure on bank lending as the year progresses. The Federal Reserve is expected to pursue a policy of permit healthy credit controls to support the economy's advance while imposing limits to prevent its mismanagement.

The bond markets have put on a remarkable performance during the past several months. In spite of a strong and expanding economy and very large demands for credit, bond prices have risen almost without interruption. At the middle of January virtually all of the longer-term government bonds were quoted to yield about 4% and some issues were pushing toward 4 1/2%. At this writing, there are no government bonds less than 4% and the prices of longer bonds are from three to four points higher than they were only three months ago.

The pattern of developments in the tax-exempt bond market has been even more striking as far as taxable bonds. In spite of the pronounced price increases which followed in recent months, yields on taxable Government Securities and corporate bonds are still higher than they were a year ago. But yields on municipal bonds are currently about 50 basis points below a year ago and are presently at the lowest level in several years.

Why Bull Market?

What are the circumstances which would explain the bull market in bonds during the first four months of this year? Clearly, the most important single influence has been the action of the Federal Reserve member banks to increase the rates of interest on their time and savings deposits. This permission went into effect in early January, and in a matter of days most of the principal financial centers in the United States had increased the rates offered to their savings and time customers. There have been two direct consequences. First, the time and savings deposits of commercial banks have grown at an unprecedented rate; these deposits increased by fully $8 billion during the first three months of this year. Second, the higher costs involved in paying more interest to their depositors have caused banks to re-examine investment policies and to attempt the return of rate on their investment portfolios.

The first evidence of the emerging bull market in bonds appeared in the tax-exempt market in December, even before the new and higher savings rates went into effect. Commercial bank buying appeared in the market in large quantities, and it is believed that most commercial banks customarily had purchased. Avid commercial bank demand for new tax exemptable has continued to the present time. A huge volume of new bonds has been absorbed without a corresponding rise in yields. These factors have had an important effect on the steady upward movement of prices and downward movement of yields.

Impact of Inflationary Economy

The markets for taxable bonds did not respond to the strength in the tax-exempt market until the latter part of January. By that time, other influences had entered the picture to help drive bond yields higher and move them toward the levels of early 1961. This was the relatively poor performance of the economy in January—related to the fact that what many businessmen and economists had expected, the standard economic forecasters, who published projections of early 1961 showed that the forward momentum of the economy would approach boom conditions in 1962, generating heavy credit demands and rising interest rates. Instead, as the new year opened, activity slackened from the pace maintained in the last quarter of 1961. A buoyant enthusiasm on the economic outlook was replaced by uncertainty as to the economy's ability to sustain its upward movement.

Uncertainty on the economic outlook forced commercial banks to increase their investment policies. Many banks had sold interest-bearing and high-yield bonds in the spring, and had reinvested in short maturities, expecting rising interest rates to make it possible to lengthen out this year at lower rates than in the past for bonds. As the picture of higher rates and lower bond yields became increasingly uncertain, some banks decided to lengthen immediately rather than run the risk that yields would not be higher later in the year. Buying from this source has provided steady upward pressure on bond yields.

Another powerful influence in the opening months of this year was the failure of bank loan demand to extend the strong upward trend toward movement that appeared in the closing months of 1961. Primarily to attempt to increase the liquidity in New York and Chicago, the principal money market centers, loan demand became relatively slack, and funds available for investment piled up.

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Bond Markets and the Interest Rate Outlook

Continued from page 3

Meanwhile, Federal Reserve policy has remained basically unchanged, and interest rates have constantly been a sizable supply of bank funds available for investment.

What's Ahead?

The combination of these various influences has been expec- ted to boost bond market activity into a period of economic recovery. Market strength through August strengthened sales of government stock and demand and has not rest upon economic psychologi- cal factors. It has grown out of the buying by real investors and not from speculative accumula- tion of inventory by profession- ally free riders. This being the case, we may expect bond prices to continue to rise and interest rates to begin to fall.

In my judgment, there is little or any latitude remaining for fur- ther upward price movement in the markets for taxable bonds. Tax-exempt bonds may continue to improve, in spite of their very strong movement during the past four months, since on a taxable equivalent basis yields on municipals are still substantially above yields on taxable bonds. But it seems to me that in the market for corporate and Government securities the pressure of present and prospective demands for credit in a period of recovery is felt.

Borrowing by the Government, in particular, may be expected to be decidedly heavy during the months of August, September, and October. The tax debt obligation of August will involve a greater volume of securities maturing on May 15 and $1.7 billion. The Treasury will issue only $250 million of new securities, and both maturities will be refunded simultaneously. In addition to obligations in August, November, and December, the Treasury bond and tax refunding are necessary to borrow at least $10 billion in new money during the balance of the year. Corporate bond volume also may be expected to be very large, and the taxable bond and tax refunding volume is almost always light during the months of August and September and picks up significantly in the sec- ond quarter. This year should not be an exception. The volume of offerings of tax-exempt bonds has been running slightly larger than usual, and this in no reason to anticipate any re- ductions or any similar upward trend.

Finally, loan demand at the Federal Reserve Banks will clearly turned upward and, if the pattern of earlier years of busi- ness recovery is followed, we may confidently expect a steady upward trend upon bank lend- ing capacity as the year progresses.

Monetary Policy

Will it be possible to supply credit in the volume suggested by this outlook at current upward rates of interest? The answer to this question turns upon Federal Reserve policy. The Fed- eral Reserve System has main- tained an expanding credit market throughout the first fourteen months of recovery. Deflationary pressures do not emerge to the extent that Federal Reserve credit will not be allowed for by growth by above average rates of growth. In short, the outlook appears to be for good economic expa- nsion, steady heavier credit demands, and all interest on most types of obligations.

• "A talk by Mr. Giansi before the Philadelphia Conference at National Bank of Chicago, April 24, 1962.

Bylesby Names Elliott to Board

CHICAGO, Ill. — Dr. Martin A. Elliott, a veteran executive of the First National Bank of Chicago, has been named President in Charge of academic affairs for the Illinois Institute of Technology.

Dr. Elliott served as Professor of Economics at the University of Chicago before coming to the Illinois Tech.

The fullness of education at- tempts has been likewise stated by Secretary Dillon (of Revenue Act of 1968, Hearings before the Committee on Finance, U. S. Senate, April 5, 1968).

The Crucial Point

If it is true, as is thus so author- itatively asserted, that taxpayers are too dumb to be educated as to the very existence of the obliga- tion to pay the withholding tax and interest income, how can it be that persons of whom the President himself has said they will 'perform the infinitely more complex—and bewildering to al- most anyone no matter how expert functions under withholding routine?'

New Enticements

The dependence of the with- holding system on the wholesale billing of exemption certificates and claims for refunds by the taxpay- er will be such that it will not be burdensome and perplexing obli- gation whose ramifications will make his present "uncompre- hensible" duty to report seem so simple as the multiplication.

Leib, Skloot Co. New Firm Name

CLIFTON, N. J. — The firm name of International Services Corp., 1126 Clifton Avenue, has been changed to Leib, Skloot & Co., Inc. Harold Leib and Marvin Skloot, who are associated with the firm, which acts as brokers, dealers and underwriters on personal property. An open-end phone, LO 4-7560, is maintained to New York City.

T. Rowe Price Opens N. Y. Office

T. Rowe Price Associates, Inc., the national mutual fund counselling firm, has opened a branch office at 130 Water Street, Plaza, New York City.

Stanley has become associated with the firm, and Dr. Robert A. Rowe in charge of the new office.

HITTING THE "MORBONS" WITH HIGHER CALCULUS

Quite the most significant and basic indication of the pending withholding legislation comes, inadvertently, from the country's "Number-One Tax Refund Bank- ing Authority," the Collector of Internal Revenue. Interviewed on a top TV-Radio program, Dr. Caplin explained that Treasury's estimated annual tax loss of $850 million through non-reporting of dividends and interest has been largely due to the citizenry's ignorance, rather than to evasion. ("We have a tremendous loss of revenue in that one area, much of it due to sheer ignorance. I think there is a small percentage who really think there is an assumption that this [dividends and interest] is not taxable. I have even seen a newspaper editorial to that ef- fect.

And referring to the short-fall in general taxpayer reporting, the Commissioner continued: "Just as there is a great deal of ignorance

Table: More important, however, is the existence of many people who would not even be aware of the necessity of filling— and hence paying a tax which they don't owe—will be the incentives con- red tape fastened on those, includ- ing the knowledgeable, to adjust their account with the Collector for amounts due which aggregate to many millions, but which are of minor proportions taken away from them in advance. Then there is the "income" recipient, when making out his tax return, with or without a refund claim, will be, without the benefit of an information receipt such as we have been now supplied to him by his employer, to take it for granted that his dividend and interest payments, total up the withheld items extracted from his varied income distributors to add back the tax withheld, add up the two types of income and his other income, and with or without a refund claim, will be, without the benefit of an information receipt such as we have been now supplied to him by his employer, to take it for granted that his dividend and interest payments, total up the withheld items extracted from his varied income distributors to add back the tax withheld, add up the two types of income and his other income, and tax withheld, add up the two types of income and his other income, and...
Effect of Lower Interest Rates in Great Britain

By Paul Einzig

Commentary on the Bank of England's rate reduction to 4½% finds the wage restraint policy justifies the step but that, in turn, the lower interest rates would make more difficult the application of wage restraint. Dr. Einzig advises his government to act quickly to reverse the lower rate of interest and the event British labor stops above the 2½% wage-increase limit. (Commentary 1) The rates of sterling and the U. K.'s ability to lose gold in the event of a credit depression (the rate varies); and (2) the probable dampening effect on the London Euro-Dollar market.

LONDON, England — Last week's reduction of the Bank of England rate by 5% has been criticized by American economists as having paralleled with its maximum level of 5% in a few weeks ago. Even at 5% equal or higher than in most advanced countries. The London Economist's ample scope for further reduction of interest rates is remarkably firm and that the rise in the degree price level remains moderate.

There can be no two opinions on the view that the relief of the tax pressure of the American dollar drain. But British opinion is sharply divided as to whether the relief reduced any future reduction and future reduction could be justified. From the point of view of the U.S. it is crucial that it should be a widespread feeling that the basic rate of interest does not justify such a reversal of the monetary measures taken last year. The fact that the direction of wage policies is considered to be governed by the dire poverty of the cost of living, and the reluctance of mortgage, interest rates and the cost of living has been downward course.

On the other hand, the welcome rise of government loan rates in the U.S. has not really caught up with securities, indicating that the market at any rate is more optimistic.

Lowered Rate Warned

Many people feel that the part-time increases of the wage restraint policy justifies the reduction of the rate of 5%. That the government now at all new applications and that the corresponding wage restraint policy and yet another of the government's exhortation that to price this. Without danger of any future reduction and the market is considerably.

We are pleased to announce that

RICHARD A. HENNING
is now associated with us
in our Trading Department

Harriman Ripley Elects Three

The election of David A. Fitzgerald, William C. Bertram and John H. Krammer as Assistant Vice-Presidents of Harriman Ripley & Co., Incorporated, 6 Wall Street, New York City, has been announced. Mr. Fitzgerald, who joined the investment firm in February, 1956, was formerly with the trading department, while Mr. Krammer, who joined in January, 1946, and Mr. Krammer, who joined in January, 1946, are in the municipal department.

Cuttenden, Podesta & Miller

WE TAKE PLEASURE IN ANNOUNCING THAT

MR. RICHARD T. KEARNS
HAS BEEN APPOINTED
MANAGER OF OUR TRADING DEPARTMENT

P. F. Fox & Co., Inc.

120 BROADWAY, NEW YORK 5
RECTOR 2-7760

5005 Norton Building
Seattle 4, Washington

1950 Number 6166 . The Commercial and Financial Chronicle

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is the occurrence of a change in his status that is

Immaterial?

Surely it must be conceded that the

taxpaying community which pro-

actively

ably unable to understand the

situation in the

work

of involved in the withholding

route.

If the complex withholding

system, with the sabotaging trans*

fers to the innocent taxpayers from

t the government is

condoned (for a juicy $600-800 mil

lion) but we conclude that the

practice is not workable.

FROM OUR MAILBOX

STOCK OPTIONS AS A TOOL

Dear Mr. May:

I have been very much interested in your articles relating to Stock Options. I am in complete agreement with your views and feel that something should be done about it.

There was a time when I never bothered to sign proxies. Since the Option is now on the agenda every plan which proposes, extends, extends, or condones stock options granted to officers of corporations or to stockholders, I am a stockholder.

One of the peculiar features of the stock option is that it is the stockholders' equity just as much as the liabilities of those who have saved and the income of those whose income is fixed.

Unfortunately, banking and brokers who hold stocks as custodians or trustees for others, are likely, wherever they have the authority, to vote at stockholders' meetings in favor of issues recommended by management.

Too bad that Senator Albert Gore's recent efforts to abolish corporate stock options were not more successful. Unfortunately, there being no stockholders' unions, his efforts apparently are not to arise to excite his colleagues and he did not appear very far. I think he should be encouraged to continue his efforts.

I think that stockholders should be encouraged to vote their proxies against stock options. Articles like yours in the public press, if given sufficient grade, could do it.

Faithfully yours,

New York

[The signers of this letter, author of The Securities Exchange Act, Authorized and Explained, is alarger, specializing in corporate affairs]

Charles H. MEYER

H. N. Bernard, Jr., has been associated with J. H. Goddard & Co., 85 Devonshire Street, members of the Boston Stock Exchange. Mr. Bernard, who has been in the investment business in Boston for many years, has recently been with Townsend, Doolen & Tyree. Prior to that, he was a member of the staff of H. H. Atherton & Co. Gerhard D. Hoff,

in the past, Portland manager for Schirmer, after which he was also associated with J. H. Goddard & Co., Inc.

BOSTON, Mass.—Richard N. Bernard,

Foster & Marshall, Inc.

Investment Bankers

1505 Norton Building

5-4350

Seattle 4, Washington

Teletype SE 673

We are pleased to announce the election of

ALBERT O. FOSTER

as

CHAIRMAN OF THE BOARD

Foster & Marshall, Inc.

1950 November 6166 . The Commercial and Financial Chronicle

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Page 195
TAX-EXEMPT BOND MARKET

By DONALD D. MACKey

The state and municipal bond market after all the ballyhoo (since early December) continues to carry strength with but little evidence of its easing. As we round out five months of tax-market activity, it would appear that the surge may easily continue into further months, even higher prices.

The Commercial and Financial Chronicle's 20-year high-grade general obligation bond index, declining on a volume basis of preselected offerings, averaged out at 2.950% as of yesterday, 2.950% as of the previous day, time.

Only a week ago the index average was 3.30% the weekly average has been 2.625%.

The weekly gain in dollars is close to half a point. Since mid-December the average market prices have been much higher and the state and municipal bond market is a market in an effort to purchase new issues. This is now the time to diversify one's portfolio, one is to practically evaluate the stable, high-grade bonds, and to maintain one's position in the state and municipal bond market.

Facing Market's Realities

For those bond buyers who have been patiently holding back the business resurgence and a general tightening up of the money situation, the bond market's more recent upside action has been almost cruelly tantalizing.

For the dealers that have reluctantly already written down tax-exemption or tax-exempt bonds, there has been some reverse. Despite the higher prices, more individual investors are actually interested in municipal bonds that has been the case in several years. Their purchase prices make tax sense to the average investor and the bond market trouble definitely prevailing, the present yield for tax-exempt bonds would not be too good for the diminutive taxable returns from their state, lannented growth type stock.

Right now, a 20-year high-grade 3% tax-exempt is a very attractive, 3.30% tax-exempt, or less to very attractive interest rate.

MARKET ON REPRESENTATIVE SERIES ISSUES

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Larger Issues Scheduled For Sale

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

May 3 (Thursday)

- Fort Wayne, Ind. ...
- Peaco, Conn. ...
- Calhoun County, Texas ...
- Galveston County, Texas ...
- Cleveland County, Arkansas ...
- Shawnee Co. S. D. No. 33, Kansas ...
- toes. Haupia, County, Illinois ...
- Victoria Co. Navigation District, Tex. ...
- West Virginia ...

May 4 (Friday)

- New York (Albany) ...

May 7 (Monday)

- Clackamas Co. Water Dist., Oregon ...
- Coconino County, Ariz. ...
- Mesquite, Indep. Sch. Dist., Texas ...

May 8 (Tuesday)

- Forsyth Co. N. C. ...
- Franklin, Ky. ...
- Mobile Co. Hospital Bd., Ala. ...
- R. T. Cane High School Dist., Ind. ...
- Cape Girardeau, Mo. Sch. Dist., Mo. ...
- Sweetwater Union H. S. & C. I. Dist., Calif. ...
- Washington Sub. Sanl. Dist., Md. ...

May 9 (Wednesday)

- Cincinnati, Ohio ...
- Des Moines, Iowa ...
- East Hartford, Conn. ...
- Fairbanks Indep. S. D., Alaska ...
- Georgia State School Authority (Atlanta) ...
- Jefferson Co., Ky. ...
- Pawtucket, R. I. ...
- Portmouth, N. H. ...
- Sonoma County, Valley County, the Moon County, Water Dist., Calif. ...
- Waterloo, Sch. Dist., Iowa ...

May 10 (Thursday)

- Austin, Texas ...
- Brick Twp. Sch. Dist., N. J. ...
- Cobb County, Ga. ...
- Humboldt Community S. D., Iowa ...
- Jackson Co., Ala. ...
- Saint, N. Y. ...
- West Chester Area Joint School Authority, Pa. ...
- Worcester, Mass. ...

May 11 (Friday)

- Wauchula, Fla. ...

May 15 (Tuesday)

- Arizona State University ...
- Brickhaven Union Free Sd., N. Y. ...
- Dougherty Co. S. D. No. 8, Ga. ...
- Edina-Morningside Indep. Sch. Dist., Colo. ...
- Rustf. Ill. ...
- Knox Co., Tenn. ...
- Los Angeles Unified S. D., Calif. ...
- Morgan Co., Iowa ...
- Mountain View, Calif. ...
- Nashville, Tenn. ...
- Pittsburgh, Pa. ...
- Port Com'n of New Orleans, La. ...
- Westfield Co., N. J. ...
- St. Louis Park Ind. Sd. No. 283, Minn. ...
- Salt Lake City, Utah ...
- South Plainfield Sch. Dist., N. J. ...
- Burlington, Vt. ...
- Willofith-Eaklndale City S. D., Ohio ...

May 16 (Wednesday)

- Benton, Ill. ...
- Eastern Kentucky State College ...
- Richmond, Ky. ...
- New Castle, Pa. ...
- Warren Woods Sch. Dist., Mich. ...
- Westwood Connal Sch. Dist., N. H. ...

May 17 (Thursday)

- Berlin (City) etc., Joint Sch. Dist., Wis. ...
- Birmingham Southern College, Birmingham, Ala. ...
- Kettering City Sch. Dist., Ohio ...
- Metropolitan Seattle, Wash. ...
- Westville, Mass. ...

May 21 (Monday)

- Illinois State of...
- Lower Merion Sch. Dist., Pa. ...

May 22 (Tuesday)

- Denver, Colo. (City & County) ...
- Indianapms School City Ind. ...
- Kern Co., Calif. ...
- Washoe County, S. D., Nev. ...

May 23 (Wednesday)

- Henry Co. Va. ...
- New Orleans, La. ...
- North St. Paul-Maplewood Indep. Sch. Dist., Minn. ...
- Pierce County Easley - Central Water Dist., S. ...
- Warren, Cons. S. D., Michigan ...

We maintain active trading market in...

Dynatronics, Inc.

R. S. DICKSON & COMPANY
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The Commercial and Financial Chronicle Thursday, May 3, 1962
The Avco Corporation—Flight to New Heights

By Dr. Iris U. Goebelh, Enterprise Economist

Avco Corporation started out 13 years ago as The Aviation Corp. In the 1920s, it held major interests in the burgeoning airline industry—In Pan American Airways, and in 1952 became the American Airlines. It sold these interests in its most recent major phase, and by World War II, its third largest military contractor—a volume producer of aircraft, ships, and jeeps. Its biggest blowout, then, was Consolidated Vultee.

Military to Civilian Production

At the end of the war, the corporate decision was to swing sharply away from the military, and so consequently on non-weapon appliances, through the Crosley and Bendix Divisions. Consolidated Vultee property was sold (becoming the keystones of General Dynamics Corp., the corporate name was changed (1947) to Avco, and by 1952, the company had become a diversified and independent factor in appliances. Here, again, high profitability and durable success eluded the company, for even during the company was in a real financial flutter. The firm connected off a substantial portion of its household appliances business, and once again remedied its major effort toward diversified military production (a major step has never left the first phase). So, here we have Avco, the zagging corporate direction, with large sales developed but profitability and solid corporate success eluding, for nearly 50 years, this large-scale enterprise.

Management

Until his death in 1960, Mr. Victor Emanuel, a legendary figure in Wall Street, guided the corporation, specializing in "wheeling and dealing" in mergers and sales of properties than in running a "factories," or cost-conscious production line.

When Mr. Emanuel died in 1960, however, he left the company an important legacy—a young, energetic, intelligent and profit-minded management team. Mr. Kendrick H. White, as President, Mr. W. A. S. Coffey, as Chairman, and Mr. James R. Kerr (44), President of the Vultee Division, which is the pace, progress and profitability that the company seemed destined to achieve on several earlier occasions—but always missed. Mr. Watson's background is in finance (United States Trust Company and Lehman Brothers), while Mr. Kerr's track has been sales, coupled with a great zeal for research and development. Working smoothly with this duo, is Col. Earl H. Black, now known as a collegiate football coach, and now Chairman of the Executive Committee at Avco, and particularly effective in topside liaison with the Federal Reserve Board.

Documented Progress

But, enough of historic background. Where is Avco now, and where is it headed? Avco is a big, diversified enterprise, now making a profit in every division, looking forward to a substantial expansion in every division, with earnings in coming years. Against a gross business of $321 million in 1956, which distilled down to $16 million loss, for 1951 (fiscal year ends November 30th), sales were only $2 million higher ($323.1 million) but a net of $13 million was achieved. Prettex margins have expanded from 14% in 1957 to 7.9% last year.
Corporate Outlays and the Demand for Term Loans

By Rudolph E. Fallarck, Vice-President, Term Loan Division
First National Bank of Chicago

Review of the corporate capital expenditures and financing outlook stresses one item of particular interest to businessmen—term loans. Note is taken of today's favorable climate for loans, the debt functions of the ability of corporations to generate internally most of their capital outlay financing needs.

Term loans are expected to continue to be an important source of funds to corporate borrowers, an outgrowth in excess of repayments which would level the total below the 1955-57 level.

Capital expenditures by business are the major and often the most volatile factor of the pressure on the economy. The lag in business capital investment since 1957 and the sharp decline in such expenditures in relation to Gross National Product has been a matter of great concern. While idle plant capacity has contributed to this weakness, of equal importance has been the squeeze on capital margins. Profits are better than they were at the recent trough, but many manufacturers continue to stake their margins thinner than they were one year ago. Reflecting the broad and diversified upturn in the business expenditures by corporations for new plant and equipment are expected to reach $337.2 billion this year. Government surveys estimate such expenditures at $329.2 billion for 1957. Most of the increase is expected to be in the non-durable goods industries.

In 1955 the ratio between investment for expansion and investment for modernization was 70 to 30 in favor of expansion; now it is 70 to 30 in favor of modernization. Management decisions are influenced by the changing posture of government toward business. Many businessmen feel that a thorough revision of the tax structure at Federal, State and local levels coupled with a liberalization of the present unrealistic depreciation allowances would stimulate capital expenditures and provide the push needed to overcome the high level of business activity.

The principal source of funds to finance the projected capital expenditures, rising inventories, receivables, etc., is likely to come from 1) internally generated capital from retained earnings and depreciation charges; and 2) term loans. It is expected that the volume of funds provided from internal sources will rise further this year as a result of continuing advances in depreciation charges and larger retained earnings. Depreciation charges alone in 1957 would run in excess of $26 billion. Second, flotation of bonds and equities in the public and private placement markets. While the equity market has been erratic recently, the bond market has been strong. Both from the standpoint of the point of flow of savings into the financial institutions and interest rates, the financial climate is favorable for long-term debt financing. Therefore, it is likely that a large amount of the funds to finance capital expenditures and permanent additions to working capital will be supplied by the flotation of bonds in the public and private placement markets.

Third, short-term credit from banks and trade. The demand for bank loans has been disappointing recently and loan demand ratios have declined. The liquidity and inventory of the commercial banks, an index in the free reserves and holdings of short-term government instruments, is considerable. Therefore, bank credit should be readily available, in fact, likely to increase in inventories, receivables, and term loans outstanding.

Fourth, term loans from the commercial banks will continue to be an important source of funds to finance capital outlays and working capital requirements. However, the demand for term loans will be substantially less than in 1955-57, a period of rapid business expansion, to the extent that the volume of term loans outstanding will probably be similar to 1956.

Summing up: first, capital expenditures by corporations for new plant and equipment are expected to increase 8% over last year to a total of $327.3 billion. This would represent a $5.7 billion, or 1%, increase in spending. The lag in business capital investment since 1957 and the sharp decline in such expenditures in relation to Gross National Product has been a matter of great concern. However, it is expected that the volume of funds provided from internal sources will rise further this year as a result of continuing advances in depreciation charges and larger retained earnings. Depreciation charges alone in 1957 would run in excess of $26 billion. Second, flotation of bonds and equities in the public and private placement markets. While the equity market has been erratic recently, the bond market has been strong. Both from the standpoint of the point of flow of savings into the financial institutions and interest rates, the financial climate is favorable for long-term debt financing. Therefore, it is likely that a large amount of the funds to finance capital expenditures and permanent additions to working capital will be supplied by the flotation of bonds in the public and private placement markets. While the equity market has been erratic recently, the bond market has been strong. Both from the standpoint of the point of flow of savings into the financial institutions and interest rates, the financial climate is favorable for long-term debt financing. Therefore, it is likely that a large amount of the funds to finance capital expenditures and permanent additions to working capital will be supplied by the flotation of bonds in the public and private placement markets.

John Kirvin Joins
Glore, Forgan & Co.

Hennig Now With
Cruttenden, Podesta

SAN FRANCISCO, Calif.—Cruttenden, Podesta & Miller, members of the New York Stock Exchange, and other leading exchanges, have announced that Richard A. Hennig is now associated with them in the trading department of the San Francisco office, Russ Building.

Mr. Hennig was formerly in the trading department of Walter C. Gorey Co. and prior thereto was with Bruck, Slonec & Co., Inc. and First California Company.

Diamond, Steckler Names Trading Managers

Diamond, Steckler & Co., 37 Wall Street, New York City, members of the New York Stock Exchange, have appointed Robert D. Ogden and Robert A. Mantrip co-managers of the trading department.

Form Wm. Bones Securities Phoenix, Arizona.—William W. Bones Securities Co. is conducting a securities business from offices at 2727 North Central Ave. Officers are William W. Bones, President and Treasurer; William D. Nielsen, Vice-President; and Robert J. Bones, Secretary.

Officers of Securities Firm
TORRANCE, Calif.—Robert D. Hebard and Robert O. Goss are Vice-Presidents of Western Church Finance Corp., a wholly owned affiliate of the Western Church Finance Corp, 150 West 58th Street. V. R. Hebard is Secretary-Treasurer of the firm. Other officers are Roger D. Hebard, President, and Clarence C. Hunt, Vice-President.

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

Kingdom of Denmark

5¼% Fifteen Year External Loan Bonds of 1962

Dated May 1, 1962

Due May 1, 1977

OFFERING PRICE 97¾% 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 such securities in such State.


The First Boston Corporation Blyth & Co., Inc. Dominick & Dominick

The Common Market and Its Impact Upon Our Trade

By Joseph D. Coppsak, Director, Foreign Economic Advisory Staff, Department of State, Washington, D.C.

Top State Department economist measures the impact of the European Economic Community upon the United States in its skeltonized definition of the Community and its objectives. Mr. Coppsak evaluates the "pro" and "con" effects of developing European economic integration and of U.S. firms establishing European operations. Mr. Coppsak sees a definite prospect unless we lower our trade barriers to increase opportunities for trade. In endorsing the President's proposals, Mr. Coppsak points to the effects of the evolving EEC and probably maximizes the good effects. Tabled provides show we have room for higher aspirations than do the European Common Market countries.

In thinking back over the history of international economic events, it becomes not so much exciting as interest and attention as has the European Economic Community. The Mark and the Konvertöbel for the People's Democratic Republic of Germany and the Ostmark for the German Democratic Republic, established the EEC; and a central bank for the Community has actually been organized. The Maastricht Treaty, which established the Community (EEC), in its Article 320, refers to the Community as a "common market for a free trade, through the gradual abolition of customs duties and quantitative restrictions between the member states; and the establishment of a single market, as the aim of Community policies, in particular in the field of competition policies, with the aim of establishing the Economic Community in its entirety, as a customs union.

The Community, which took effect in January 1958, has an estimated population of 137,000,000 people. It has a combined gross national product of about $180,000,000,000 or about 10% of the GNP of the United States. The Community members are West Germany, France, Italy, Belgium, the Netherlands, and Luxembourg. The EEC has the following stated purposes: to achieve economic integration among the six member nations of the EEC, to create a single market for the six member nations, to establish a single currency or common market currency, to create a customs union, to set up a foreign and economic policy, and to create a community for all nations.

These purposes are, of course, mutually inclusive and interdependent. The Community is an economic integration and a political union. It is a customs union, as well as a free trade area. It is a political union, as well as an economic union. It is a political union of six nations, with a common market, a single currency, and a foreign and economic policy.

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Business Outlays Seen Topping 1957's Record

A McGraw-Hill survey of 50 business spending in 1962 forecasts an 11% gain over last year and $11 billion more than the $93 billion in 1957. This more optimistic assessment of spending plans than was made last January-February by the Government rates that manufacturing plans will be 2% more this year than last.

The United States business is planning to spend a record $38 billion in new equipment in 1963, topping the 1957 all-time high by one billion dollars, the McGraw-Hill Analysis and Department of Economics, recently reported.

This is 11% more than was spent last year, and companies intend to continue spending during 1963-65 at an average of nearly $38 billion per year, exceeding the average spending in any three consecutive years in U.S. history, according to the 15th Annual SURVEY of Business Plans for New Plants and Equipment.

Douglas Greenwald, manager of Economic Services, points out that most business firms have raised their sights significantly since last fall, when the McGraw-Hill preliminary survey indicated a 4% increase in capital expenditure plans this year. A U.S. Department of Trade and Economic Exchange Commission survey in January and February showed only a 1% increase in overall capital spending.

Research: $12 Billion

The survey highlights Industry's emphasis on new plants and equipment, on research and development, and on the replacement of obsolete facilities and on a continuing search for new products, new processes and cost-cutting facilities. Research and development will amount to nearly $12 billion this year and $13.3 billion by 1965.

Manufacturers alone will spend $15.4 billion in 1962, they plan to invest, each year, one billion dollars more than in 1961.

They were operating at an average rate of 63% of capacity at year-end, seven points below their preferred rate. They expect sales volume to rise 7% this year and another 7% by 1965.

McGraw-Hill sees the recovery in business sales and profits favorably influencing capital expenditure decisions in recent budget reviews. Nearly every industry, manufacturing and non-manufacturing, has its investment plans since last fall, when manufacturers planned a 7% increase in capital outlay for 1963. This year the plans a lower level of investment all through the year, not because of a slight cutback in petrochemical equipment, electrical machinery makers, or by investment 5% this year, but this is less than the 9% cut indicated last fall. Apparel and textile manufacturers, who recently were short of orders and needed a fill of their equipment, have taken advantage of this good news and raised their investment plans.

Rubber: 38% Increase

All other manufacturing industries indicate increases of 10% or more, ranging from a 30% increase in the manufacture of paper and pulp products.

In non-manufacturing categories, railroads plan the largest percentage increase—27% after a decline of 33% last year. Freight traffic created by the business recovery is cited as a probable major contributing factor.

Commercial businesses—trade, finance and services—plan an 11% increase, over a record $8.5 billion spent last year.

Most airlines have completed their conversion to jet aircraft and thus expect a lower level of investment this year, but truckers, shippers, buses and pipelines plan substantial increases, as do the telephone and other communications firms.

Electric utilities plan to increase their expenditures every year through 1965. Gas utilities plan an increase every year but taper off in the years ahead. The strength in the electric utilities field may be for greater stability in the total investment plans, because of the long time required to manufacture and constructing equipment, the report says.

All segments of the mining industry, except the rubber industry to vary with nonferrous mining showing the largest percentage gain.

A. M. Lerner Co. Elects Miller

A. M. Lerner & Co., Inc., 15 William St., New York City, has elected Stuart A. Miller, Secretary, to the Board of Directors of the firm. Mr. Miller has been associated with the company in the research and trading departments.

J. M. Buchanan Opens

WASHINGTON, D. C.—James M. Buchanan is engaging in a securities business from offices in the Warner Building.

Smith, Barney & Co. Goldman, Sachs & Co. Incorporated

Blyth & Co., Inc. The First Boston Corporation

Eastman Dillon, Union Securities & Co.

Kiddie, Keabody & Co. Lehman Brothers

Wertheim & Co. White, Weld & Co.
Serious Threat Confronts the Electric Utility Industry


The acquisition taxpayer who underwrites the uncoured costs of Government power operations, together with the privileged, subsidized consumer of that power, are blamed for the alarming spread of Federal electric power. Mr. Busby says. Such power is unnecessarily costly, and fears the Government's next major step will be the acquisition of transmission lines. In the course of his argument, Mr. Busby dwells the spread of non-electric power business to be placed at present an investment of $20 billion; the R.E.A.'s extension of subsidies to non-electric loans; the discriminatory tax-policies opposed to private utilities. To determine who is more efficient, Mr. Busby asks that the Government contact is applying the same economic ground rules to its business as are applied to private business.

It would seem reasonable to expect, on the record of power supply, that our industry would have a broad base of public and governmental support. However, at the level of the Federal Government is certainly not the case. The proposal and studies announced by the Executive Department of the Federal Government legislation sponsored in Congress by the administration constitute a serious threat to the future of the investor-owned electric utility industry. The basis of this general statement of concern is a number of specific situations. I will cite a few:

Examples of Needless Government Power

One current example in Pennsylvania is the Raystown Project. A statement of Mr. Roddis, President of the Pennsylvania Electric Company on this project makes clear that Raystown involves uneconomic electric power and the unnecessary expenditure for some $58 million of public funds. In the Northeast, on the farthermost northern tip of Maine, remote from any load center, for example, the Federal Government is now proposing a government-owned building of a tidal-power, hydro-electric development known as Penamaskury. This is the case even though the economic feasibility of power development at Penamaskury was rejected, after long and careful study, by the Federal Power Commission set up by the United States and Canada. In the Southeast, General Vogel, Chairman of the Board of Directors of the Tennessee Valley Authority, is reported by the press as openly campaigning to have TVA take over power supply for communities now served by an investor-owned electric utility company. He is urging the creation of a public utility corporation group of Congressmen and Senators who will vote in the 1965 federal law that restricts TVA power operations within certain defined territorial limits.

In the Midwest, the Rural Electrification Administration (R.E.A.) has made a $90 million loan of public funds at 2% interest to a group of rural electric cooperatives for the construction of a large steam generating station in Illinois, even though the power needs of these co-ops and the power needs of the area generally are not being met by utility companies. I can easily furnish further information on this subject.

R.E.A. Subsidized Non-Electric Loans

Since practically all the nation's farms are electrified through service by electric companies, it is clear that the many new loans by R.E.A. to finance generation and transmission facilities are actually being used to finance service to non-farm customers, which goes a long way back the original purpose of the R.E.A. act. Another questionable is the new policies of R.E.A. whereby loans of taxpayer funds are made at 2% interest to cooperatives to enable them to re-loan at 4% to their customers for use in their businesses. In effect, R.E.A. is now loaning public funds to cooperatives to place them in a sideline banking business. A recent example is a $30,000 loan to a ski resort in southern Illinois to buy snow-making equipment.

In the Rocky Mountain region, much government action in the electric power field is clouded by hindering it with reclamation projects. In Idaho, for example, the Burns Creek Project has been pressed, by the Bureau of Reclamation, as a reclamation undertaking even though, admittedly, 98% of the investment is for power, and less than 2% to reclamation purposes.

The administration sponsoring a proposal calling for hundreds of millions to build transmission lines down into Southern California, is a good example. Will there be supplied to the power companies of the Mountain States and Canada? In the Southeast, General Vogel, Chairman of the Board of Directors of the Tennessee Valley Authority, is reported by the press as openly campaigning to have TVA take over power supply for communities now served by an investor-owned electric utility company. He is urging the creation of a public utility corporation group of Congressmen and Senators who will vote in the 1965 federal law that restricts TVA power operations within certain defined territorial limits.

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Price: $3.50 per share

Copies of the Prospectus may be obtained from such of the undersigned as may have such securities in their possession.

Maltz, Greenwald & Co. Clayton Securities Corporation
As We See It

Continued from page 1

And such, in point of fact it is, but the ground had been pretty well prepared or else Franklin Roosevelt could not have been so successful and was in changing almost everything except the tides with the winds.

Not of Very Recent Origin

But let us not forget that long before 1933 we had developed, 2, system of protective tariffs that made a mockery of laissez faire. Very likely, inquiry will further reveal that we had for a very considerable period of time been subsidizing agriculture under the influence of mercantilism, not laissez faire. And in various other directions we had been edging more and more toward a national situation that is radically different from anything we had ever known in this country. By the time the New Deal was well established our system was so altered from what our fathers had known and so many new economic, financial and ideological conditions had arisen that we had to make essentially a whole new approach to economic problems.

As to the future, we are still not clearly in the hands of our own leaders — and not very much reason to do so. Such rapid movements have occurred in the world that anyone with a respect even if it is apparently sometimes a little difficult to persuasive. There are the other peoples of the world that is such.

But times change, and we presently began to show the effect of opinions held in countries which never had been followers of Adam Smith and are not now considered in the world in general. Little by little our devotion to laissez faire views about public policy began to weaken. As is usual in such cases, we actually happened was the fact that the point policies were adopted which were not quite consistent with our previously held national beliefs. The more such programs were adopted the more demand did we have for more of them. In point of fact they presently became so general that representation of one or a few of them were almost common and really popular and really sound alternatives could not be achieved so long as the governmental situation in which they would function was so badly altered by modifications in our basic pattern of national policies.

Of course, this movement had gained considerable headway by the time we came to finish the New Deal came upon the scene, but the changes of this latter era are so great that there was and were of such far-reaching nature that it appears to mark the point of departure from older notions and the adoption of new, half-baked ideas.

be taken into account when we are formulating our own policies. It is clear also that the state of affairs around the world and such that we are all but obliged to make concessions that lead us in part away from strict laissez faire, but these deviations should be recognized as such and held to a minimum. They certainly should not be used as examples set for emulation by backward peoples.

Bear, Stearns
Admits Partners

Bear, Stearns & Co., 1 Wall Street, New York City, members of the New York Stock Exchange, have announced the admission of three new general partners to the firm — New York office: Lloyd S. Coughlin, E. John Rosenwald, Jr., and Allan Weinstaun.

Mr. Coughlin, a former executive director of the Federal Reserve Bank of New York, has been associated with Bear, Stearns & Co. since 1931.

P. F. Fox Names
Kearns Dept. Head

The investment firm of P. F. Fox & Co., Inc., 120 Broadway, New York City, has announced that Herbert H. Kearns has been appointed manager of the company's trading department.

Mr. Kearns was previously Assistant Vice-President of the corporate trading department at Harin- rimley & Co. Incorporated, and prior to that he was associated with Spencer Trask & Co.

Olson Named
V.-P. of J. M. Dain

MINNEAPOLIS, Minn. — Harold G. Olson has been named a Vice-President in the Corporate Services Department of J. M. Dain & Co., Inc., 110 South 6th Street, member of the New York Stock Exchange.

For the past 12 years he has been associated with the Northwestern National Bank of Minnesota where he had held the position of Vice-President. From 1949 to 1957 he worked in the Investment Division of the Trust Department of the bank as a security analyst and portfolio manager, and was a commercial loan officer from 1957 to 1962.

Geist V.-P. of
First Chelsea Corp.

Richard L. Geist, former Vice-President of Rockaway's Playland, has been elected Executive Vice-President of First Chelsea Corporation, securities dealers, 50 Broad Street, New York City.

J. W. Redmond, Co.
To Admit Partner

WASHINGTON, D. C.—Robert W. Fox, a New York stockbroker, will become a partner in J. W. Redmond & Co., 724 Fifteenth St., N. W., members of the New York Stock Exchange.

Detroit Bond Club
To Hold Outing

DETROIT, Mich. — The Annual Spring Outing of the Bond Club of Detroit will be held on Friday, June 1, 1962 at the Essex Golf and Country Club, Windsor, Ont., Canada.

$40,000,000
Southern California Edison Company

Volume 198 Number 6156 . The Commercial and Financial Chronicle

First and Refunding Mortgage Bonds, Series O, Due 1987 (41/2%) Dated May 1, 1962

Price 100% and accrued interest

This announcement is not an offer to sell or a solicitation of an offer to buy these securities. The offering is made only by the Prospectus which may be obtained in any State in which an offering is made, from the undersigned and other dealers as may lawfully offer these securities in such State.

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May 5, 1962

Hugh W. Long
Elects Burr and
Fox-Martin

ELIZABETH, N. J. — Edward B. Burr has been elected Chairman and Chief Executive, effective May 15, 1962 and Milton Fox-

Martin has been elected President of Hugh W. Long & Co., Inc., Westminster at Parken national underwriter for Fundamental Investors, Diversified Investment Fund and Diversified Growth Stock Fund.

Mr. Burr was also elected Vice-President of each of these funds and is street representative of that company, according to an announcement by Hugh W. Long, President of these funds and Chairman of Anchor Corporation, the parent of the Long Company.

Mr. Fox-Martin, before joining Hugh W. Long & Co., Inc. as Vice-President in charge of Sales, was President of Broad Street Sales Corporation and previously, Dealer Relations Manager of The Wellington Company.
Steel Production Data for the Week Ended April 28, 1962

SHOWS 8.5% DECLINE AGAINST 1961 LEVEL

According to data compiled by the American Iron and Steel Institute, steel production for the week ended April 28, 1962 was 1,053,000 net tons (114.8%), in the week 2,195,900 tons (*137.4%), or 46.8% above the period through April 29, 1961.
The weekly index of Ingot Production by the American Iron and Steel Institute, for the week ended April 28, 1962, as follows:

<table>
<thead>
<tr>
<th>Region</th>
<th>Index of Ingot Production for Week Ended April 28, 1962</th>
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<tbody>
<tr>
<td>North East Coast</td>
<td>114</td>
</tr>
<tr>
<td>Buffalo</td>
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<td>Western</td>
<td>104</td>
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</tbody>
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Total 100.0

*Index of production based on average weekly production in 1954.

New Orders for Steel Somewhat Offset Cancellations

May steel shipments will fall short of May 1961 because of continued efforts to reduce inventories and revert to normal levels of production. The steel market, however, is certain to remain buoyant.

The outlook for market activity is determined by the psychological effects of high inventories, the Iron Age report reflected. We observe that there is a tendency to work off stocks of steel built up during the period of the steel strike, and that prices are in line with the market picture. Underlying strength of demand in the non-steel market, however, is threatened by the certainty of cancellations and setbacks. Some of the signs that the market is in for a severe recession appear to be growing.

Some of these signs are

- The steel market is experiencing a severe recession.
- Prices are in line with the market picture.
- Underlying strength of demand in the non-steel market, however, is threatened by the certainty of cancellations and setbacks.
- There is a tendency to work off stocks of steel built up during the period of the steel strike.
- The outlook for market activity is determined by the psychological effects of high inventories.

All this means that mills are back to the point where new orders are going to determine the outcome of the month's activity.

The current month's activity is certain to remain buoyant.
Business Failures Drop From Week-Ago Peak

Commercial and industrial failures for the third consecutive week, by dropping down to 336 in the week ended April 13, from 377 in the previous week.

In the 52-week period ending in March, the total number of business failures was 2,316, or 36% lower than the failure rate of 3,541 recorded in the same period a year ago, when the index stood at 269.

Wholesale Food Price Index

The Wholesale Price Composite Index, compiled by Dun & Bradstreet Inc., dropped 1.3% in the week ended April 13, to 271.71 from 274.68 the previous week, or 17.5% lower than the comparable day last year when the index stood at 326.09.

The Food Index, compiled by Dun & Bradstreet Inc., fell 0.8% in the week ended April 13, to 252.71 from 253.44 the previous week, or 24.6% lower than the comparable day last year when the index stood at 331.06.

The Wholesale Price Composite Index is based on the average of monthly data for 32 raw foodstuffs and meats in general use in the wholesale, retail and institutional living index; its chief function is to show the general trend of food prices at wholesale levels.

Knowing When to Buy

And to Sell Stocks

By Roger W. Babson

Mr. Babson knows full well of what he speaks when he says "the time to retire from the stock market is when things look good and your friends are all bull, and you are 'walking on air.' Those who buy when they should sell, and vice-versa, are cautioned to keep the 'importance of knowing when to stop' and how to use properly their instinct to speculate."

I give the above illustrations not to criticize anyone. During my 50 years of active life I have never met any man (or woman, except Hetty Green) who would claim never to have lost money speculating. The lesson, however, which I want to drive home is that in knowing when to stop the time to retire from the stock market is when things look good and your friends are all bull, and you are 'walking on air.' That is the time to stop. What this stock market will do before 1962 is over is no one can know. I do earnestly advise that you sell enough and take precautions enough to pay all you owe.

Corporation Officials Take Notice

This is an era when corporation officials are not\/always as aforesaid. After you receive a stock dividend you have a new stock, plus the new stock, it was worth more than before. Yet the price goes up even on the rumor that such a stock dividend will be paid. Since the Securities and Exchange Commission has been organized, many men within their own offices have been directors of corporations. The officers are given "options" and often are responsible for the risks they are taking.

Surely, the commission has prevented the two men described above from losing their money. Furthermore, it could give many other similar illustrations. These men had economic education, robust health, honest intentions, and were as good men as any reader of this column.

Securities & Exchange Regulations

The full authority of the steps being taken to make stocks and bonds safer for investors to buy.

I advise my clients to co-operate with the SEC. But no laws can eliminate speculation. It is an attribute which seems inherent from birth, and endures through education, marriage, and to death. People will bet on horse races if they cannot bet on Wall Street. Furthermore, if there has been for this instinct, Columbia would not be making money in America; yes, and the Pilgrims would never have landed at Plymouth Rock.

I believe in the Regulation Statements which the SEC requires to be prepared, printed, and distributed to prospective stock buyers; but there is no way of compelling these prospects to read them. Moreover, they are quite a burden to young and growing companies, as the cost of lawyers and accountants fees, plus printing amounts to from $25,000 to $50,000. It is even more important that small investors read the annual reports and proxy statements which many stockholders receive free—once a year.

Weil V. P. of Nat'Berger Co.

Charles Weil has been appointed to Vice-President and will head the trading department of the general expansion of Nat Berger Securities Corp., 10 East 22nd St., New York. He was an associate of Nat Berger, President of the organization.

Under Mr. Weil, the firm will expand its activities in the brokerage business, as continuing as a specialist in unrivalled real estate and oil companies.

The corporation is affiliated with Nat Berger Associates, a leading broker-dealer in the sale of Real Estate Syndications.

Mr. Weil was formerly Manager of the trading department of Joseph Walker & Sons, stock brokers. Prior to that he held the same position with H. Hentsch & Co., London.

Charles Weil

Texas Tennessee Industries, Inc.

175,000 Shares

Class A Common Stock

(Par Value $3.50 per Share)

17,500 Warrants to Purchase 17,500 shares of Class A Common Stock

The common Stock and Warrants are being offered only to individuals separated from the officers, employees, directors, and controlling stockholders of Texas Tennessee Industries, Inc.

Warrant, pursuant to the terms and conditions set forth in the Prospectus

Price $50.00 per Unit

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

S. D. FULLER & CO.

WHITEHALL SECURITIES COMPANY

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

NEW YORK

April 27, 1962

17,500 Units

Texas Tennessee Industries, Inc.

175,000 Shares

Class A Common Stock

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Warrant, pursuant to the terms and conditions set forth in the Prospectus

Price $50.00 per Unit
The Security I Like Best

Continued from page 2 mechanical devices, reflective optics and thin film transducers for commercial and military applications. In January, 1962, UNIVIS acquired a 20% interest in the company, a well-regarded manufacturer of quality eyeglass frames. Since then, UNIVIS has been the exclusive marketing agent for the company's products. In 1961, the value of these products approximated $1 million.

Most important of all, UNIVIS has the financial strength as well as the technical ability to grow. The Company has no debt and no preferred stock. Current assets on Dec. 31, 1961 were 5.5 times current liabilities, the minimum value for such investments. The book value per share was approximately $10 per share (roughly, half the recent market price of $20 per share). The company consists solely of 271,500 shares of common stock.

As mentioned above, the 1960 reported earnings of 46¢ per share are not an accurate gauge of UNIVIS's current earning power because they were affected by the abnormal expenses. Actually, UNIVIS's earnings of 9¢ per share for the past six years and nine months have been running at approximately the $1.30 annual rate. Since I expect a 10%-15% sales increase this year, earnings of over $1.50 per share should be well above this figure. Furthermore, the company's earnings growth has begun to add importantly to earnings this year. In short, the company should maintain the annual rate of earnings by year-end very substantially without the current figure and speak well for 1963 prospects.

The present Out-Of-Counter Market for UNIVIS stock is somewhat thinner. However, the Company is in a strong position because of this problem and should, when the market is in a proper condition, be able to alleviate this condition.

Visual Art Industries Stock Sold

Globus, Inc., and Ross, Lyon & Co., Inc., New York City, have announced the sale of approximately 50,000 common shares of Visual Art Industries, Inc., at $2 per share. Net proceeds will be used by the company for the repayment of debt, and working capital.

The company of 68-33rd St., New York City, is engaged in the design, assembly and marketing of creative art, craft, hobby and educational toy sets and related articles.

New Hentz Branch

H. Hentz & Co., members of the New York Stock Exchange, have announced the opening of a new branch office at 83 Ferry Ave., New York City (on the corner of 59th St.). The new facilities, under the management of Julian H. Wilson, replace the firm's offices situated at 553 W. 39th St., for the past six years in the Sherry Netherland Hotel, 55th and Fifth Ave.

New Viner Branch

NEW HAVEN, Conn. — Edward A. Viner & Co., Inc., have opened a branch office at 37 College St., under the management of Justin P. White. Both were formerly co-managers of the local office of John H. Lewis & Co.
The market...and you

By Wallace Streeter

The ominous selloffs in the stock market during April were finally interrupted this week in a spirited rally and the big volume and big speed were quite as remarkable as very, very, a sizable technical rally.

Wide open is the important question of whether the market has made any big general advance as a base. The industrial average dipped through a strong low and frictionum. At this point, there is some agreement that the mere solid support area is in the vicinity of 90 points. This is right, the selling is not over, merely intermitted.

More importantly, the loss of confidence both in the market itself which has shown a perverse ability to ignore a steady stream of good news as long as it continues, and also in the business attitudes of the administration leaders, leaves many questions unanswered; the choice of existing trends is that it will take to bring back exuberant investor interest to the equity market is still a matter of conjecture.

At least as far as the industrial average is concerned, the index is now at levels that don't show the excessive enthusiasm of a year ago. It will probably not break 165 levels as high as the 1962. And the 70-point decline continues, the biggest of the week from the peak definitely indicates that the quality items with favorable business prospects are better bargains at the minute than they were when prices were far higher.

The Technical Aspects

The ease with which the market retreated from resistance points and buying support areas, was, nevertheless, was best illustrated by the fact that nearly 30 points were dropped by the average in only five sessions of continuous selling.

In January, when resistance points were crossed, the index took as long as four months to return to former levels. The rally into 1963 was marked by a quick, sharp rally in the index, supported by bargain buying at the low levels. The entire month saw a large number of short-term gains that were not sustained.

What investment preferences were based on the expected selection of utility issues, the traditional "defensive" items, and pre-war favorites on the basis of income and not on intangible "growth" with which the market has been familiar for so long. And a good share of the preferences were utilitarian in nature.

Premiere Causality

The premiere growth issue of this particular market retreat is heavy selling of the so-called "first class" in this highly publicized growth situation for years has seen a strong move against the market scale as they moved from 840 in 1958 down to 550 in 1958 and above 600 in 1958 when they were split 3-for-2.

The new shares sold at 480 to 500 and 480 to 488 that year reached 600 in 1963 and jumped to $175. The new share was the first to 800 and 600 in 1963. In 1961 the new shares sold at 500 and there were other 3-for-2 splits. In 1961 the new shares sold at 500 and there were 2-for-1 splits. In 1961 the new shares sold at 500 and there were 2-for-1 splits. In 1961 the new shares sold at 500 and there were 2-for-1 splits.

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The Funds Report

By JOSEPH C. POTTER

is a broad front a traditional selling point for the funds and is likely to lose some of its edge. After all, the people who sell the funds have, as a general rule, been able to point to the steady growth in assets per share. When the Ad-
imistration imposed it, the funds were on the steel industry and followed it up with scarcely veiled suggestions that it would move against other industries, the whole market re-
acted.

The result: assets per share of the funds, with or without stocks in the portfolio, have been in de-
nince.

The fear psychosis induced by mindless Administration could result in a decline too interest in investing.

To all right, in view of the words of the Prophecy, that "This too shall pass." But the prospect looks a good one at least until the dust settles before making any new commitment.

If the investors of this country—

the man, the merchant, the
doctor, the retired couple, the
to—do—have a common

sense and be able to rush in when they are confident and clear when they are frightened.

Now, one company's sell-off is a strong a term to describe the re-

of investors to the events of April, if they were merely concerned for the welfare of their beneficiaries, then their reflex action was uncontrolled.

In another context, the former Secretary of the Treasury George M. Humphrey, expressed fear of a "chain reaction" in the time and a wave, the "chain reaction" could be too strong a term to describe the re-

of investors to the events of April, if they were merely concerned for the welfare of their beneficiaries, then their reflex action was uncontrolled.

The idea of an Invest-In-Amer-
ica Week is commendable. It

be would be even nicer if the mem-

ers of this Administration could be prevailed on to invest some thought on the consequences of a divided society and a drying up of private capital. They might even consider the political profit if they could instead create a time of good will and investor confidence. Oddly enough, the in-
vestment would be small and the upside potential enormous.

Anyhow, It was a Nice Thought

The COMMON STOCK FUND

of GROUP SECURITIES, Inc.

A mutual fund investing for income and growth possibilities in the stock market, and offering some stocks selected for their quality.

Mail this advertisement.

Name

Address

City

DISTRIBUTORS GROUP, INC.

80 Pine Street, New York, N. Y.

10 CONSECUTIVE DIVIDENDS

The Directors of Television-
electronics Fund, Inc. have declared 10 consecutive quarterly dividends of 6 per cent per share from earned income, payable May 31, in lieu of the dividend payable June 30. Record date May 3, 1962. Di-


LORD: ABBETT & CO.

New York — Atlanta — Chicago — Los Angeles — San Francisco

The Commercial and Financial Chronicle ... Thursday, May 3, 1962

Pattberg, Pres.

Of First Boston

Emil J. Pattberg, Jr. has been named President of The First Boston Corporation, 15 Broad St., New York City, succeeding James

Emil J. Pattberg, Jr., who has retired, D. W. Woodward, Chairman of the Board, has announced. Mr.
Pattberg has been a director since 1951 and Chairman of the Execu-
tive Committee of First Boston since 1956.

Mr. Pattberg is a member and a director of the Gov-
ernmental Securities Committee of The Investment Bankers Asso-
ciation of America.

Mr. Pattberg is also chairman of the finance committee and a director of the Foundation for the Aid of Children, and is a direc-
tor of The Chamber of Commerce of the United States, and a mem-
er of the finance committee and the economic policy committee of the organization of Mr. Pattberg.

Mr. Pattberg lives in Ridgebury, N. J., and is retiring after 40 years of service with The Witco Chemical

Corporation. He was President of the company since 1951, and his predecessor, has served as Presid-
ent since Jan. 1, 1948 and as a director since 1940.

Mr. Pattberg will continue as a director of the corporation.

Witco Chemical Company

Common Offered

A secondary offering of 100,000 additional shares of Witco Chemical

Corporation, Inc. is being made by an underwriting group managed by


The shares are being offered among the aggregate of 300,000 shares issued by Witco Chemical Corporation and Sonneborn Chemical & Refining

Corporation, in exchange for all the outstanding stock of that corpo-
ration.

Witco Chemical intends to apply for listing of its common on the New York Stock Exchange. The shares are currently being trad-
ed in the over-the-counter market.

The company of 122 E 42nd Street, New York, New York, manufactures a wide range of products including organic chemi-
al materials, dehydrated chemicals, and asphalt and as-
phalt cements. In 1961 it ex-

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Corporation, in exchange for all the outstanding stock of that corpo-
ration.
EXCERPTS

Accelerated economic activity in Northern and Central California in 1961 was reflected in another year of rapid growth and progress for our Company. Continuing an unbroken trend of many years, new high records were established for sales of gas and electricity and for operating revenues.

Expenditures for construction amounted to $228 million in 1961, exceeding those of any previous year. To finance this outlay the Company sold securities from which it received net proceeds of about $123 million, the balance being provided from internal sources. Construction expenditures for 1962 are estimated at $231 million.

The most notable development of the year was the receipt in December of the first Canadian gas to enter our system through the facilities of the Alberta-California project. Access to the vast reserves of natural gas of Western Canada has thus become a reality for our Company. The project makes available a much needed supplemental source of energy for Northern and Central California, and is of great significance in the future outlook of the Company. This $800,000 project represents an outstanding example of economic cooperation, based on the principles of international coöperation and mutual responsibility between Canada and the United States, and substantial benefits to the economies of both countries will flow from it.

Electricity, of course, continues to be our principal business. During 1961 our electric generating resources were augmented by the completion of a 320,000 kilowatt unit at Pittsburg Power Plant, which brought the total installed capacity of this plant to 1,320,000 kilowatts. In addition, we have under construction or authorized for completion before the end of 1965, 2,248,000 kilowatts of electric generating capacity in conventional steam, nuclear, geothermal, and hydro plants.

Stockholders have been advised from time to time of the Company's activities, commencing in 1951, in the field of nuclear power. Research and development during this period has, we believe, justified our early conviction that nuclear energy holds great promise as an economic source of electric power, particularly in the relatively high cost fuel areas in which we operate.

A 60,000 kilowatt nuclear unit is now under construction at our steam plant near Eureka, about 250 miles north of San Francisco, which will be completed this year.

In last year's report it was stated that we were continuing our studies looking to the construction of a large scale nuclear plant close to the San Francisco Bay area. In June 1961 we announced our intention to construct a 325,000 kilowatt nuclear unit at Bodega Bay, about 50 miles north of San Francisco. Construction on this plant will start late in 1962, provided all necessary governmental approvals are obtained.

We feel confident this plant will produce power at a cost substantially competitive with that from a conventional steam unit at the same location.

Without in any way minimizing the problems we face, there are reasonable grounds to view the outlook for the Company with optimism. We are privileged to serve a highly diversified area which is growing rapidly and in an orderly manner. We operate a modern and efficient plant which has an average dollar age of about eleven years. We have competent personnel alert to the needs of our customers. Our financial condition is sound and we enjoy the confidence of the public.

PACIFIC GAS and ELECTRIC COMPANY

245 MARKET STREET, SAN FRANCISCO 8, CALIFORNIA

For additional information on the Company write, R. C. Christensen, Vice President and Treasurer, 245 Market Street, San Francisco 8, California, for P. G. & E.'s 1961 Annual Report.

Alberta-California Natural Gas Pipeline—Side boom tractors lay section of 36-inch steel pipe across British Columbia's Elk River. Natural gas from Canada begins moving south into P. G. & E.'s service area in December 1961. Start of operations of the 1,400-mile pipeline climaxcd several years of preparation and 17 months of construction.
Government's Relationship With Business and Labor

By Hon. John F. Kennedy, *President of the United States

President's address to the nation's business leaders denies his Ad-
ministration's concept of "anti-business" and labor relations are a non-partisan issue.

It is clear that the Administration's relationship with business, and the distrust of controversy that occasionally rises to the surface, is at the core of the basic relationship between government and business.

Almost all of the great problems facing the nation have their origin and political consequences in the relationship between government and business, as each is seen in the code of the community.

The foundation of the United States Chamber of Commerce in April of 1912 marked a turning point in the relationships between government and business, and there are some who say that the events of April 1962 have also marked a turning point in the relationships between government and business.

We must remember that this is not a uniquely American problem, but one shared by all of us who care about the future of our country.

But it is a major problem that I have encountered, since assuming this responsibility, and I believe it is a problem to which the degree to which the basic interests of the national interest and the country are tied is the enlightened self-interest of each of its segments.

In 1960 I did not think it wholly inaccurate to say that I was the Secretary of Defense of a majority of business men for the President of the United States, and when I approached the White House the cheers of members of the Chamber of Commerce around the country were overwhelming and sweeping.

Parallel Interests of Government And Economy's Sectors

But it is time to examine the current economic situation to determine the degree to which the interests of our economy and the country are tied to the enlightened self-interest of each of its segments.

I want to convey my thinking about the present and future relationship between business, and the understanding that we need to penetrate the past and present to determine the degree to which our economy should be service-oriented or production-oriented.

The Administration's concept of "anti-business" and labor relations are not mutually exclusive, but rather part of the same basic issue.

The Administration's concept of "anti-business" and labor relations are a non-partisan issue, and it is clear that the Administration's relationship with business, and the distrust of controversy that occasionally rises to the surface, is at the core of the basic relationship between government and business.

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I want to convey my thinking about the present and future relationship between business, and the understanding that we need to penetrate the past and present to determine the degree to which our economy should be service-oriented or production-oriented.
The Treasury in its combined re-funding of nearly $11,700,000,000 of maturing bonds followed very much the pattern which has been used since the Administration took over. By offering the buyers of the maturing obligations a choice of the 3 1/2% certificate due May 15, 1963 at 105, the 3% (note) due Feb. 15, 1966 at 96 3/8, and the 3% (bond) due Dec. 15, 1971 at 90 3/4, the Treasury made the re-funding package an attractive one so that the amount of cash-in is not expected to be important.

In addition, by following the usual pattern, that is staying away from the long-term area or the capital market the Treasury is leaving this sector for corporate and tax-exempt new issues. The favorable interest rate of the refunding operation as well as another Treasury program, a sizable British bank rate from 5% to 4% and the defensive tone of the stock market, have not been unfavorable developments as far as the bond market is concerned.

Bond Markets Strengthened

The business pattern will dictate the kind of monetary policy the Treasury will adopt and what the powers that be do will affect the money and capital markets in the foreseeable future. This kind of thinking among money and capital market makers is not new. It is well-known that the economic trend has always had a great deal to do with the way the money and capital markets have operated.

This time, however; it appears that these conditions are strong and evidently gaining strength as the operation "nudge" as well as an over-all optimistic type of operation for credit control and interest rate level purposes is growing to be with us for the foreseeable future. This is taken to mean that the intermediate term area of the Government market is increasingly going to be given at least a passing amount of attention in the program which will be used to keep economic conditions on an even keel, while at the same time protection in some measure will be given to our gold holdings and the international position of the dollar.

With most money market and capital market specialists pretty much in agreement that the "bill only" policy is gone, because the Fed does not fit into the current pattern of things, it seems as though there is not going to be any substantial modification of the existing monetary policies unless there is a rebirth of the inflation fears. It is believed that the long-term interest rates will continue to remain on the side of ease even though the fairly sharp decline in yields of these bonds has carried prices up to levels where the going from now on is not likely to be as easy, as far as they have gone in the immediate past.

Caution Suggested

This does not, however, mean that a good return will not still be available to investors in bonds, but it does appear to indicate a continued and healthy upward trend in the market and possibly even more competition for the funds of investors through the bond market. There are a number of over issues so that bonds (yields) might not be purchased at a price which would put money into them.

In other words, it is believed that not a few quarters of the financial district that bond yields are approaching levels which might be advisable to revalue the bond market. There is a fairly strong opinion in the market and what might happen to bond yields as times goes along. This does not mean an appreciable setback in the bond market yet, but this is a fairly high plateau of bond prices and, although they may stay there for a considerable period of time, it does bring with it a just a thought of caution since it is recognized that in certain situations when bond prices have been pushed upward and nothing but clear sailing weather was predicted as being ahead.

NY Bond Club Receives Slate

H. Lawrence Bogert, Jr., of Eastman Dillon, Union Securities & Co., has been nominated for President of the Bond Club of New York to succeed W. Scudder Cloutt of Harriman Bloch & Co., Incorporated, who will head the club for the past year. The election will take place at the Bond Club's Annual Dinner to be held on May 20.

Mr. Bogert, who was recently named Vice-President of the club following the resignation of Robert C. Johnson of Kidder, Peabody & Co. Nominees to succeed him in that post is Blanche Noyes of Hempfihn, Noyes & Co. The Bond Club slate also includes James F. Kersey of Baker, Weeks & Co. for Secretary and Howard B. Dean of Harris, Upham & Co. for Treasurer.

Two new members of the Board of Governors have been nominated to serve three-year terms. They are Robert A. Powers of Smith, Barney & Co. and H. Virgil Berrill of Shields & Company.

Suburban Propane Earnings

Three Months Ended March 31, 1963

*Adjusted to include revaluation unconsolidated subsidiaries.

Suburban Propane, General Offices: Whippany, New Jersey.

Gas Corporation.

THE ONLY FULLY INTEGRATED LP GAS COMPANY.

New York Office: 20 Exchange Place.

Partial Debt Extension

The current refunding operation of the Treasury of which was completed last month is, however, a new departure from the past which has been in use right along. The refunding issues were such as to extend not only those who owned the maturing obligations, but also to those who had funds to invest. There is no question but what the Treasury, with the use of attractive maturities and coupon rates, can make use of refundings like this one to extend the due date of the Government debt, at least in some measure.

Suburban Propane

Suburban Propane, General Offices: Whippany, New Jersey.

Gas Corporation.

The only fully integrated LP gas company.
BANK AND INSURANCE STOCKS
This Week—Insurance Stocks

INSURANCE STOCK PRICE IN 1962

Insurance stock prices have given rather good performance to date in 1962 as compared with the popular groups. While most insurance stocks are currently below the price levels of year-end 1961, the declines have been moderate in proportion, and many of the older issues in life and fire and casualty are, at or near trading levels of before. The market has posted new highs in recent weeks.

Life insurance has continued into 1962 for fire and casualty insurance equities. This is primarily based upon the expectation of improved underwriting earnings this year, in the face of the disappointing figures of 1961. Preliminary indications of the underwriting results for the first quarter are more encouraging than the 1961 experience. It is believed to have been better than those of 1960, the first year of 1961, and property line results may be roughly comparable to those of a year ago.

Life insurance stocks have posted net gains for the following the unprecedented advances of 1961. The 1961 Federal Reserve Board of Governors figures of 1961. Life insurance has run well ahead of the recent expectation of a continuing improvement in life insurance sales may be expected to continue in 1962. Recent figures show that 1962's total life insurance sales may be expected to exceed the 1961 figure by $5.5 billion compared with $7.2 billion in 1961. This will be fully reflected in underwriting gains for the full year.

Insurance stocks have withstood the sharp drop in stock market values of the past few weeks in view of the favorable industry prospects.

Amazeen V.-P. of William St. Fund

The public offering of a V.-P. of William St. Fund, Inc., was conducted by a New York investment banking firm. The firm has a track record of success in similar offerings.

The Chase Manhattan Bank, New York has been associated in the ownership of the Bank for the past 11 years. The Bank has been a leader in the field of European and Pacific Time zones.

Junior Analysts To Hold Forum

The New York Society of Junior Security Analysts will hold a Forum on the Discounting Industry. The Forum will be held at the Hotel Black, Abbott, Proctor & peanuts. The forum will be held at 2:30 p.m. at 490 p.m. at the headquarters of The New York Society of Junior Security Analysts, 13 William St., New York.

Littlefield, Adams

Common Sold

Littlefield, Adams, a common sold by the firm, is offering publically 150,000 common shares of Littlefield, Adams & Co., at $4 a share.

The Free Finance Plan—Debs, Common Offered

Sharrock, Hammill & Co., New York, has announced offering $10,000,000 of 6% series A subordinated capital income debentures due 1968. The Plan will be offered at 9% plus accrued interest for a total of $10,200,000 of its common stock at $16.50 per share.

Net proceeds from the financing will be added to the general funds of the company to provide capital needed to reduce short-term indebtedness.

The company of 634 Wilshire Blvd., Los Angeles, offers through wholly-owned subsidiaries, the sale of a large number of qualified and unqualified securities, including common stock. The company is a member of the American Bar Association and the American Stock Exchange. The company is a member of the American Bar Association and the American Stock Exchange. The company is a member of the American Bar Association and the American Stock Exchange.

The merger of the Eastern National Bank of Maryland, New York, and Maryland National Bank, New York, was approved by the Comptroller of the Currency, who stated that he was of the opinion that the merger will not adversely affect the public interest or the Bank's business. The merger will be completed by the Board of Directors of both banks.

The results of the merger of the two banks, indicate that total resources of the merged bank, $90,000,000,000, would be with capital funds exceeding $4,000,000,000.

The Savings Depository Bank and Trust Company, Elizabethtown, Ohio, has converted into a national bank. The bank has been in operation since 1914 and has a charter as a savings bank. The bank will be known as The Savings Depository Bank and Trust Company, Elizabethtown, effective April 16.

Homer J. Livingston, Chairman of the Board of The First National Bank of Chicago, Ill., who completed 50 years on April 23, 1972, will remain as President of the bank.

Mr. Johnson will be retained as a consultant for the bank.

Empire State Bank, Kansas City, Missouri elected Charles Hitchcock President and Chairman.
Texas Eastern Transmission Corporation

In the period of confusion and disorder that has existed in the natural gas industry in recent years, the Eastern has managed to get itself to the point of adopting a series of measures that are proving to be effective. Among these has been the decision to consolidate all its facilities and to become a single company. This decision was made in the early months of the year, and since then the company has been making steady progress. It is estimated that at the end of the year the company will have completed the consolidation of its facilities, and will then be in a position to begin the process of selling its assets.

The company is now in the process of selling its assets, and it is expected that the proceeds from these sales will be sufficient to pay off all of the company's debts. The company has also been making arrangements for the sale of its stock, and it is expected that this will be completed within the next few months.

The company has been making good progress in its efforts to reduce its costs, and it is expected that the company will be able to continue to make progress in this area in the future. The company is also making plans to expand its operations, and it is expected that this will be completed within the next few years.

Overall, the company is in a strong position, and it is expected that it will continue to be successful in the future.
Trade With Japan Rests on Economic Grounds

Philip H. Trexler, Deputy Assistant Secretary of State for Economic Affairs

The object I intend to discuss is that of trade between the United States and Japan. It is clearly one of our major international concerns. This is a modestly controversial topic to which I hope I can contribute some light without heat.

Probably the most common and most accepted justification for trading with Japan is the accommodation of the Chinese Communist regime. I believe that this line of argument, while not oversimplified, is essentially correct. There is undoubtedly a Chinese Communist government in the state of Japan's external trade and that of any other major superpower. One can see readily why a serious business to trade could lead through a chain of events to a political disaster for the free world in the Far East. Since the United States occupies so dominant a place in Japan's trade picture, our policies are particularly important. We would be shortsighted indeed if we failed to give due consideration to the implications for our economic relations.

Trade Is Not Another Form of Economic Aid

At the same time, the trade-in order-to-keep-Japan-on-our-deck-stripping argument is not the whole story. In some respects it is a troublesome one. In focusing on political considerations, we tend to agree with the proposition that trade is a kind of unavoidable evil. We seem to say to the Japanese, "We have to do business with you, but it is a very hard thing to do, and we stand alone. I think that it is demonstrably beneficial to the economic welfare of the United States, but it would do us no economic good, and it would do Japan considerable economic hurt. We have to do business with you, but it is a very bad thing from our point of view."

In fact, the political case for trade, although it is certainly not negligible, is not strong enough to stand alone. I think that it is demonstrably beneficial to the economic welfare of the United States, but it would do us no economic good, and it would do Japan considerable economic hurt. We have to do business with you, but it is a very bad thing from our point of view. The case rests primarily on the economic considerations of trade with Japan. These economic considerations are not the same as political considerations; in some respects they are quite different. In terms of economic welfare, the economic case for trade with Japan rests on the fact that the United States, through our trade with Japan, can gain an advantage in the international economic system that may not be available through any other means. This advantage is not only an economic one, but it is a political one as well.

Another Japanese industry almost completely dependent on imports for its raw materials is the automobile industry. Japan is not another kind of economic aid. Even if the cold war tensions subsided, Mr. Trexel points out, trade with Japan would continue on its own merits. There is no question of the economic benefits to us. Japan's phenomenal postwar economic growth is reviewed, and its potential for further economic growth is discussed. Japan's market's dimensions for American goods and of the fact that Japan cannot buy our goods unless it earns them, further stresses this point.

The subject of interest here is not the "other kind of aid." Even if we were to consider trade with Japan as not being of the "other kind of aid," the economic case for trade with Japan is not a "light" one. It requires careful consideration of the problems bound to be caused by competition and the need to provide adjustment assistance required.

At the beginning of the last decade, Japan's refining capacity was about the same as that of the United States. In 1960 capacity was up more than 3 times, with 1962 imports and crude oil, including Japanese imports up more than 15 times over 1950. Consumption of power equipment increased in Japan in the 1950s. Textile production, most of which is machine-made, increased in Japan during this period. Whole new industries came into being, as for example, in petrochemicals since World War II. Japan was suddenly projected into the age of electronics, as TV tube manufacturing for the United States increased. Japan had bought more television sets than any other people outside of the United States. Japan's energy needs require import of refined oil. Electrical appliances—refrigerators and the like—were also bought in large quantities. There is no question of the magnitude of the Japanese electronics industry. The number of television sets sold in Japan is an order of magnitude larger than the number of television sets sold in the United States.

For example, in 1960, the Japanese market was for five million tons of grain, and Japan's imports of grain and oilseeds were 30 million dollars worth of raw material, with about 10 million dollars worth of raw material, with the United States being Japan's chief supplier for this purpose.

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II

Japan's Future Growth

In examining our trade with Japan, it is useful to consider what has happened to the Japanese economy in recent years and what might happen in the future. Experience tells us that the volume of our foreign commerce, and the level of economic activity, is strongly related to the degree of economic activity in the country with which we are trading. To the extent that Japan's economy continues to grow, we must expect our foreign commerce to continue to grow.

For example, in 1960, the Japanese market was for five million tons of grain, and Japan's imports of grain and oilseeds were 30 million dollars worth of raw material, with about 10 million dollars worth of raw material, with the United States being Japan's chief supplier for this purpose.

Business has been good in Japan, and the Japanese are planning to spend more money on machinery and equipment than any other country in the world. This is a good thing for us, because it means that we are going to sell more business equipment to Japan.

But it is also true that Japan is not a high-wage economy. The average worker in Japan is paid less than half the average worker in the United States. This is a good thing for us, because it means that we can sell more appliances to Japan.

Furthermore, Japan has an astonishing amount of capital. The Japanese have invested more capital in the United States than any other country in the world. This is a good thing for us, because it means that we can sell more real estate to Japan.

On the other hand, the Japanese are not very willing to buy American goods, and this is a bad thing for us, because it means that we cannot sell as many goods to Japan as we would like.

The outlook for U.S. Goods

The outlook, then, is that Japan will grow more slowly, but they will be buying more appliances, machinery, and real estate. This is a good thing for us, because it means that we can sell more appliances, machinery, and real estate to Japan.

Crediting General MacArthur

Looking back on the postwar period, one can see that the U.S. government's postwar policies were not as successful as those of the Japanese government. In fact, MacArthur's policies were far more successful than those of the United States. For example, MacArthur's policies to promote Japanese reconstruction worked far better than those of the United States. In fact, MacArthur's policies to promote Japanese reconstruction worked far better than those of the United States.

The chief of our sources of information is Japan's Ambassador to the United States. He has been very helpful in providing us with information about the Japanese economy.

As a result of these policies, the Japan's economy has grown at an average annual rate of 10% since the end of World War II. This is a very high rate of growth, and it is due to the fact that the Japanese government has been able to implement policies that have been successful in promoting economic growth.

Furthermore, Japan has been able to implement policies that have been successful in promoting economic growth. For example, the government has been able to control inflation, and this has allowed the economy to grow at a steady rate. Moreover, the government has been able to implement policies that have been successful in promoting economic growth.

At all events, any sensible consideration of Japan's economic policies must take into account the fact that the economy of Japan has been growing at a steady rate. This is a very important consideration, because it means that the economy of Japan is growing at a steady rate.

IV

Japan Must Sell Dollars for Dollar Imports

Now, of course, if we could go ahead and sell American goods to Japan, while the Japanese reciprocal action could not do anything to us, we would have what some people would consider a particular advantage, although it is not without its drawbacks. But as the world happens to be constructed, and the fact that the Japanese government is not a member of the United Nations, Japan's dollar earnings are not a matter of discretion.

The Japanese government has no discretion in determining what Japan will sell to the United States, and the United States can only sell goods to Japan if Japan sells them to us.

Japanese Market's Dimensions

The dimensions of the Japanese market are such that the United States has a substantial amount of goods that can be sold in the United States. In calendar year 1961, we sold to Japan about 1.7 billion dollars worth of commodities. Japan, was far and away our largest customer, next to Canada. In fact, the next largest customer was Argentina, but the United States was the United Kingdom, worth 1.2 billion dollars. By 1960 capacity was up more than 15 times over 1950. Consumption of power equipment increased in Japan in the 1950s. Textile production, most of which is machine-made, increased in Japan during this period. Whole new industries came into being, as for example, in petrochemicals since World War II. Japan was suddenly projected into the age of electronics, as TV tube manufacturing for the United States increased. Japan had bought more television sets than any other people outside of the United States. Japan's energy needs require import of refined oil. Electrical appliances—refrigerators and the like—were also bought in large quantities. There is no question of the magnitude of the Japanese electronics industry. The number of television sets sold in Japan is an order of magnitude larger than the number of television sets sold in the United States.

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Financial Publicists and The S. E. C.'s Complaints

By Weston Smith, President, Weston Associates, New York City

Experience financial publicists call upon their colleagues to "clean house" in the SEC's application of its antitrust regulations. The SEC subjects the trade to a host of unnecessary regulations and restrictions. Mr. Smith commends the application of the Public Relations Council's code of ethics and suggests that a few charlatans or quacks conduct themselves unethically. He explains what must be done to prevent misuse of financial publicity and its influence on the public relations field for distribution of fraudulent securities and what kind of attacks on the security of all the public relations profession on behalf of the public community. After all, the few unethical publicists are registered with the SEC for the protection of the consumers of public relations services.

Public relations firms and particularly those of us who handle the public, are a prey of grave confusion. As either the directors of public relations of a corporation, or financial publicists, retained as consultants to it, we find acquaintances in this field, and as reporters, we are a spiritual part, and sometimes we do and sometimes we don't, but if we don't...

The misuse of publicity, particularly during the past year, has reached unprecedented heights. The offering of securities, may be due to ignorance on the part of the publicists, or it could be a deliberate attempt by an unethical organization to take advantage of the investor, by the same token, I would be the first to condemn unethical publicity... to detect and prevent the abuse of this legitimate technique of public relations which is designed to cheat the investing public.

A great deal of this has been covered by the recent articles in New York newspapers bearing such captions as "Publicity Men to Market to Get SEC Once Overlooked: Securities Council," "SEC Seeks Direct Control Over Publicity," etc. The SEC Examines Role of Publicity Concerns in Hot Issue Stock Prices and Proxy Votes, and Publicity Releases Concerning Offering Considerations.

Thus far, it appears that the SEC should work on its public relations fea-
tures in registration or, if the so-called public relations firms, their officers or employees, lack the necessary qualifications, and bought a stock prior to the offering, or before the publica-
tion of the offering, the SEC would be required to the best advantage of the public...

In this connection, the SEC has already taken the position that as participants in proxy fights, the same applies to lawyers and independent public accountants, but the SEC notes that it does not have the power to require public relations counsel, attorneys and ac-
tivities must be protected. Furthermore, the SEC feels that by merely issuing a notice, there would be no profit from such actions.

Reform is the vital need of elemental justice that is included in the bill, the new trade legislation proposed that might catch the attention of our import and ex-
port businessmen, and we can hope that the great debate necessary to obtain a trade policy law suited to the needs of the trade.

Let us also hope that the debate will bring into focus our interests in trade relations with Japan, so we can understand the issues better. More importantly, we can think, will fall away. The idea will gain more acceptance in buying and selling both in and out of this country. Here we are abroad we enrich rather than harm... Nothing but a trade with Japan than a wider public understanding of not very revolutionary proportion.

"An address by Mr. Trevischief The Japan Society, Inc., New York City, 1962."

The S. E. C.'s Bombsshell

To this point, the ethical public relations counsel has to remain concerned, but on March 7, 1962, the following letter was sent to a selected list of publicity firms from the New York Office of the SEC under the direction of P. Young, Regional Administrato and the Bureau of Interpretation and Small Issues:

This office is increasing its investigations of fraudulent publicity or information releases prepared within the SEC, for instance, in the public relations field for distribution of fraudulent securities and what kind of attacks on the security of all the public relations profession on behalf of the public community. After all, the few unethical publicists are registered with the SEC for the protection of the consumers of public relations services.

But do we in public relations services, both the SEC and subject to a variety of regulations and restrictions, most of which would be aimed at the few unethical practitioners.

The Public Relations Society of America, of which I was the first president, has published and sponsored, following its organization, has set up a code of ethics. This, as well as the code of "public relations ethics," and a rather complete set of "Ethical Standards for the Practice of Public Relations" with an up-lifting Primer on the "Practice of Public Relations," which includes all possible infraction. It can be found in the "Ethics and Facts" and "Code in conduct all the professional publicists should not, under any circumstances, be afraid to submit material which they believe is not accurate, that the SEC will take any action against any public relations firm which does not acknowledge it, and the SEC, or the Attorney General.

Perhaps, however, is the important exception — the trap into which some old public relations counsel have fallen and may fall into in the future. The publicists are the agents of the SEC, and under the SEC, or the Attorney General.

I say that we in public relations services, both in the best interest of our clients, whether they be personalities, industrial corporations, financial institutions or governments, honestly the best interest of the public. And if we are discussing this topic was to some public relations for public relations, those who have an established record of public relations, if we would take a little time from our busy schedules, we would not have to worry about possibly SEC registration acts.

Date a talk by Mr. Smith, before the Public Relations Club of Boston, April 4, 1962.

R. A. Hennig Joins Crutenden, Podesta Associates

SAN FRANCISCO, Calif.—Richard A. Hennig has become manager of the advertising and public relations department of The Budweiser Brewing Co. and Menlo Park, Calif., the latter the advertising department of Walter C. Guinn, president of the company. The company has been President, Weston Associates, New York City, 1962.
Removing Commercial Bank Savings Deposit Ceilings

By Gailord A. Freeman, Jr., Vice-Chairman of the Board, The First National Bank of Chicago


In his introductory remarks to a panel discussion dealing with the competitive situation between banks and savings and loan associations, Mr. Freeman stressed the rate because of its ceiling rate policy. The Chicago banker suggests the removal of ceiling rates so as to allow interest rates to adjust to market levels. The existence of a maximum standard is said to pressure competitors to go to that specific rate accorded an implied Federal Reserve approval. Mr. Freeman noted that without a ceiling, the public would not be permitted to convert the present power over interest on savings by commercial banks into an advantage and would cease to count as whether present policy serves the public interest; whether bankers are so naive or have so little judgment that they fear the competition, or — merely prohibited from competing.

Yet, safety alone is not enough for them—or for us. Our stockholders may ask them, "Is our safety worth the price of our being able to retain their initial investment?" Their answer will not com-

The Public Interest

First, does the public have savings that must be protected from unwise investment? The public interest in free competition is based on the fact that what is good for the public is good for the competitors as well. Our public savings are a mixture of different types of people with different tastes and preferences. The public interest, then, is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost. The public interest in free competition is to have the maximum number of choices and the best quality of service at the lowest possible cost.

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Yet, safety alone is not enough for them—or for us. Our stockholders may ask them, "Is our safety worth the price of our being able to retain their initial investment?" Their answer will not com-
New NASD District Officers
Electors have been completed for 1962 officers of the district committees of the NASD. Here are the choices by districts:


William T. Patten
A. B. Fox
Arthur N. Honig
Willard A. Johnson

M. J. "Tack" Warren
Elliott H. Stein
Clyde Ulmer
Albert E. Benet, Jr.

Robert V. H. Harland
John W. Callaghan
Reuben A. Hayes

Regional Nuclear Power Plants
To Operate in 1962
An up-to-date score card of the projects by privately sponsored nuclear electric power plants is presented to the Joint Congressional Committee. Five will be in operation in 1962 compared to five in 1961. Statements by electric power utilities and by utility companies to superintend the operation of the nuclear power plants.

Best Method to Further Nuclear Power
In his prepared statement, Mr. Clapp retracted the belief of the Edison Electric Institute that the best method of developing economically competitive nuclear power in this country is the maximum possible specialization of contracts, i.e., in a broad and diversified nuclear power industry. Mr. Clapp said there are other factors involved and development of promising reactor concepts with actual construction consideration can be made.

Mr. George Colan has been elected Vice-President of Divine & Fishman, Inc., New York City, members of the New York Stock Exchange.

Now Carter, Berlind, Weil
The firm name of Carter, Berlind, Polonsky & Weil, 37 Wall Street, New York City, has been changed to Carter, Berlind & Weil.

Mr. Milgrim & Company
(Special to The Financial Chronicle)
Mr. Milgrim & Company, 48 East 43rd Street, New York City, is a diversified securities firm.

Franklin & Co. Engaged in Securities Business
Mr. Frank E. Franklin & Co. is engaged in securities business from offices at 311 South San Vicente Blvd., under the firm name of Franklin & Co.
N. Y. Stock Exch. Tax Reform Proposals

Keith Funston, President of the New York Stock Exchange, said the United States must institute more realistic tax treatment of investors in order to maintain its world economic leadership. "Most other industrialized nations have recognized that capital investment and economic growth go hand in hand, and their tax treatment of both capital gains and dividends is considerably more enlightened than that of the United States," Mr. Funston observed in the introduction to a new exchange booklet, "Challenges of Economic Growth.

United States tax policies on capital gains and dividend income are badly in need of a "thorough reorientation," the Exchange President said in the 32-page publication. The nation must face the fact, he declared, that the private sector of the economy will be called upon to make tremendous investments in the future. The capital needs of industry in the United States, he noted, have been estimated at nearly $400 billion.

Although the bulk of this sum will probably come from retained corporate earnings and some from borrowings, Mr. Funston said "the critical balance" will have to come from "millions of individuals who must be encouraged to invest part of their savings in American enterprise." Among the tax revisions recommended by the Stock Exchange are: Reducing the maximum rate on long-term capital gains from the present 25% to 15%. The booklet cites a 1955 Exchange study indicating that reducing the rate would have promoted shareholders to unlock approximately $77.7 billion, or five times as much as under the present tax rate. The survey notes that there would also be an initial increase in Federal revenues $2.9 billion versus $1.4 billion—with excellent prospects for continued high returns to the Treasury.

Reducing the long-term holding period to three months from the present six. (This is the length of time a capital investment must be held to qualify for the capital gains tax rate instead of being taxed as ordinary income.) Increasing the present 4% dividend tax credit to 10% and, eventually, to 20%.

In recent years, the rate of economic growth in the industrialized nations of Western Europe and in Japan has outstripped this country's growth rate, the Exchange's new booklet notes. Significantly, during the period studied—1956 through 1958—none of these countries imposed any tax on long-term gains from the sale of securities. Dividend income, however, is subject to liberal tax treatment in most of the countries which have experienced dramatic growth since World War II.

"It is surprising," the publication declares, "how many nations with no particular commitment to a free enterprise economy embrace constructive policies that encourage the flow of venture-capital. The United States, on the other hand, which has risk-taking to be the essence of free enterprise, is in many ways backward when it comes to encouraging the flow of venture-capital into our economic lifelines."

The booklet traces the history and effects of the capital gains tax and the double taxation of dividend income (both at the corporate level and again at the individual's personal income tax rate) and details how present taxes tend to inhibit the flow of capital to new and growing enterprises. The American people today have the funds to invest in expanding industry, the Exchange notes, but they will do so only if they see the prospect of a fair return in relation to their risks. Pointing to the nation's 15 million shareholders and to the 35 million non-shareholders who are interested in investing, Mr. Funston commented: "These millions of people are a potentially huge source of billions of investment dollars—and many of them will undertake the necessary risks if encouraged to do so."

Sensible tax revision, offering fair treatment to the individual investor, will help provide that encouragement.

G. H. Walker & Co. Appoints P. L. Pogue

BRIDGEPORT, Conn.—Province Law Pogue has been appointed manager of the Bridgeport office of G. H. Walker & Co., 118 Bank Street, members of the New York Stock Exchange, it has been announced.

The firm also announced that Vincent A. Aufoieri and Charles W. Townsend will be associated with Mr. Pogue.

Boettcher Co. Absorbs Don A. Chapin Co.

FT. COLLINS, Colo.—The Don A. Chapin Company at Fort Collins, Colo., has been merged with Boettcher and Company of Denver with new offices at 117 West Oak Street in Fort Collins.

The announcement of the merger under the name of Boettcher and Company, was made by Robert R. Baker, Manager of the Fort Collins Company, and E. Warren Willard, Managing Partner of the Denver firm.

The Don A. Chapin Company was founded in 1919 by Don A. Chapin, who has been active in company, community and financial activities until ill health compelled his retirement last year. The company has been a correspondent of Boettcher and Company. Mr. Baker joined the firm in 1949 and became a partner in 1955. He assumed ownership in 1961.

Godfrey, Hamilton Offices

Godfrey, Hamilton, Taylor & Co. Incorporated, of New York, has opened three new Massachusetts offices under the direction of Patrick Cloney, in the Zyer Department Store, Braintree; at 400 Western Avenue, Brighton, and at 727 Lynnway, Lynn, Mass.

NATIONAL STEEL'S NEW WAY TO

A new, lighter high-strength electrolysie tin plate being produced by National Steel's divisions enables can manufacturers to develop a new kind of tin container. It combines light weight with all other characteristics that have made tin cans the standard package for the many products that contribute so much to our way of life.

Above, left, you see an example of the special, very precisely engineered facilities required to produce this metal; the unique temper mill at our Midwest Steel plant in the Chicago area. It's the first in the world expressly designed to produce steel in thicknesses varying from the extremely light basis weights to the heaviest for subsequent electrolytic tin plating. In a single pass, it can reduce thickness of a steel strip by 50 per cent.

From this mill, coils of steel pass through a 700-ft. plating line and emerge as gleaming tin plate (shown at right), ready to be made into the familiar, convenient tin can. The facilities at Mid-west and at our Weerton Steel Division give National Steel a leadership in the manufacture of lightweight tin plate appropri-
NY Municipal Bond Club Outing Announced

The 29th Annual Field Day of the Municipal Bond Club of New York will be held on Friday, June 8, it has been announced by Alfred S. Mante of Smith, Barney & Co., President of the Club. As usual, the site of the outing will be the Westchester Country Club, Rye, N. Y.

James P. Belley, of Goodbody & Co., has been named Field Day Chairman for this year. Assisting him will be Alfred J. Blanchett, of J. A. Hogle & Co.

Leading the five committees appointed to supervise sports, entertainment and other activities at the outing are the following Chairmen: Finance — William Durkin, First National Bank of Chicago; Announcements — Henry Milner, J. S. Dickson & Co.; Prizes and Ventures — William E. Simon, Weather & Co.; Sports — John S. Stevenson, Hayden, Stone & Co.

A highlight of the outing is publication of The Daily Bond Crier, annual lampoon of the municipal bond business, which will be edited this year by John G. Thompson, of Morgan-Guaranty Trust Co.

Form Steven Mayer Co.

TULSA, Okla.—Steven Mayer & Co. has been formed with offices in the Kennedy Building, to engage in a securities business. Officers are Steven Mayer, President, and Lionel E. Z. Cohen, Vice-President and Secretary. Mr. Cohen was formerly with F. H. Burns & Company.

Equity Secs. Branch

Equity Securities Corporation has opened a branch office at 37 Wall Street, New York City, under the direction of A. Arthur Sherman, Secretary and Treasurer.

Schnikmy Open

MIDDLETOWN, Del. — Harry K. Schnikmy is engaging in a securities business from offices at 55 West Main Street, under the firm name of H. Kirk Schnikmy & Associates.

Esico Corp. Opens

Esico Corporation has opened offices at 160 Broadway, New York City, to engage in a securities business. Officers are Harold Bart, President; Eugene Vizini, Vice-President; and Morton Levine, Secretary and Treasurer.

Elected Director

ELIZABETH, N. J.—Harry G. Burks, Jr., an executive of the Standard Oil Co. (N. J.) has been elected a director of Fundamental Investors. Diversified Investment Fund, Diversified Growth Stock Fund and Westminister Fund. Dr. Burks has been associated with Standard Oil and its affiliates for some 20 years. He has also been financial adviser to Charles and Culvert Counties in Maryland. He is responsible for the worldwide refining and manufacturing operations of Standard Oil. Dr. Burks also is a director of Esso Research & Engineering Company.

F. L. Klemm With McDaniel Lewis

GREENSBORO, N. C.—McDaniel Lewis & Co., Jefferson Building, have announced that Francis L. Klemm, Jr. of Baltimore is now associated with them as manager of their municipal bond department, and has moved to Greensboro. Mr. Klemm for eleven years was with Mercantile-Safe Deposit & Trust Company, the last four years in the municipal bond department. When the bank closed its bond department in the fall of 1961 Mr. Klemm became manager of the municipal bond department of Mead, Miller & Co. of Baltimore. He is a former financial adviser to Charles and Culvert Counties in Maryland. Mr. Klemm is now associated with McDaniel Lewis and will specialize in tax-exempt securities for institutions, trusts and individuals.

Fechtor Forms Co.

BOSTON, Mass.—Sheldon M. Fechter is engaging in a securities business from offices at 50 Broad Street, New York City. Gerald Fraschilla is President and Treasurer, and Laurence Seelen, Vice-President. Mr. Fraschilla was formerly with Jay Bachurier & Co. Mr. Seelen was with William, David & Motti, Inc.

Now McNeal and Company

ATLANTA, Ga.—The firm name of McNeal-Rankin, Inc., Caulfield Building, has been changed to McNeal and Company. The firm maintains a branch office in Columbus, Ga.

New Hentz Office

SWAMPSCOTT Mass.—H. Hentz & Co., will open a new seasonal office in the New Ocean House Hotel under the management of E. D. Karkin.

Lubetkin, Regan Branch

Lubetkin, Regan & Ketner, has opened a branch office at 673 Madison Avenue, New York City under the management of Leon D. Yarkin.

MAKE ELECTROLYTIC TIN PLATE

ate to our position of so many years as a major producer of tin mill products. The recently completed Midwest plant is our country's most modern steel finishing plant. Yet it is only one phase of National Steel Corporation's $350,000,000 program of improvement and expansion to give our customers better steels. To give our employers better and more secure jobs. And to give you, the ultimate consumer, still better values in the many useful products you buy that are made of fine modern steel.

NATIONAL STEEL CORPORATION, PITTSBURGH, PA.

SUBSIDIARIES AND DIVISIONS

GREAT LAKES STEEL • BENTON STEEL • MONTGOMERY STEEL • STRAN-STEEL • ENAMELSTRIP • JERSEY FURNACE • NATIONAL STEEL PRODUCTS

AT STRAN-STEEL in Terre Haute, new finishing-line facilities are boosting quality and output of popular color-coated steel panels for Tres-Steel's hardwood new line of contemporary pre-engineered buildings.

AT GREAT LAKES STEEL in Detroit, the computer-controlled and operated 80' Mill of the future—fastest, most powerful hot-strip mill in the world—is providing more and better automobile body sheets.
Lease Financing From the Commercial Bank Viewpoint

By Donald M. Graham, Vice-Chairman of the Board, Continental Illinois National Bank & Trust Company, Chicago, Ill.

The ABCs of lease financing, and the clauses necessary to make them bankable are explained by Mr. Graham in the taking of the mystery out of lease financing. The major types of lease financing transactions; the use of manufacturer's repurchase agreements; the purchases of leases by banks and their development as a freestanding equipment finance vehicle; and the financing of individual lease items for large or small investors are discussed.

Lease financing is a method of financing equipment, which has been widely adopted by commercial banks in recent years. The growth in lease financing has been impressive, and the potential for further expansion is considerable.

The leasing market is a significant factor in the economy of the United States. It is estimated that over 10 million leases are entered into each year, involving billions of dollars in transactions. The leasing of equipment is an important aspect of the economy, providing a means for businesses to acquire equipment without incurring the large capital outlay that would be required to purchase the equipment.

The advantages of lease financing include the ability to acquire equipment without tying up working capital, the ability to obtain equipment on a tax-deductible basis, and the flexibility of lease terms.

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A Changed View on Fixing S & L Assn. Dividend Limit

By Joseph P. McMurray, Chairman, Federal Home Loan Bank Board, Washington, D. C.

Chairman McMurray reverses positions recently taken and, thus, will not request Federal legislation providing authority to set ceiling on dividends the Bank pays to shareholders. (See this Chronicle, March 29, 1963, pp. 40–41, for Mr. McMurray’s address to the stockholders of Federal Home Loan Bank of Boston.)

should they be singled out from all other persons who receive dividends on a ceiling on the dividends they receive. But if the line is drawn, the ceiling on dividends could be imposed. Furthermore, he said, the line could not be set on all banks because it is impossible to imagine what would happen in a capitalist society if anybody dared make such a suggestion. Moreover, we cannot escape the fact that the very essence of mutuality would be largely destroyed by a government imposition of such restraints.

From an address by Mr. McMurray at the Sixty-Fifth Annual Conference of League Management Conference, Greenbrier Hot Springs, W. Va., 1963

E. F. Hutton & Co.

Customers Branch

E. F. Hutton & Company has opened a new branch at its established branch office on the Copper & Rainbow Building, New York City, it was announced by Edward F. Hutton, Jr., managing partner.

Arthur A. Goldberg has been named manager.

The 61 Broadway office with both men and women, third serving New York City customers, is a nationwide investment firm.

With Penington, Colket

WILLIAMSPORT, Pa. — Penin¬
gton, Colket & Co., First National Bankers’ Association of Pennsylvania, announced that Donald Scott Randolph is now associated with them in the sales and service department.

With F. P. Ristine

PHILADELPHIA, Pa. — F. P. Ristine & Co., 123 South Broad Street, Philadelphia, is opening a new branch office in South Street Exchange and other leading investment houses. Mr. Ristine is a graduate of the University of Pennsylvania and has been with the firm since 1929.

With F. W. Ristine

QUINCY, Mass. — A. C. Allyn & Co., a subsidiary of Penington, Colket & Co., has opened a branch office in the South Shore National Bank, Quincy, under the direction of James F. McCormick.
Transportation Magna Charta
Proposed by President Kennedy

President Kennedy calls for major reforms in our transportation policies to correct the confounding problems that are frustratingly cripplling the use of most economical types of transportation.

Congress was asked by President Kennedy for major legislative reforms. The proposals are designed to revolutionize our transportation policies to eliminate the conflicting problems that are frustratingly cripplling the use of most economical types of transportation.

The text above is a direct transcription of the page from the image provided. It includes a discussion on the need for legislative reforms in transportation policies to address issues such as predatory pricing, predatory discipline, and the need to ensure that transportation services are competitive and reasonably priced. The proposal seeks to eliminate discriminatory practices and ensure that transportation services are available to all segments of society, including those that are currently underserved.

The document highlights the need for regulatory reforms to create a level playing field for all transportation providers, including air, rail, and road services. It calls for the establishment of a transportation commission to oversee the industry and ensure that services are provided in a fair and efficient manner.

The text outlines specific proposals for regulatory reform, including the establishment of regulatory agencies with the authority to set rates and ensure that transportation services are provided in a fair and efficient manner. It calls for the elimination of discriminatory practices and the establishment of a transportation competition commission to oversee the industry and ensure that services are provided in a fair and efficient manner.

The document also highlights the need for the establishment of a transportation competition commission to oversee the industry and ensure that services are provided in a fair and efficient manner. It calls for the elimination of discriminatory practices and the establishment of a transportation competition commission to oversee the industry and ensure that services are provided in a fair and efficient manner.

The document concludes with a call for the establishment of a transportation competition commission to oversee the industry and ensure that services are provided in a fair and efficient manner. It calls for the elimination of discriminatory practices and the establishment of a transportation competition commission to oversee the industry and ensure that services are provided in a fair and efficient manner.
New Broker-Dealer Firms

C. S. Lubetkin Co.

Winslow Adams Co. Open

Winslow Adams Co., Inc. has announced openings at 535 Madison Ave., New York City, to engage in a general security business. Mr. William Wilen, President; Benjamin H. Sapp, First Vice-President, and W. F. Friche, Secretary and Treasurer.

Forms Unified Business Service

SAN DIEGO, Calif.—A firm J. A. Atkinson is conducting a securities business from offices at 1060 National Bank Bldg., San Diego. Charles S. Lubetkin is President and with the firm are Mr. Atkinson, Mr. Sapp, and Mr. Friche. Forms Marko Co.

Morris Weinstein is engaging in a securities business from offices at 515 Madison Ave., New York City under the firm name of Marko Company.

Merit Securities Firms

Form Mutual Fund Co.

Marvin H. Litt is conducting a securities business from offices at 333 West 4th St., New York City, under the firm name of The Mutual Fund Corp.

North American Inv.

BETHPAGE, L. I.—North American Inv. Corp. is engaging in a securities business from offices at 4200 Hempstead Turnpike.

Paul Miller Opens

INGLEWOOD, Calif.—Paul Miller Inc. has announced to The Real Estate Chronicle that they are opening offices at 514-516 West Manchester Blvd., Los Angeles, Calif.

J. R. Price Open.

FRESNO, Calif.—James R. Price is conducting a securities business from offices at 311 North Fulton Street under the firm name of Price & Company. The firm is formerly with Kellogg and Company.

Form Amco Inv. Corp.

PONCA CITY, Okla.—Amco Investment Corporation has been formed and is conducting a securities business from offices at 311 North Fulton Street under the firm name of Amco Investment Corporation.

J. W. DeRafelle Opens

NEW ROCHELLE, N. Y.—Joseph DeRafelle is conducting a securities business from offices at 246 Centre Ave.

Kennedy Inv. Services

ENGLAND, Ark.—Kennedy Inv. Services is conducting a securities business from offices here. Officers are William S. Kennedy, Jr., President; William S. Kennedy, Sr., Vice-President; and Beverly C. Kennedy, Secretary and Treasurer.

Forms Kennedy, Levy Co.

WOODSTOCK, N. H.—Louis B. Cherney is conducting a securities business from offices at 415 N. Main St. The firm name is Kennedy, Levy & Cherney, Inc.

Clement McLean Opens

Cherry Hill, N. J.—Clement McLean is engaging in a securities business from offices at 310 Pine Street under the firm name of McLean & Co.

Forms Samuels Co.

SAN FRANCISCO, Calif.—Charles C. Samuels has formed the firm of Samuels & Co. with offices at 310 Pine Street to engage in a securities business. Mr. Samuels was formerly a partner in the East-West Securities Com-

Volume 195 Number 6156 The Commercial and Financial Chronicle
Unwarranted Pessimism in Today's Forecasts

Continued from page 1

Excessive expectations of current and anticipated potential of recovery have been doing very well despite some slowdown in economic activity in the Euro-

nern Europe and Japan. Our ex-

pectations are that the rate of economic activity will exceed the United States rate next year. This surplus might shrink a bit, but the trend is still toward a strong recovery in Europe and Japan.

continued imports and services by a $4 billion annual rate. But this might change in the second half of the year. Business in West-

ern Europe and Japan should be moving ahead at a good clip by then.

Government purchases of goods and services are headed upwards. We have taken a rise in the rate of $11 billion in the second quarter of last year to $12 billion at the outset. The annual rate in the fourth quarter of last year was up to $12 billion, more than 8% above the first quarter. The increase in the index of industrial production also showed the same pattern.

It is at this first glance a very good time to be an optimist. But the optimism comes from an expansion throughout the year, with new highs in various business indexes. The optimism is well founded, but I would like to remind you that this optimism is not without risks. We have to consider the possibility that the standard of living could improve, but it is not as likely as the optimism suggests. There is a strong possibility that the economy could be operating at a rate of 4-6% above its potential. These factors should be taken into account before making any decisions.

Economic growth has been uneven since the end of World War II. It has been slow, averaging about 2.5% per year. The economy has been characterized by periods of upsurge and periods of decline. The latest upsurge has been stronger than any other in the postwar period. It has been accompanied by a sharp rise in consumer prices, which has been financed by an increase in the money supply.

The Federal Reserve Board of St. Louis has demonstrated a strong commitment to keeping inflation low. The Board has been very successful in this effort, and inflation has been kept below 3% for the past five years. The Board has been careful to avoid any actions that could lead to a new round of inflation. It has maintained a low level of interest rates, which has helped to keep inflation low. The Board has also been careful to avoid any actions that could lead to a new round of inflation. It has maintained a low level of interest rates, which has helped to keep inflation low.

The economy is expected to continue to grow at a moderate pace. However, there are several factors that could lead to a slower pace of growth. The first is the possibility of a military conflict in the Middle East. The second is the possibility of a new round of inflation. The third is the possibility of a new round of recession. The fourth is the possibility of a new round of depression. The Board has been very careful to avoid any actions that could lead to a new round of inflation. It has maintained a low level of interest rates, which has helped to keep inflation low.

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The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either the last week or month ended on that date, or, in cases of quotations, are as of that date:

### AMERICAN IRON AND STEEL INSTITUTE

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (tons of crude)</td>
<td>2,180,000</td>
<td>2,170,000</td>
<td>2,170,000</td>
<td>2,170,000</td>
</tr>
<tr>
<td>Mill shipments (tons net)</td>
<td>217,000</td>
<td>217,000</td>
<td>217,000</td>
<td>217,000</td>
</tr>
</tbody>
</table>

### AMERICAN PETROLEUM INSTITUTE

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude oil (barrels)</td>
<td>3,900,000</td>
<td>3,900,000</td>
<td>3,900,000</td>
<td>3,900,000</td>
</tr>
<tr>
<td>Finished products (barrels)</td>
<td>1,200,000</td>
<td>1,200,000</td>
<td>1,200,000</td>
<td>1,200,000</td>
</tr>
</tbody>
</table>

### CIVIL ENGINEERING CONSTRUCTION—ENGINEERING

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL U. S. construction</td>
<td>$12,000,000</td>
<td>$12,000,000</td>
<td>$12,000,000</td>
<td>$12,000,000</td>
</tr>
<tr>
<td><strong>State and municipal</strong></td>
<td>$2,000,000</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td><strong>Federal</strong></td>
<td>$5,000,000</td>
<td>$5,000,000</td>
<td>$5,000,000</td>
<td>$5,000,000</td>
</tr>
</tbody>
</table>

### ELECTRIC OUTPUT (U. S. BUREAU OF MINES)

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELECTRICITY (in kw. hrs.)</td>
<td>10,000,000</td>
<td>10,000,000</td>
<td>10,000,000</td>
<td>10,000,000</td>
</tr>
</tbody>
</table>

### DEPARTMENT STORES, METAL PRICES

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Distillate fuel oil</strong></td>
<td>97.9</td>
<td>97.9</td>
<td>97.9</td>
<td>97.9</td>
</tr>
<tr>
<td><strong>Unleaded gasoline</strong></td>
<td>109.26</td>
<td>109.26</td>
<td>109.26</td>
<td>109.26</td>
</tr>
<tr>
<td><strong>Fuel oil</strong></td>
<td>55.4</td>
<td>55.4</td>
<td>55.4</td>
<td>55.4</td>
</tr>
</tbody>
</table>

### METAL AND ALUMINUM (IN SHORT TONS)

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Copper</strong></td>
<td>543</td>
<td>543</td>
<td>543</td>
<td>543</td>
</tr>
<tr>
<td><strong>Lead</strong></td>
<td>121,000</td>
<td>121,000</td>
<td>121,000</td>
<td>121,000</td>
</tr>
<tr>
<td><strong>Aluminium (pyramid, 99.5%)</strong></td>
<td>121,000</td>
<td>121,000</td>
<td>121,000</td>
<td>121,000</td>
</tr>
</tbody>
</table>

### MOODY'S BOND PRICES DAILY AVERAGES

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U. S. Government Bonds</strong></td>
<td>98.81</td>
<td>98.81</td>
<td>98.81</td>
<td>98.81</td>
</tr>
<tr>
<td><strong>Average corporate</strong></td>
<td>97.7</td>
<td>97.7</td>
<td>97.7</td>
<td>97.7</td>
</tr>
<tr>
<td><strong>Average industrial</strong></td>
<td>98.5</td>
<td>98.5</td>
<td>98.5</td>
<td>98.5</td>
</tr>
</tbody>
</table>

### FABRICATED STRUCTURAL STEEL (AMERICAN INSTITUTE OF STEEL CONSTRUCTION—INDUSTRIAL)

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steel (in short tons)</strong></td>
<td>30,900</td>
<td>30,900</td>
<td>30,900</td>
<td>30,900</td>
</tr>
<tr>
<td><strong>Iron (in short tons)</strong></td>
<td>30,900</td>
<td>30,900</td>
<td>30,900</td>
<td>30,900</td>
</tr>
</tbody>
</table>

### METAL Output (in metric tons)

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gold</strong></td>
<td>116,787</td>
<td>116,787</td>
<td>116,787</td>
<td>116,787</td>
</tr>
<tr>
<td><strong>Silver</strong></td>
<td>5,991,000</td>
<td>5,991,000</td>
<td>5,991,000</td>
<td>5,991,000</td>
</tr>
</tbody>
</table>

### METAL OUTPUT (IN METRIC TONS)

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Copper</strong></td>
<td>48,000</td>
<td>48,000</td>
<td>48,000</td>
<td>48,000</td>
</tr>
<tr>
<td><strong>Lead</strong></td>
<td>116,787</td>
<td>116,787</td>
<td>116,787</td>
<td>116,787</td>
</tr>
</tbody>
</table>

### MONEY IN CIRCULATION—FEDERAL RESERVE—TREASURY DEPARTMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gold</strong></td>
<td>30,900</td>
<td>30,900</td>
<td>30,900</td>
<td>30,900</td>
</tr>
</tbody>
</table>

### NEW YORK STOCK EXCHANGE—UNITED STATES DEPARTMENT OF COMMERCE

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume of bonds sold</strong></td>
<td>98,000</td>
<td>98,000</td>
<td>98,000</td>
<td>98,000</td>
</tr>
</tbody>
</table>

### PRICES RECEIVED BY FARMERS—INDEX NUMBER—U. S. DEPT. OF AGRICULTURE—DEPARTMENT OF COMMERCE

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wheat</strong></td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Corn</strong></td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
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<tr>
<td><strong>Soybeans</strong></td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
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</tr>
</tbody>
</table>

### UNITED STATES EXports AND IMPORTS BUREAU OF CENSUS—MONTH OF FEBRUARY 1953

<table>
<thead>
<tr>
<th>Description</th>
<th>Latest Week</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exports</strong></td>
<td>5,100,000</td>
<td>5,100,000</td>
<td>5,100,000</td>
<td>5,100,000</td>
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</tbody>
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*Figures shown are as of the last week or month available. Dates shown in first column are either the last week or month ended on that date, or, in cases of quotations, are as of that date.*
Bros. & Stewart—Bernard A. Walker & Co., Inc.—$120,000 common. Proceeds—For debt repayment, equipment, and working capital.

Air-Tech Co., Inc.—$73,500 common. Proceeds—For expansion and working capital.


Allied Capital Corp.—Feb. 23, 1962 filed 5,074,000 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 general purpose company. Proceeds—For investment. Office—7720 Wisconsin Ave., Bethesda, Md. Underwriter—Semple, W. N. Y. Underwriter—First Allied Securities Corp., N. Y.


Allied Graphic Arts, Inc.—March 20, 1962 filed 1,000,000 common, of which 60,000 will be sold for the company and 120,000 for a stockholder. Price—$2. Business—Publication of mass circulation catalogues for department stores and mail order firms, a semi-annual magazine and stamp collection catalogue, and advertising and marketing services. Office—551 Fifth Ave., N. Y. Underwriter—Baruch & Co., Inc., N. Y. Underwriter—Semple, W. N. Y. Underwriter—Richard Bruce & Co., N. Y.


American Bitrite Rubber Co., Inc.—March 29, 1962 filed 200,000 common, of which 100,000 will be sold by the company and 50,000 for a stockholder. Proceeds—For repayment of subordinated sinking fund debentures due 1971, with attached warrants. Office—23 W. 42nd St., N. Y. N. Y. Underwriter—Parke, Davis & Co., N. Y. Offer-
Beacon Investing Corp.  
Business—Investing in real estate, hardware, and general merchandise.
Office—22 The Fenway, Boston. Underwriter—None.

Benedick, Inc.  
Business—Business consists of the development, manufacture, and sale of various types of food products. Proceeds—For debt repayment and general corporate purposes. Offer—201 N. Federal Highway, Deerfield Beach, Fla. Underwriter—Consolidated Securities Corp., Pompiano Beach, Fla.

Budweiser Brewing Co.  
Business—Brewing and selling beer.
Office—135 Residential Ave., St. Louis, Mo. Underwriter—None.

Bene Cosmetics, Inc.  
March 29, 1962 filed 100,000 common. Price—$3. 
Business—Manufacture and sale of cosmetics and toiletries.
Office—10419 Fawcette St., St. Louis, Mo. Underwriter—Granite Securities, Inc. N. Y.

Bergman, Inc.  
Feb. 29, 1962 filed 25,000 to be offered for subscription. Price—$3. 
Business—Manufacturing and selling plastic products.
Office—P.O. Box 309, San Francisco, Calif.

Bernetaux, Inc.  
March 6, 1962 filed 70,000 common. Price—$2.50. 
Business—Design, manufacture and installation of photographic processing and control equipment.
Office—2730 Grayland Ave., Chicago, Ill. Underwriter—None.

Beverage Investments Corp.  
Business—Manufacture and distribution of soft drinks and bottled water.

Biltmore Cosmetics, Inc.  
Business—Manufacturing and selling handbags and related items.
Office—308 S. San Fernando St., Los Angeles, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

Bionational, Inc.  
Feb. 1, 1962 filed 1,000,000 common. Price—$5. 
Business—Company plans to manufacture various type beryllium products for the defense and commercial market.
Office—528 Union Trust Bldg., Washington, D.C. Underwriter—None.

Bestform Foundations, Inc.  
Feb. 23, 1962 filed 180,000 common, of which 36,000 are to be offered for subscription. Proceeds—For expansion, inventory and working capital.
Office—303 S. State St., Chicago, Ill. Underwriter—None.

Berne of California, Inc.  
Business—Manufacturing of handbags and related items.
Office—Forced sale of various types properties.
Proceeds—For debt repayment and general corporate purposes. Offer—201 N. Federal Highway, Deerfield Beach, Fla. Underwriter—Consolidated Securities Corp., Pompiano Beach, Fla.

Calev Photo Labs, Inc.  
Business—Manufacturing and selling photographic supplies and equipment for photofinishing centers.
Office—212 Forest Ave., Brooklyn, N. Y. Underwriter—Amber, Bur-

Caldwell Publishing Corp.  

Camel Photos, Inc.  
Business—Manufacturing and selling photographic equipment.
Office—2436 N. 3rd St., N. Y. Underwriter—None.

Cambridge Fund of California, Inc.  
Sept. 29, 1961 filed 100,000 common. Price—$5. 
Business—Operation of public utility and general service in the state of California.

Calvert Electronics, Inc.  
March 30, 1962 filed 80,000 common, of which 40,000 are to be offered for subscription. Proceeds—For general corporate purposes.
Price—$5. 
Business—Manufacturing of communications equipment and services.
Office—398 14th St. N. W., Washington, D. C. Underwriter—None.

Camille Woo, Inc.  
Business—Manufacturing and selling of rubber products.
Office—2120 43rd St., L. I. C., N. Y. Underwriter—Amber, Bur-

Cape Atlantic, Inc.  
March 29, 1962 filed 160,000 common, of which 76,000 are to be offered for subscription. Proceeds—For general corporate purposes. Price—$5. 
Business—Manufacturing of women's and children's fine millinery.

Capital Investment Corp.  
Business—Development of real estate in the seacoast areas of Florida, California, Arizona, and Texas.
Office—For general corporate purposes. Price—$15. 
Business—Investment company which will hold mortgages, real estate, and general contract business.
Office—1805 Newport Blvd., Costa Mesa, Calif. Underwriter—Hill, Rose & Allison, N. Y.

Capitol Mortgage Corp.  
Business—Investment company which will hold mortgages and notes.
Office—730 W. 39th St., Chicago. Underwriter—Schweickart & Co., N. Y.

Carlsbad Capital Corp.  
Business—Investment company which will hold mortgages and notes. Proceeds—For general corporate purposes. Office—1805 Newport Blvd., Costa Mesa, Calif. Underwriter—Hill, Rose & Allison, N. Y.

Caribbean Capital Corp.  
Business—Investment company which will hold mortgages, real estate, and general contract business. Proceeds—For investment in real estate, general contract business and acquisition of securities.

Casavan Industries, Inc.  

Bridge Electronics Co., Inc.  
Not for offering. Proceeds—For general corporate purposes. Proceeds—For general corporate purposes. Office—201 Lau- nz St., N. Y. Underwriter—To be named.

Brinkmann Instruments, Inc.  
Mar. 26, 1962 filed 100,000 common, of which 77,430 are to be offered for subscription. Proceeds—For general corporate purposes.
Price—$5. 

Bruce (Michael) Distilling Co.  
March 29, 1962 filed 100,000 common. Price—$5. 
Business—Operation of self-service liquor store and restaurant.

Budweiser Brewing Co.  
Business—Operation of self-service liquor store and restaurant.
Office—For sale of various type properties.
Proceeds—For a proposed acquisition of another type business.
Price—$35,000.
Business—Manufacturing and selling of various type properties.
Office—10419 Fawcette St., St. Louis, Mo. Underwriter—None.

Business—Operation of self-service liquor store and restaurant.
Office—For sale of various type properties.
Proceeds—For a proposed acquisition of another type business.
Price—$35,000.
Business—Manufacturing and selling of various type properties.
Office—10419 Fawcette St., St. Louis, Mo. Underwriter—None.
Cine-Dyne, Inc.

Central Air Conditioning & Heating, Inc.
April 30, 1962 filed $787,500 of 6% conv. subord. debentures due 1972 to be offered for subscription by comm. stockholders only. Proceeds—For the construction of additional equipment and replacement parts for service and field service for heating, cooling and ventilating systems, for solution of business problems due to the expansion of the company's present operations. Office—1001 14th St., N.W., Washington, D.C.

Chicago & Western Air Lines, Inc.

Computer, Inc.

Concord Acceptance Corp.
Dec. 11, 1961 filed 60,000 class A common, of which 68,000 are to be offered by the company to the 120,000 common stockholders. Price—$12.50. Business—a small loan finance company. Proceeds—For debt repayment. Office—90 N. Delaware St., Chicago.

Columb Credit Co., Inc.

Columbian Corp.

College Parking Corp.
March 28, 1962 filed 164,000 common, of which 115,000 are to be sold to the company and 49,000 to stockholders. Price—By amendment (max. $15). Business—Management of college parking lots. Proceeds—For expansion, equipment and debt repayment. Office—515 Park Ave., Manchester, N.H.

Columbia Banking Corp.
April 12, 1962 filed 875,000 of convertible subordinated debentures due 1957 and 1,500 common to be offered in par and $100 debentures due 1955 to be offered in $100. Business—Banking. Proceeds—For expansion of banking company recently formed to acquire stock of First World Bank & Trust Co., Los Angeles. Proceeds—For acquisition of First World Bank & Trust Co., Los Angeles. Office—100 N. Vermont Ave., N.W., Washington, D.C.

Colombia Music & Film Corp.
March 28, 1962 filed 164,000 common, of which 115,000 are to be sold to the company and 49,000 to stockholders. Price—By amendment (max. $15). Business—Management of college parking lots. Proceeds—For expansion, equipment and debt repayment. Office—515 Park Ave., Manchester, N.H.

Colombia National Bank.

Condominium Corp., Inc.

Consolidated Leasing Corp. of America.
April 27, 1962 filed 125,000 common. Debentures due 1977 (with warrants); also 305,000 common shares, of which 280,000 will be sold by company and 25,000 by underwriters. Proceeds—For working capital, general corporate purposes. Office—2724 Broadway, N.Y.

Consortium M., Ltd. Amer. Inc.

Continental Industrial Corp.

Continental Investment Corp.

Continental Research Corp.

Continental Telephone Co.

Cromwell & Co.

Data Systems Devices of Boston, Inc.
April 26, 1962 filed 200,000 common. Price—$5. Business—Design to plans and develop and produce electronic and electro-mechanical devices, including printers for electronic computers, printing presses, special purpose plant and equipment and working capital. Office—342 Western Ave., Boston.

Davis (H.) Toy Corp.
Nov. 27, 1961 filed 190,000 common shares (with attached warrants to purchase 190,000) of which 90,000 are to be offered in units of one share and one warrant. Price—$1.50. Business—Manufacturing and sale of all types of toys and games for children. Proceeds—to repay debt and income working capital. Office—194 Union St., Brookly, N.Y.

Decent Corp.

Dependent Electronic Controls, Inc.
Dec. 6, 1961 filed 120,000, of which 90,000 are to be offered by the company and 30,000 by stockholders. Price—$3. Business—Manufacturers of vacuum tubes and electronic components for use in televisions, radios, computers and other electronic equipment. Proceeds—to finance operations, working capital, and expansion. Office—1102 E. 82nd St., N.Y.

Dexter Corp.

Dow & Dyer, Inc.
May 28, 1962 filed 157,500 common, of which 165,000 are to be offered to the company and 15,000 to stockholders. Price—$4. Business—Manufacture of railroad cars and equipment. Proceeds—For general corporate purposes and sale of stock outstanding by the present bondholders. Price—To be determined by public underwriting. Office—2601 W. Lake St., Chicago.

Dow Chemical Co.
March 26, 1962 filed $1,000,000 of 6% subordinated debentures due 1972, 60,000 common shares, and warrants to purchase 100,000 common shares. Proceeds—Will be offered in units of one $100 debenture, 6 shares of common stock and 1 warrant. Price—By amendment (max. $140). Business—Engaged in residential real estate development and related activities and other corporate purposes. Office—605 Peachtree Bldg., Atlanta, Ga. Underwriters—McDonnell & Co., Inc., N.Y. Underwriter—Goodbody & Co., N.Y. Note—This firm was known formerly as the Carson-Dellosa Corp.

Dow Chemical Co.
May 26, 1962 filed 214,444 common, of which 165,000 are to be offered to the company and 49,444 outstanding by the present bondholders. Price—To be determined by public underwriting. Business—The factoring and distribution of photograpb records. Proceeds—For the repayment of debt, and working capital. Office—313 W. Delaware Ave., Van Alstyne, N.Y. Note—This firm was known formerly as the Carson-Dellosa Corp.

Dow Chemical Co.

Dow Chemical Co.

Dow Chemical Co.
sale of wood and metal framed pictures, wood utility frames, etc. Proceeds—For debt repayment, inventories, personnel, advertising, working capital, etc. Underwriter—Sheahan, Hammond, N. Y.

Deuve & Reynolds Co., Inc. (S7-11)
March 22, 1962 filed 400,000 shares of which 200,000 are to be offered to companies and 200,000 by Merrill-Chapman & Scott Corp., parent. Price—By amendment (max. $10). Business—Manufacture of plastic, paints, resins and related products. Proceeds—For expansion and working capital. Office—401 W. Main St., Louisville. Underwriter—Sheehan, Hammond, N. Y.

Deutz Corp.

Diamond Mills Corp.

Discount Sundry Sales, Inc.

Diversified Real Estate Trust

Doman Corp.
April 19, 1962 filed 418,000 common to be offered for subscription by stockholders on the basis of two new shares for each old share held. Price—By amendment (max. $1.35). Business—Research, development and construction of equipment. Proceeds—For certification of models, train service personnel, repack and distribution to municipal-Monumental, Des Moines, Conn. Underwriter—None.

Donaldson Co., Inc. (S4-18)
Feb. 17, 1962 filed 250,000 of which 50,000 are to be offered by the company and 150,000 by stockholders. Price—By amendment (max. $3.25). Business—Design, manufacture and sale of air cleaners. Proceeds—For working capital. Office—140 W. 94th St., New York. Underwriter—Paine, Webber, Jackson & Curtis, N. Y.

Domoor-Issacson, Inc.
Feb. 28, 1962 filed 100,000 common of which 50,000 are to be offered by the company and 50,000 by stockholders. Price—By amendment (max. $3.50). Business—Design and manufacture of boys knit shirt sweaters, and pajamas. Proceeds—For working capital. Office—111 Broadway, N. Y. Note—This offering has been temporarily postponed.

Drever Co.

Drink Reality

Duluth Mfg. Co., Inc. (5/14)

Dunhill Food Equipment Corp. (5/21-24)

E. & J. Gallo Winery

Duro-Test Corp.
April 17, 1962 filed 750,000 of subordinated debentures due 1982 (with attached warrants) to be offered in units consisting of 1,000 of debentures and a warrant to purchase 50 shares of common at $10 a share. Proceeds—For expansion and general corporate purposes. Office—2231 Hudson Blvd., N. Y. Underwriter—A. B. Pieter & Redpath, N. Y. Offering—Expected to be filed in mid-June.

Dyno Mfg. Co. (6/14)
May 6, 1962 filed 40,000 common of which 40,000 will be sold by company and 20,000 by stockholders. Proceeds—For equipment, expansion and working capital. Office—511 Fifth Ave., N. Y. Underwriter—Brockmoore & Co., Los Angeles.

Dyno-Mot Electric Co. (5/30)

Eastern Aluminum Manufacturing Co.

Eastern Business—Sale of Mfg. and Distributing Co.
March 9, 1962 filed 94,000 common of which 24,000 will be sold by the company and 70,000 by stockholders. Proceeds—For debt repayment, expansion and general corporate purposes. Office—225 Broadway, N. Y. Underwriter—H. A. Riecke & Co., Inc., Philadelphia. Offering—Inminent.

Eastern Contractors, Inc.
April 8, 1962 filed 250,000 common and 1,000,000 shares of 6% conv. subordinated debentures due 1982. Proceeds—For debt repayment, expansion and development of real properties. Office—10 E. 40th St., New York. Underwriter—Armand Malkan & Co., N. Y.

Eastern Pennsylvania Investment Co.

Eastern Properties Improvement Corp.

Economy Food Enterprises Corp.

Econ-O-Pay, Inc.

Economical Industries, Inc.

Euclid Mfg. Co.
Jan. 28, 1962 filed 200,000 common of which 100,000 will be sold by the company and 100,000 by stockholders. Price—By amendment. Business—Wholesale distribution of cameras, lenses, accessories and optical instruments. Proceeds—For debt repayment, expansion and working capital. Office—111 Fifth Ave., N. Y. Underwriter—Knickerbocker Mfg. & Co., N. Y.

Eliason's Industries of Philadelphia, Inc.

European Coal & Steel Community (5/9)
April 17, 1962 filed $50,000,000 of 5% notes due 1972 and $175,000,000 of 4% notes due 1977. Proceeds—For the development of iron and steel and other basic industries. Office—38 Adelaide St., London, Ont. Underwriter—None.

Fairbanks Wire Co.
Fidelity Mining Investments Ltd.

Fairway Mart, Inc.

Federal Reserve Bank of St. Louis

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New ISSUE CALENDAR

May 4 (Friday)

Smythson Wayne Corp. Debentures (Issuing to corporations, 1,200 shares, Weller, Jackson & Curtiss) $105,000.

May 7 (Monday)

Albino slopes, Inc. (Capital) $150,000.

American Modular Manufacturing Corp. Common $150,000.

Atlantic Utilities Corp. Common $300,000.

Berkshire Gas Co. Common $200,000.

Berne of California (Capital Stock) $250,000.

Cameo Lumber, Inc. & Co. (Common & Preferred, 10,000 shares, Oliver & Co.) $150,000.

Computer Control Corp. (Capital) $150,000.

Credit Development Corp. Capital $150,000.

Curt & Liebenberg, Inc. (Capital) $300,000.

Devo & Reardon, Inc. (Capital, 500 shares, Shearman & Co.) $150,000.

Equity Capital Corp. (Common, 500 shares) $150,000.

Evans, Inc. (Common & Preferred) $300,000.

First Financial Corp. (Common & Preferred) $200,000.

Gould Properties Co. (Capital) $100,000.

Great Alaska Box Co., Inc. (Capital) $150,000.

Harper Vending Corp. (Capital) $150,000.

Harrington & Richardson, Inc. (Capital) $300,000.

Kobel Corporation (Capital) $150,000.

Kohnstamm, A.K., Inc. (Capital) $150,000.

McCord, Inc. (Capital) $150,000.

McKee Marine Corp. Capital $150,000.

Mercury Books & Supply Co. (Capital) $250,000.

Midwest Medical Investment Trust, Ben, Inc. Capital $250,000.

Multeros, Inc. (Capital) $100,000.

Pal-Play Corp. (Capital) $150,000.

Pennsylvania Real Estate Inv. Trust, Ben. Inc. (Capital) $250,000.

Rood, Inc. (Capital) $150,000.

Seashore Footwear, Inc. (Capital) $150,000.

Shebly Manufacturing Co. Capital $300,000.

Sokol Brothars & Bros., Inc. (Capital) $150,000.

Technical Distributors, Inc. (Capital) $150,000.

Torch Rubber Co., Inc. (Capital) $150,000.

Transogram Co., Inc. (Capital) $150,000.

U-Cell Corp. (Capital) $150,000.

Universal Lighting Products, Inc. Common $150,000.

Voll Technical Corp. (Capital) $150,000.

White Lighting Co., Inc. (Capital) $150,000.

Fidelity Mining Investments Ltd.


Fashion Industries, Inc. (6/21-25)


Fastpak, Inc. (6/4-8)


Federal Fire & Marine Insurance Co.


Investment Securities Co. (21-29)

By amendment, Business—Exploration and testing of mining properties. Proceeds—For general corporate purposes, Office of Underwriter—G. V. Kirby & Associates, Ltd., Toronto.

Financial Corp. of Santa Barbara (6/4-8)

March 30, 1962 $75,000. Capital shares, of which 150,000 are to be offered by the company and 50,000 by stockholders for sale. Proceeds—For general business purposes. Offered to public by I-51 State St., Santa Barbara, Calif., Underwriter—Dean Witter & Co., Los Angeles, Calif.

First Connecticut Small Business Investment Co. (21-29)


First New York Capital Fund, Inc.


First Interstate State Trust of New Jersey


Flex Electric Products, Inc.

March 16, 1962 filed 695,000 of 6% subord. debentures due 1972 and 45,500 common shares, of which 25,000 are to be offered by the company and 2,500 by selling stockholders. The securities will be offered in units consisting of one $100 debenture and 50 common shares (with attached warrants). Price—$35 per unit. Business—Design, manufacture and sale, for amateur use, of camera lighting equipment and photographic accessories. Proceeds—For equipment, new tooling, and development.

Continued on page 42
Continued from page 42

Frazier-Walker Aircraft Corp.  

Frederick's of Hollywood, Inc.  
March 26, 1962 filed 150,000 capital shares, of which 70,000 are to be offered to the public at $1 a share. Proceeds—For expansion and other corporate purposes. Of¬ fice—6058 Hollywood Blvd., Los Angeles. Underwriters—Garth, Corr & Co., and G. W. V. McArthur & Co.

Frouge Corp. (5/21-25)  

Futura Airlines (5/15)  

G. M. S. Stores Inc.  

Gabriel Industries, Inc.  

Garden State Small Business Investment Co.  

Gateway Chemicals, Inc.  

Gemco-Ware Corp. (6/4-8)  

General Devices, Inc. (5/21-25)  

General Economics Syndicate, Inc.  

General Investment of Connecticut, Inc.  

General Partners, Inc.  
June 13 (Wednesday)  
Jaep Penratt & Associates, Inc. (B. P. Dow & Co., Inc.) $100,000

June 14 (Thursday)  
Dyna Mfg. Corp. (Raymond Maser & Co.) $200,000

June 15 (Friday)  
American Marketing Industries, Inc. (Fred J. Bowen & Co., Inc.) $300,000

Colonial Board Co., Inc. (Paulman & Co., Inc.) $100,000

Martin (L. P.) Marine Enterprises Corp. (C. Johnson, Lane Space Corp.) $500,000

June 16 (Monday)  
American Electronics Corp. (California Investors) $200,000

Morze Electro Products Corp. (Securities Co.) $200,000

June 19 (Tuesday)  
Consolidated Edison Co. of New York, Inc. (Bonds) $100,000

June 20 (Wednesday)  
Automatic Controls, Inc. (Bonds) $500,000

United Gas Co. (Bonds) $400,000

Wisconsin Power & Light Co. (Bonds) $100,000

June 21 (Thursday)  
Cincinnati Gas & Electric Co. (Bonds) $2,500,000

June 25 (Monday)  
Adelphi Research & Mfg. Co. (Fred J. Bowen & Co., Inc.) $200,000

Hi-Press Air-Conditioning America, Inc. (Units) (Pleetwood, Inc.) $3,000,000

June 26 (Wednesday)  
Sierra Pacific Power Co. (Bonds) (Units to be sold $5,000,000)

July 2 (Monday)  
Saw Mill River Industries, Inc. (Bonds) $500,000

Sears (L. B.), Inc. (Bonds) $1,000,000

July 16 (Monday)  
Biologics International, Inc. (Bonds) $700,000

August 13 (Monday)  
Hydro-Swarf, Inc. (Bonds) $1,000,000

November 7 (Wednesday)  
Georgia Power Co. (Bonds) (Units to be sold $2,500,000)

Georgia Power Co. Preferred (Units to be sold $2,500,000)

November 28 (Wednesday)  
Southern Electric Generating Co. (Bonds) (Units to be sold $5,000,000)
Government Employees Financial Corp.

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Government Employees Financial Corp.
Reclamation—Design, Aug.

New for Jan.

Proceeds—For amendment products. Proceeds—For stockholders. E. 42nd St., Cleveland, Ohio. Underwriter—Koehn, Loeb & Co., Inc.

• Underwriter—Aubin, Parker & Redhek, Wash¬

ington, D. C. Distributions for April, postponed.

• Keene Packaging Associates

April 2, 1962 filed 160,000 common, of which 100,000 are to be offered by the company and 60,000 by stockholders. Price—$4. Business—Design and manufacture of semi¬

microscope slides for eye examinations. Proceeds—For debt repayment, working capital and other corporate purposes.

Kelley, Kenneth & Co., Inc.

March 30, 1962 filed 542,000 common, of which 205,000 are to be offered by company and 337,000 by stockholders. Proceeds—For debt repayment, working capital and other corporate purposes. Underwriter—Paul C. Kimball & Co., Chicago.

Kiddie Rides, Inc. (5/16)

Sept. 12, 1961 filed 1,000,000 of 7% convertible sub¬


King Louis Bowling Corp.


Kingsberry Homes Corp. (6/4-8)


Kimmel, Fred

March 28, 1962 filed 825,500 common, of which 112,500 are to be offered by company and 713,000 by stockholders. Price—By amendment (max. $12). Business—The operation of garages and parking stations, renting and cleaning and maintaining of commercial buildings and conducting of funerals. Proceeds—For repayment of current obligations and working capital. Underwriter—Russell & Co., Inc., Chicago.

Koeller Air Products, Inc.


Kolleman, Jack

Nov. 9, 1961 filed 100,000 common, of which 40,000 are to be sold by the company and 60,000 by stockholders. Price—By amendment (max. $27). Business—Manufacturing of optical equipment. Proceeds—For debt repayment, office expansion and working capital. Underwriter—Kidder, Peabody & Co., Inc.

Kreamer Realty & Construction Corp.

Nov. 19, 1961 filed 1,000,000 common, of which 250,000 common are to be offered by the company and 750,000 by stockholders. Price—$3. Business—Manufacture of certain patent medicine, and services for real estate, personal property and insurance. Proceeds—For debt repayment, expansion and working capital. Office—E. 42nd St., New York, N. Y. Underwriter—Lee Higgins Corp., N. Y. Offering—Expended in mid-June.

Kwik-Kold, Inc.

March 29, 1962 ("Reg. A") 100,000 common of which 40,000 are to be offered by the company and 60,000 by stockholders. Price—By amendment (max. $16). Business—Manufacture of refrigeration and air conditioning equipment and supplies. Proceeds—For debt repayment, expansion and working capital. Office—110 N. Fifth St., Minneapolis, Minn. Underwriter—Cleasby, Weisner, Jackson & Cortis, Boston.

Lakeside Corp.


Lamb Equip., Inc.


Laminetics Inc.


Lee Fashions, Inc. (5/15)

Dec. 27, 1961 filed 168,987 common. Price—By amend¬


Leigh Industries, Inc. (5/28-6/1)


Lemons—For repayment, construction and working capital. Office—100 Maine, Portland, Me. Underwriter—To be named (a newly-formed subsidiary).

Lenox—China Associates, Inc.


Lesser (Louis) Enterprises, Inc.


Levine's, Inc.

March 19, 1962 filed 80,000 common. Price—By amend¬


Lewiston, Maine, Inc.

March 30, 1962 filed 172,500 common, of which 23,700 are to be offered by company and 148,800 by stock¬


Lewis (Willa) Foods, Inc.

April 9, 1962 filed $4,000,000 of 5 1/2% convertible sub¬


Lewiston-Gorham Raceways, Inc. (6/11-15)


Lillie Ann Corp.

March 2, 1962 filed $750,000 of conv. subdebentures due 1977, also 100,000 common shares to be offered by selling stockholders. Price—By amendment (max. $20 per share). Business—Design, manufacture and distribution of women's high fashion shoes and coats. Proceeds—Net proceeds from the debenture sale will be added to the general funds of the
company, a portion of which may be used to retire short-term loans. Office—2701 16th St., San Francisco. Underwriters—Sutter & Co., San Francisco and F. S. Smithers & Co., Chicago.

- Lilly Lynn, Inc. (S-26) April 6, 1962 filed $500,000 common, of which $100,000 are to be offered by the company and 40,000 by the stockholders. Price—$2 per share. Proceeds—For debt repayment, working capital and general corporate purposes.


- Magnus Sound Corp. (S-216) Feb. 25, 1962 filed 125,000 common, of which one-year class A warrants to purchase 60,000 shares at $1.00 per share and ten-year class B warrants to purchase 75,000 shares at $1.50 per share to be offered in amounts up to 30% of the purchase price of the warrants. Proceeds—For general corporate purposes.


- Mammoth Mart Inc. April 15, 1962 filed 50,000 common, of which 100,000 are to be sold by company and 100,000 by stockholders. Price—By agreement. Proceeds—For general corporate purposes. Office—106 Main St., Brooklyn, N. Y. Underwriter—Irving & Co., N. Y. Underwriter—None.


- Marine Development Corp. March 20, 1962 filed 15,000 units consisting of one share of common and two shares of preferred to be offered by company and 200 common by stockholders. Price—$5 per unit. Proceeds—For new equipment, products, debt repayment and working capital. Office—108 Tillary St., Brooklyn, N. Y. Underwriter—Irving & Co., N. Y. Underwriter—None. Filed 125,000 units—Offering—Sometime in June.


- Martin (L. P.) Maintenance Corp. (S-215) Feb. 16, 1962 filed 1,000,000 common, of which 200,000 are to be offered by company and 800,000 by stockholders. Price—$3.50. Business—Construction, equipment and working capital. Office—1979 Nostrand Ave., Brooklyn, N. Y. Underwriter—Bunche & Weeks, N. Y.

- Maxmarks Corp. March 23, 1962 filed $1,500,000 of 6% conv. subord. debentures due 1972; also 25,000 common, 50,000 preferred and 70,000 preferred by stockholders. Proceeds—For debt repayment and working capital. Office—1516 Tenth Ave., Whitehaven, N. Y. Underwriters—Glatman, Lyons & Co. (inc.), Glass & Ross, Inc. and Globus, Inc., N. Y. C.


National Car Rental System Inc.  March 19, 1962 filed 2,000,000 shares to be offered for subscription by stockholders; unsold shares will be offered to the public. Price—$1. Business—Rental of vehicles for business and personal use. Proceeds—For debt repayment and working capital. Office—1000 Milner Blvd., Jackson, Miss. Underwriter—Bachrach, Pa., N.Y.


Morton's Shoe Stores, Inc. (5/25/61)  March 16, 1962 filed 317,122 common shares of which 175,000 are to be offered by the company and 150,000 by stockholders. Price—By amendment (max, $18). Business—Retail sale of popular priced shoes. Proceeds—For debt repayment and working capital. Office—122 W. 26th St., New York, N.Y. Underwriter—Sheffield & Co., N.Y.


Nordon Corp., Ltd.  March 29, 1962 filed 375,000 shares of stock, of which 100,000 are to be offered by the company and 275,000 by stockholders. Price—By amendment (max, $5). Business—Manufacturing of building structural and industrial and potable alcohol in Nigeria. Proceeds—For equipment, debt repayment, and working capital. Office—315 Madison Ave., N.Y. Underwriter—Merrill Lynch, Pierce & Co., N.Y. Offers—In May.


Proceeds—For property acquisitions and working capital.

Office—66 Hawley St., Binghamton, N. Y. Underwriter—D. F. Seckler & Co., N. Y.

Product Research of Rhode Island, Inc. (5/28)

July 28, 1962 filed 300,000 common shares. Price—$2.05. Business—The manufacture of vinyl products used in the manufacture of automobile interiors. Proceeds—For repayment of debt, new equipment and working capital.

Office—300 North Providence. R. I. Underwriter—Fred F. Seckler & Co., N. Y.

• From Manufacturers Hotel, Inc.


• Promontory Gold Mines Ltd.

Apr. 24, 1962 filed 750,000 common shares, of which 500,000 are to be offered by company and 250,000 by stockholders. Proceeds—For exploration of mining claims in Canada. Proceeds—For general corporate purposes. Office—36 Yonge St., Toronto, Canada. Underwriter—A. C. MacPherson & Co., Toronto.

Prosper-Way, Inc.


• Public Loan Co., Inc. (5/21)


• Puerto Rico Brewing Co., Inc.


• Puerto Rico Land and Development Corp. (5/15)

Nov. 24, 1961 filed 2,400,000 of preferred stock, par value 10. Sales of all dividends are due 1971 and 200,000 class A shares are to be offered in 25,000 units, each consisting of $100 of debentures and eight units of preferred stock. Proceeds—For real estate and construction. Proceeds—For general corporate purposes.


Pulp Processes Corp.


Quality Brake Rebuilders, Inc.


Queensway Mines Ltd.

Mar. 15, 1962 filed $4,000,000 of 5% conv. subord. subdebts due 1971 and 200,000 common shares. Proceeds—General corporate purposes. Office—Hugo Bldg., Seattle, Wash. Underwriter—Bennett, Johnson & Higgins, San Francisco, California. Note—This offering was temporarily postponed.

Radio Electric Service Co. of New Jersey, Inc. (5/18)


• Radio Service Co., Inc. (6/4-8)


• Rosman Brothers (5/14-18)

March 8, 1962 filed 300,000 common, of which 175,000 are to be offered by company and 125,000 by stockholders. Price—By amendment (max. $12). Business—Manufacturing and sales of toilet tissues, paper products and related items. Proceeds—For debt repayment. Office—Observer Building, Baltimore, Md. Underwriter—Burnham & Smucker, Smith, & Co., N. Y.

• Rosenfeld (Henry), Inc. (5/31-6/1)

Nov. 9, 1961 filed 300,000 common, of which 100,000 are to be offered by company and 200,000 by stockholders. Proceeds—By amendment (max. $10). Business—Design, manufacture and sale of dressing gowns and other household goods. Office—489 Seventh Ave., N. Y. Underwriter—Robert A. Martin Associates, Inc., N. Y.

• Ruble & Fibre Chemical Corp.


• S. M. S. Instruments, Inc.


Salant & Salant

Business—Sale of household products. Proceeds—Purchase of equipment for existing plant building, repayment of debt, and working expenditures. Proceeds—For debt repayment and working capital. Office—480 South St., Brooklyn, N. Y. Underwriter—To be named.

Ruby Silver Mines, Inc.


Rux Corp. Associates


Richmond Corp. (5/14-18)


Ridgewood Financial Corp. (5/29-31)

Dec. 30, 1961 filed 60,000 common, of which 11,250 are to be offered by company and 48,750 by stockholders. Proceeds—By amendment (max. $7.50). Business—Ownership of stock of Ridgewood Savings Loan Co. of Farmers, Inc., in Cleveland, Ohio. Proceeds—For organizational expenses and working capital. Address—One Mellon Bank Building, Cleveland, Underwriter—Fulton, Reid, & Co., Inc., Cleveland.

• Rising's, Inc. (5/15)


Rite Electronics, Inc.


Rhode-Savage Industries, Inc. (5/21-25)


• Rona Plastic Corp. (5/8)

• Smeriti Products, Inc. (5/28-31) Feb. 26, 1962 filed 30,000 shares of which 20,000 are to be offered by the company and 10,000 by stockholders. Price—By amendment. Business—Manufacture of drug and other industrial products. Proceeds—For the purchase of certain raw materials, equipment and for general business purposes. Office—79 Grand Ave., Hoboken, N. J. Underwriter—J. B. Blauer & Co., N. Y., N. Y. Note—This offering was temporarily postponed.

Sportsway Inc., (5/28-31) Feb. 27, 1962 filed 100,000 shares of which 50,000 are to be offered by the company and 50,000 by stockholders. Price—By amendment. Business—Manufacture and sale of new and precision machinery. Proceeds—For the purchase of certain machinery and equipment and for general business purposes. Office—79 Grand Ave., Hoboken, N. J. Underwriter—J. B. Blauer & Co., N. Y., N. Y. Note—This offering was temporarily postponed.


Superior Bakers, Inc. (5/14-18) Feb. 4, 1962 filed 5,000,700 of convertible subordinated debentures due 1982, to be offered for subscription by the company. Proceeds—For the redemption of $100 of debentures for each 38 common (or warrants) to be offered. Office—150, 18th St., Indianapolis. Underwriters will expire May 21, 1962. Price—By amendment. Business—Manufacture of...
gasoline dispensing pumps, service station equipment, specially steel castings for railroads, and mechanical hands hand tools. Proceeds—For working capital, expansion

• Thunderbird International Hotel Corp. (5/14-18)

• Torch Rubber Co., Inc. (5/7-11)

• Towners Markets International, Inc. (5/14)

• Trans-Alaska Telephone Co. (5/15)
Nov. 30, 1960 filed 265,000 common, of which 250,000 are to be offered to the public by company and 15,000 by stockholders. Price—$5.00. Proceeds—For construction and acquisition of telephone properties. Office—110 E. 2nd St., N. Y., Underwriter—Milton D. Blauner & Co., N. Y.

• Trans-Atlantic Underwriters, Inc. (5/11)

• Technical Capital Corp. (5/14-18)

• Technical Animals, Inc. (5/7-11)
Nov. 30, 1960 filed $111,400 of 7% conv. subord. debent. due Oct. 31, 1969, to be offered for sub¬


• Ten-Tex Corp. (5/14-18)

• Ten-Tex Corp. (5/14-18)

• Texas Electric Co. (5/15-18)
March 15, 1961 filed 150,000 common. Price—By amend¬


• Thermoplastic Corp., Inc. (5/14-18)
March 30, 1961 filed 100,000 common. Price—By amend¬


• Thomas Tyler Converting Corp. (6/11-15)

• Thompson Manufacturing Co., Inc. (6/4-8)
The and
■—Production
Sept.
Office—3629 N.
Instructional, Inc.
Sales, Hinsdale, Ill., Co., Los

—The

Universal Telephone

Inc.

March

29, 1962 filed 100,000 common. Price—By

Amendment, business—Manufacturing of

lighting fixtures and display and
erie financial services

Proceeds—For debt

repayment, aliing and

working capital. Office—1958 S. LaClenera Blvd.,

Los

Angeles. Underwriter—Bovelle, Winston & Co.,

Chicago.

U.S. Power & Light Co. (5/22)

April 2, 1962 filed 268,200 common. Price—

$3.50 per share. Proceeds—For debt

repayment and construction. Office—1407 West

North Temple St., Salt Lake City.

—(Competitive), Tobin St, Welts &

Co.-Blyth & Co., Inc. (jointly); Kidder, Peabody &

company.

Proceeds—For equipment, working

capital, leasehold improvements, etc. Proceeds—

For general corporate purposes.

of

Reed-37th St. Ogden, Utah.


Utah Power & Light Co. (5/22)

April 2, 1962 filed 480,000 shares of $5 par

cumulative preferred. Proceeds—For debt

repayment and construction. Office—1407 West

North Temple St., Salt Lake City.

Underwriters. Proceeds—For equipment, working

capital, leasehold improvements, etc. Proceeds—

For general corporate purposes.

—(5/12)

and

Vice Mfg. Co.

April 20, 1962 filed 250,000 common, of

which 50,000 are to be sold by company and

200,000 by stockholders. Proceeds—By

Amendment, business—Manufacture of

injection molds for plastics. Proceeds—For

distribution of plastic parts, and equipment and

working capital. Office—5221 2nd Ave.,

Los Angeles. Underwriter—Lazen Co., N.Y.

Wallace Investments, Inc.

Feb. 12, 1962 filed 400,000 common. Price—

$2.50. Proceeds—For acquisition of

land, equipment and buildings. Office—1445 Lincoln

Ave., El Monte, Calif. Underwriter—California

Investors, Los Angeles.

Val-U Homes Co. of Delaware

Aug. 26, 1961 filed 100,000 common. Price—

$2.50. Proceeds—The manufacturer of

building components. Proceeds—For working

capital. Office—365 Third St., N. Y. 2, Underwriter—

To be named.

Vapor Corp. (5/25)

Feb. 3, 1962 filed 156,762 common. Price—

By Amendment, business—Manufacture of steam
generators for the heating of homes, stores, garages,
cars, buses and aircraft; and door control devices

for railcars. Proceeds—For seed. Proceeds—

$100,000. Office—524 E. Jackson Blvd., Chicago. Underwriter—

William Blakesley & Co., Chicago.

Vendex, Inc.


$1.00. Proceeds—The manufacturer of

injection molding components. Proceeds—For aquisition and
general corporate purposes. Proceeds—For seed. Proceeds—

For working capital. Office—255 East 42nd St., N. Y. 2, Underwriter—

To be named.

Whole Panel Co.

March 30, 1962 filed 135,000 common. Proceeds—By

Amendment, business—Manufacturing, distribution and

sale of window and curtain rails, including

promotion and advertising services to mothers on

behalf of retail stores. Proceeds—For debt

repayment and general corporate purposes.

Office—N. Y. 6, Underwriters—Globus, Inc., and First

Phila. Underwriters, N. Y. 2, Underwriter—

Temple Limited Partnership

(5/17)

Nov. 14, 1961 filed $444,000 of limited partnership

interests to be offered in 444 units. Proceeds—

For development of shopping center at Falls Church, Va.

Office—1301 N. Fairfax Dr., Arlington, Va.

Western Gas Service Co.

March 19, 1962 filed 65,000 common, of

which 50,000 are to be offered by company and

15,000 by stockholders. Proceeds—By

Amendment (max. $35), business—Distribution

of natural gas and the furnishing of water service
to communities in southwestern U. S. Proceeds—

For debt repayment and expansion. Office—6006 Almeda

Continued on page 54
Continued from page 53
work clothing. Company is also engaged in industrial laundering and garment rental. Proceeds—For debt repayment, expansion, working capital and other corporate purposes. Office—350 Broadway, New York, N. Y. Underwriter—Standard Securities Corp., N. Y.

Walter F. Flank, Inc. (6/15-16)

Continental旅行ers Agency, Inc. (6/21-22)

Globe Union Airways (6/21-22)

Helen Baker & Co. (6/22)

Messrs. Spencer, Stiles & Co. (6/22)

New York Rubber Co. Inc. (6/22)

Northern States Power Co. (6/22)

Pan American World Airways, Inc. (6/22)

Pawtucket Trust Co. (6/22)

Perfect Cola, Inc. (6/22)

Procter & Gamble Co. (6/22)

Randall, Perkins & Co., Inc. (6/22)

Rutledge, White, Sturm, & Co. (6/22)

Southern States Life Insurance Co. (6/22)

St. Louis Union Steamship Co. (6/22)

Southern Railway System (6/22)

Southern Railway System, Inc. (6/22)
carriers agreed to share-for-share exchange of 400,000 shares and lease each other's jet planes during their respective peak seasons. The CAB approved this plan and ordered the airlines to divest themselves of the majority of the planes used by their respective companies, leading to the formation of the Southwest Airlines of Houston, Texas, Underwriters.-To be named.

**Southern Pacific Power Co. (6/6)**

May 2, 1962. It was reported that this company plans to sell $59,000,000 of first mortgage bonds. Offer.-New York, N. Y. Underwriters: (Competitive). Prohibitive bidders: Kidder, Peabody & Co.-White, Merrill Lynch, Pierce, Fenner & Smith Inc.-Blyth & Co. (Jointly). Bids.—Expected 11 a.m. EDT at One Chase Manhattan Plaza. (23rd fl.).

**Pennsylvania Gas & Electric Co.**

March 9, 1962. It was reported that this company plans to sell 1,900,000 of common shares through subscription rights during the fourth quarter of the current fiscal year. Holders of 10% or more of the stock were given a 20-day period to subscribe for the rights. The date of record for the subscription rights was March 18, 1962, to own the stock on March 19, 1962. A dividend of $1.50 was declared.

**San Diego Gas & Electric Co.**

March 19, 1962. It was reported that this company plans to sell 20,000 shares of its common stock at a price of $20 per share to local residents. The stock was to be sold in blocks of 100 shares. The initial stockholders were those who held the stock at the close of business on March 2, 1962. The stock was to be held for 180 days.

**Public Service Co. of Colorado**

March 9, 1962. It was reported that this company plans to sell 10,000 shares of its common stock at a price of $20 per share to local residents. The stock was to be sold in blocks of 100 shares. The initial stockholders were those who held the stock at the close of business on March 2, 1962. The stock was to be held for 180 days.

**TAX-EXEMPT BOND MARKET**

**Continued fro page 6**

Mr. Smith, Barr & Co., Inc., New York City, reported that the bond market has been quiet in recent days, with little activity. The yield on the 30-year Treasury bond was 3.398%, and the yield on the 10-year Treasury bond was 3.043%.

**Phoenix, Arizona awarded $8,000,000 in bonds (1965-1982)** bonds to the group headed by Jack Smith, Barr & Co., Inc. The bonds include $2,000,000 of bonds to the group headed by J. B. Van Ingen & Co., $2,000,000 to the group headed by R. L. B. Moseley & Co., $2,000,000 to the group headed by T. W. W. Moseley & Co., and $2,000,000 to the group headed by H. E. Moseley & Co. The bonds were to be sold at a rate of 3.056%.

**Guilford County**

(Conyers, Georgia) issued $3,000,000 in bonds to the group headed by Mr. Smith, Barr & Co., Inc. The bonds include $2,000,000 of bonds to the group headed by J. B. Van Ingen & Co., $2,000,000 to the group headed by R. L. B. Moseley & Co., $2,000,000 to the group headed by T. W. W. Moseley & Co., and $2,000,000 to the group headed by H. E. Moseley & Co. The bonds were to be sold at a rate of 3.036%.

**Terre Haute, Indiana**

Issued $4,000,000 in bonds to the group headed by Mr. Smith, Barr & Co., Inc. The bonds include $2,000,000 of bonds to the group headed by J. B. Van Ingen & Co., $2,000,000 to the group headed by R. L. B. Moseley & Co., $2,000,000 to the group headed by T. W. W. Moseley & Co., and $2,000,000 to the group headed by H. E. Moseley & Co. The bonds were to be sold at a rate of 3.063%.

**Trenton, New Jersey**

Issued $4,000,000 in bonds to the group headed by Mr. Smith, Barr & Co., Inc. The bonds include $2,000,000 of bonds to the group headed by J. B. Van Ingen & Co., $2,000,000 to the group headed by R. L. B. Moseley & Co., $2,000,000 to the group headed by T. W. W. Moseley & Co., and $2,000,000 to the group headed by H. E. Moseley & Co. The bonds were to be sold at a rate of 3.063%.

**Week's Major Sale**

The largest sale of the week was the sale of $20,000,000 in bonds by the New York Authority term (1961-1969) bonds were awarded to the syndicate headed by Halsey, Stuart & Co.-Kidder, Peabody & Co.-White, Merrill Lynch, Pierce, Fenner & Smith Inc.-Blyth & Co. (Jointly). Initial price: 994 1/8. The bonds were to be sold at a rate of 3.096%.

**Highly Competitive Bidding for**

Ordinarily we do not comment on smaller issues but an issue of $15,000,000 of bonds were sold late Tuesday in a highly competitive bidding market. The bonds were sold at a rate of 3%.

**Other issues ran as much as a**

At present there are no large amount of bids for the market. This is likely to be quiet for the rest of the month.
WASHINGTON AND YOU

WASHINGTON, D. C. — Nearly everybody knows Congress appropriates more money every year in order to run our big and growing Federal Government.

Before the Fourth of July the Administration will ask Congress to again raise the debt limit by $5 billion. This, however, is not done, Congress will have raised our debt limit by $15 billion in one year. Just a year ago the debt limit was $29 billion.

There has been no evidence and some eyebrow raising lately about Congress going on a spending spree for themselves. However, the question is: Is that criticism fair? With Congress long occupied exceptions, most members seemingly think that the criticism is unjustified. They have a strong argument.

The biggest transformation of all is now underway on Capitol Hill, a transformation of this nation and a bright symbol of the Free World.

The new $37,000,000 Senate office building, now occupied by about half of the 100 Senators and the new $82,000,000 House office building under construction are just a part of the five-year Capitol Hill expansion. Senators will have a minimum of 1,200 and more than 1,500 of them—every other Senator—will have an office in the Capitol Hill. Members of the House will have a minimum of three-room suites, and Senators will also have Capitol offices.

The Capitol offices of the Senate are planned and difficult to find, so-called "hide¬outs" for the Senators who have them. Most of them have refrigerators and a place to rest.

The senators are to answer criticism of the Capitol Hill expansion by pointing out that the population of the United States is now more than 180,000,000 and our buildings should be built for the 200,000 mark during this decade.

The Federal Government is growing all the time, more and more of us are being taxed on the members of Congress.

Members cite the extension of many of the private offices and the private clubs such as the ever-expanding social clubs, the Vice Administration, the many agricultural programs, and the defense agencies to name a few.

Some of these programs came into existence after the second House Office Building (now called the New House Office Building) in 1946. Congress was quite short-sighted in their decision to open out that back then the Federal budget was $5,350,000,000. Now Congress has been the board of directors for a $40,000,000,000 corporation, that is $34,000,000,000 more.

A Congressional secretary back in the early 1930's could answer a half dozen letters or so each day. Congress is now receiving about 50 letters a day. Some of the letters are quite long. Deputy Postmaster General has said mail from Congressmen, the House, and the Senate can be considered as 'unofficial' mail.

Well, our books are balanced—we now owe the landlord as much as we owe the telephone company.

COMING EVENTS IN INVESTMENT FIELD

May 4-5, 1962 (New York City), New York Stock Exchange Conference on Registered Representative Selection and Training at the Commodore Hotel.


May 14-18, 1962 (New York City), National Association of Securities Dealers Spring Meeting of Board of Governors.


May 15, 1963 (Boston), New England Group Investment Bankers Association Meeting.

May 15-18, 1962 (Nashville, Tenn.), National Association of Securities Dealers annual spring party.


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