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EDITORIAL

As We See It

Prospects Are Far From Dim for The Savings and Loan Industry

A sharp but not a very instructive controversy has arisen over the recommendations of the President's emergency board recommendations concerning the proper increase in wage rates of non-operating railroad employes. The 10.2 cents an hour wage increase is regarded as much too low by the labor unions involved and very much too high by the carriers which would have to foot the bills. The President has been careful to confine his remarks to a statement commending the board for holding the proposed increase within the broad rule set out by the Administration relating wage increases to increases in productivity—or at least within limits which it itself considers imposed by that rule. Of course, the report and recommendations of this board are not binding on either party to the dispute and what the outcome of the controversy will be remains for the future to disclose. The President himself, let it be carefully noted, has not undertaken to say whether the proposed settlement could or would not conform to the Administration rule, but merely to observe that the board has taken that rule as its guide or at least one of its guides.

It now appears all but inevitable that this rule of thumb by which the Administration would measure the inflationary effects, or lack of them, and hence the acceptability of any settlement in wage and price matters will itself be a matter of increasing scrutiny and controversy in the weeks and months ahead. And such it should be. Unfortunately, the general public is all too apt to regard a rule of thumb formula of this sort valid as a matter of course when it has the backing, as this does, of a popular national Administration at Washington. It would be exceedingly unfortunate if the course of future events should permit or stimulate the public to take any such attitude concerning this bit of statistical procedure.

The measure is wholly unsuitable on many counts for the purposes for which it is being (Continued on page 26)

By Professor Edward E. Edwards,* School of Business, Indiana University, Bloomington, Indiana

Disagreeing with doleful forecasts as to S&L Assns.' prospects, Prof. Edwards predicts great opportunities lie ahead for selected stock and holding companies. Analysts and investors are, however, alerted to such serious problems as (1) "tremendous leverage in many . . . situations" and (2) erroneous earnings and book value figures. Author favors new measures compelling proper financial accounting and sound rise in capital and surplus to accompany asset growth. Says withholding tax on interest and dividends will affect equity owners—not savers—unless offset by operating economies and loan portfolio yields.

At first glance, the prospects for the savings and loan business seem dimmer than at any time since World War II. High costs of money, increased competition from commercial banks, unsatisfactory progress in the home building industry, the likelihood of withholding taxes, and the almost certainty of new corporate taxes all combine to make a substantially changed and an apparently less desirable environment for savings and loan. But more careful analysis suggests, at least to me, that the years of greatest growth are still ahead.



Edward E. Edwards

High Cost of Money

Let's consider these so-called unfavorable developments, and their probable effects. First, the high cost of money—4% or more in nearly every city, and up to 4¾% in Southern California—has resulted primarily from competition between associations, not from other savings institutions. Rates have gone up in part be-

cause associations could afford the higher rate. Thus, to me the high cost of money has its favorable side. Savers and investors are more likely than ever before to pour their money into savings and loan.

Before leaving this point I would like to remind members of the investment community that they can no longer ignore savings and loan accounts as an appropriate investment medium for their clients. When yields on Federally insured obligations payable on demand push up to 4% and beyond, there just isn't much in the securities market that is any better. With yields on common stocks at a low level, and price-earnings ratios as high as they are, the chances have lessened that appreciation in price of common stocks will exceed the gains through compound interest on savings accounts. This is one of the facts in the market place, and a hard one for securities-minded investment advisers to accept, but they cannot serve their clients honestly if they do not recognize it.

Loyalty of investment officers of trust funds to commercial banking may blind them to the fact that savings and loan accounts now serve trust investment needs in many cases far better than savings bonds, or U. S. Government securities of any kind, or for that matter any securities. However, I assume in my forecasts that people with money to invest, either for themselves or in trust for others, and professional investment advisers will not permit their prejudices to overcome their reason. Hence I foresee, as a result of high yield with safety, the largest inflow of funds ever into the savings and loan business.

I might add here that the savings and loan business is just beginning to experiment with—in fact is just beginning to get the right to experiment with—payment of different rates of return for different kinds of funds. One reason money costs have been so high is that the same rate of dividend is paid on small or large accounts, active or inactive, short-term or long-term. If an association could pay a lower rate for (Continued on page 22)

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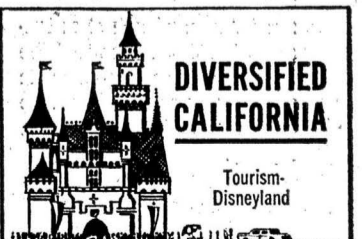
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WILBUR H. HOLLY
Vice-President, Sage, Rutty & Co., Inc.,
Rochester, New York

Taylor Instrument Companies

The recent decisive victory of the Administration in rolling back the short-lived increase in steel prices, the threat of greater competition from the European Common Market and the profit squeeze will inevitably lead to the greatest drive to reduce costs by industry that this country has ever seen.



W. H. Holly

One of the methods of reducing costs will be by the automation of plants, both old and new, and one of the companies that will benefit through these efforts will be Taylor Instrument Companies.

This 110-year-old company is engaged in the manufacture of scientific instruments for indicating, recording and controlling temperature, pressure, humidity, flow, liquid level, and of kindred instruments which have been designed and developed by the Company's technical staff. These products, mechanical and electronic, are manufactured for industrial use and constitute by far the major portion of the Company's business.

The Medical Line includes fever thermometers and blood pressure instruments used in the home and medical profession.

The Commercial Line includes thermometers, barometers, altimeters, compasses, rain gauges and hygrometers. These instruments are sold through wholesale and retail outlets.

Of all companies engaged in the scientific instrumentative field, Taylor leads them all with the most extensive line of instruments for both industrial and consumer use.

The chemical, paper, petroleum, food processing, rubber and textile industries are the principal outlets for the company's products.

In order to serve its customers in foreign markets, the Company has seven wholly-owned subsidiaries in foreign countries. Two of these are in England and manufacture and distribute product lines comparable to those made by the Company here in the United States.

To meet the growing demand for automatic controls and instrumentation in the United Kingdom, Western Europe, Africa and the near East, Taylor Controls Ltd., a wholly-owned industrial subsidiary, is moving its operations from London to Stevenage. Stevenage is a town about 20 miles north of London, composed primarily of light industry with a highly skilled and technical labor force. When the new one-story plant is complete, approximately 50% more space will be provided with adequate land for future expansion. Complete manufacturing facilities will be provided.

Other subsidiary companies are located in Canada, Australia, Mexico, Germany and France. The company also has a licensing agreement with Simadzu Seisakusho, Ltd., under which the Jap-

anese firm manufactures certain of the industrial instrument lines.

Over the past five years, Taylor has doubled the amount of money spent for the development and design of new products. The sales organization has shown rapid expansion and these men are highly specialized in the various industries that they serve.

As of the fiscal year ended July 31, 1961, sole capitalization of Taylor Instrument Companies consisted of only 818,443 shares of common stock. The current assets were in the amount of \$20,915,000 and current liabilities \$7,013,000.

Sales in the past 10 years have risen from \$23 million to \$35 million in 1961. The company employs 3,350 people and the main plant is located in Rochester, N. Y.

Mr. Raymond Olsen, President of the company, recently stated that orders received in March were at an all-time high and the improvement is continuing into April.

Earnings for six months ended Jan. 31 were \$1.15 per share as compared with \$1.22 for the first six months of 1961. For the year ended July 31, 1961, Taylor reported earnings of \$2.06 per share and it is conceivable that earnings this year could approximate \$2.40 per share.

Dividend payments for the past five years were as follows: 1957—\$0.46; 1958—\$0.58; 1959—\$0.58; 1960—\$0.58; 1961—\$0.72.

These payments have been adjusted for a 5% stock dividend in 1957, 3% in 1960, and 2-for-1 split in 1957 and 1960.

The stock is traded in the Over-the-Counter Market and selling around 38 as compared to a high of 49 earlier in the year.

FRANK J. MYERS

Vice-President, J. H. Hilsman & Co.,
Atlanta, Ga.

United Family Life Insurance Company

United Family Life Insurance Company (Atlanta, Georgia) common stock is my favorite for nearly all types of investors.

Everyone should protect himself from the ever gradual inflation which continues to erode the purchasing power of the dollar. Life insurance stocks, because of their continuous growth, are one of the best media for such protection, and I feel all accounts in varying degree should own some good life insurance stock.

United Family Life is the name adopted upon the approval of the merger of United American Insurance Company and Family Fund Life Insurance Company.

United American, chartered July 15, 1955, under the leadership of Senator Herman E. Talmadge (D-Ga.) and licensed Jan. 3, 1956, has shown sustained growth, improved position and the marked ability to capitalize on opportunity. Family Fund Life was founded June 21, 1940, and the new company succeeds to its charter, thus giving the combination the advantages of a charter 22 years old. United Family Life is now licensed in Alabama, Delaware, District of Columbia,



Frank J. Myers

This Week's Forum Participants and Their Selections

Taylor Instrument Companies—
Wilbur H. Holly, Vice-President,
Sage, Rutty & Co., Inc.,
Rochester, N. Y. (Page 2)

United Family Life Insurance Co.—
F. J. Myers, Vice-President,
J. H. Hilsman & Co., Atlanta,
Ga. (Page 2)

Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, New Jersey, Pennsylvania, South Carolina, Tennessee and Virginia.

Method of Operation

United Family Life operates two distinct types of business with paralleled agency field forces. In its ordinary division, it writes all forms of ordinary life, endowment, retirement, income and term contracts, together with group life and mortgage redemption policies.

Through its industrial division, it utilizes unique contracts in Georgia and Tennessee by which local funeral directors serve as agents. All of this business is on a monthly payment plan with relatively higher premiums.

These two businesses complement each other—both forms of life insurance are specialized undertakings. Both types of agents develop leads that are beneficial to their opposite members. The recent consolidation made available a greater product mix, gave depth in management, experience and ability and enabled the effecting of many economies.

Dividend Policy

Predecessor company, United American Life, is less than seven years old, and has reported operating losses during these formative years. These losses were largely occasioned by the volume of insurance written and the initial expense involved in writing an unusually large volume.

Predecessor company, Family Fund Life, has paid modest amounts of cash, equivalent to 5¢ a share on the new United Family Life Insurance Company stock in each of the years since 1951, with the equivalent of 2½¢ a share having been paid 1948 through 1950. Family Fund Life paid the following stock dividends in 1946—100%; 1954—50%; 1960—100%; 1961—5%; 1962—5%; 1962—100%.

It is anticipated and announced policy of the management to continue the cash dividend policy of this predecessor company dependent upon future earnings.

Orientated for Profit

Raymond B. Nelson, President of United Family, stated in his first address to the new board of directors that:

- "I have three main goals. . . .
- (1) Make a profit.
 - (2) Pay modest, but regular dividends.
 - (3) Plough back all other profits and make our service and stock more valuable.

"To summarize these points, I believe in being in business to make money and to do so by rendering a good service to the communities in which we operate."

Progress

Since 1957 the company has shown marvelous progress in all aspects. Net Premium Income in 1961 was over \$6 million, a 20% gain over 1957. Net Investment Income in 1961 was over \$900,000, an 80% gain over 1957. Assets in 1961 were almost \$29 million, a 60% gain over 1957.

Life Insurance In Force at the
Continued on page 4

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New Market Instrument: Bankers' Certificates

By G. Walter Woodworth, Professor of Banking and Finance, Amos Tuck School of Business Administration, Dartmouth College, Hanover, N. H.

"Negotiable" bankers' certificates of deposit are now more than a year old. Professor Woodworth assays their fast rise, now roughly equal in volume to commercial paper and bankers' acceptances, and chances for viable growth after first recounting their success in competing for corporate funds going into non-bank liquid assets. Threatening the healthy development of this new medium's growth is said to be the regulatory ceiling on rates. If money rates were to rise as in 1959, the new market would die under the existing rate-ceiling. Indicated are what can be done by way of changing rate regulatory policies, and the repercussions upon changes in bank credit should there be a significant shift from demand deposits to certificates as a result of shifts from Treasury and other short-term holdings. Professor Woodworth also discusses other developments which could arise from certificates-growth and possible Federal Reserve and fiscal policy changes.

The great adaptability of the money market to changing conditions is demonstrated by development of an entirely new market in negotiable certificates of deposit during 1961 and early 1962. In essence, these bankers' certificates are equivalent to borrowing funds by sale of short-term notes or debentures. In less than a year the new instrument has been issued in volume by leading banks, secondary trading by dealers has been instituted, and the size of the market has become roughly equal to the long established markets for dealer-placed commercial paper and for bankers' acceptances. This market enlists keen interest because of its meteoric rise but more importantly because of its potentiality for substantial further growth.



G. Walter Woodworth

of six months to one year inclusive. . . . These Bankers' Certificates will give the holder the advantage of a time deposit, plus the liquidity resulting from potential sales to interested parties because of their negotiable form. Negotiability may be arranged through several of the government bond dealer firms, including Discount Corporation, First Boston Corporation and others, who are actively dealing in these certificates."

Other major banks in New York City and in other leading cities soon followed with similar offerings. Investors—principally nonfinancial corporations—responded promptly with substantial purchases of the new certificates, and dealers soon created a secondary market. In February, 1962, one year after launching, the amount of outstanding certificates was reliably estimated to be \$2.5 billion—\$1.2 billion issued by New York City banks and \$1.3 billion by major banks in Chicago, Philadelphia, Boston, San Francisco and other leading cities.

As background it should be recalled that time deposits in the broadest sense are those subject to 30 or more days' notice before the bank is obliged to pay. Regular savings (book) accounts represent over three-fourths of total time deposits, and are composed chiefly of long-term savings of individuals in the middle and lower income groups. Other time deposits amount to less than one-fourth of the total, and are composed largely of temporarily idle balances of business enterprises, institutions, and wealthy individuals. They fall into two categories: (1) time deposits on open account which amounted to \$1.4 billion in member banks at mid-year 1958; and (2) time certificates of deposit, which were \$3 billion on the same date—\$1.2 billion belonging to corporations and institutions, and the remaining \$1.8 billion belonging mostly to individuals.¹

Thus, in offering time certificates of deposit to domestic corporations in early 1961, the New York City banks were not presenting something that had no precedent in American banking. The new ingredient was the negotiable feature. In addition, the

Continued on page 24

Development of New Market

Credit for devising and launching the new "bankers' certificates" belongs to the First National City Bank of New York which announced in February, 1961 that "We are prepared to accept time deposits for nonfinancial corporate customers, maturing on any date from 90 days to approximately a year, and will provide as evidence thereof a Negotiable Certificate of Deposit payable to the order of the named depositor, or to bearer. The deposits will be established in minimum units of \$1 million and will pay interest at maturity calculated for the actual days to maturity and based on a 360-day year. Interest rates will vary from time to time with changes in the money market, subject to the ceilings imposed by Regulation Q of the Federal Reserve Board. At this time, we are quoting the maximum rates payable: 2½% for maturities of 90 days to less than six months and 3% for maturities

¹ Federal Reserve Bulletin, November, 1958, p. 1278.

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OBSERVATIONS...

BY A. WILFRED MAY

ANOTHER POPULAR "GROWTH" FICTION

In the forefront of the confusions pervading the far-flung discussions of *growth* ranging from the economic to the stock market areas, is the specter of the Soviet's industrial output surpassing us. Serving as a carrot for high policy leading us to New Frontierism, and serving to worry the private investor as well, the premise of the U. S. S. R.'s superior industrial progress has long called for objective, factual, and thorough appraisal. (Columbia University's American Assembly Meeting on Automation at Arden House this week emphasized that "the competition of the communist nations presents challenges to the American systems.")

The gap in the hard facts concerning the Russians is now filled to an important extent by a voluminous documented study by G. Warren Nutter, Chairman of the University of Virginia, published under the aegis of the National Bureau of Economic Research ("The Growth of Industrial Production" by G. Warren Nutter. A Study of the National Bureau of Economic Research; published by the National Bureau of Economic Research. Published by Princeton University Press, 706 pages, \$15).

Particularly important in the Nutter-National Bureau's findings is the demonstration that although the Soviet Union has indeed in recent years achieved higher rates of growth than the United States, in absolute figures the annual increases have continued higher in the United States. Consequently, invalidating the widespread fictional assumptions to the contrary, the absolute quantitative industrial gaps with the United States in the lead, have actually continued to widen. In the quantitative level of output, the author calculates that Soviet industry was in 1955, the latest period for the availability of those data, still about four decades behind the United States.

What's Ahead?

What about the future—that \$64 question the answer to which is so frequently fashioned to further some predetermined theory? First the author, highlighting the difference between percentage rates of growth and quantity of output, points out that even if Soviet industry continues indefinitely growing faster percentage-wise, it may never overtake United States industry in the level of output,

although it would continue getting relatively closer. To exceed us relatively does not necessarily imply superior performance.

Here the author brings in the analogy of the father-son age relationship. A son's age gets ever closer to his father percentage-wise, with his percentage increase exceeding his father's in every year; but the absolute difference in age never diminishes and hence the son will never catch up. (A son between the age of one and two grows by 100%, coincidental with his 40-year-old father's 2½% increase.) During the year following the son's 20th birthday, with his father between 40 and 41 concurrently entering his 61st year, the son ages at a 5% rate, and his father at a mere 1.6% rate. Nevertheless the absolute difference in their ages, namely 20 years, remains unchanged.

Debunking Over the Long-Term

The Study also debunks common assumptions about Russia's long-term performance. Actually her percentage of growth during the last half-century of the Czarist regime was greater than it has been since, with a complete absence of growth between 1913 and 1928. And since this period, as in recent years, the U. S. S. R.—U. S. A. gap in absolute industrial production has grown steadily.

In total "value added" by industry, measured in the prices of 1954, the lead of the United States is stated at \$30 billion in 1913. By 1928 the gap widened to \$56 billion, and by 1955 to \$115 billion. Thus, over the long-term, too, the U. S. S. R. despite her higher growth rate, instead of catching-up, has been progressively falling behind the United States' total industrial output.

THE TESTIMONY FROM SMALL BUSINESS

In a companion booklet, "Small-Scale Industry in the Soviet Union," the National Bureau, with a grant from the Rockefeller Foundation, under the direction of Professor Adam Kaufman analyzes the role of the U. S. S. R.'s small business sector vis-a-vis the *growth* question.

"To assess a country's industrial growth correctly one needs to know the course of developments in workshops as well as factories," is the volume's correctly self-ascribed reason for being. It is pointed out that in the Soviet's case the illusion of growth has been further magnified by the former official policy of publishing only large-scale output for

those years in which the small-scale business sector was rapidly being absorbed. In other words, part of the so-called "growth" figures merely constituted a transfer from the existing small business sector, which had previously not been taken into account.

This new study finds that more than two-fifths of the stated percentage growth in the 1913-1933 period resulted from the release of resources shrinking from the small-scale sector. Thus the volume is additionally valuable in pointing out the misleading custom of assessing Soviet industrial growth on the basis of trends confined solely to large-scale production.

Whether or not these studies' statistics bearing on this controversial growth topic are accepted at face value, they perform a badly-needed service in warning against superficial comparisons of either the relative size or the relative growth of Soviet and U. S. industry.

WALL STREET AUTOMATION, SPECULATION AND EMPLOYMENT

Controversy over the effect of improved production methods on employment, smoldering since the time of the *Technocrats* in the nineteen thirties, is now being vigorously rekindled with the progress of automation. The question ("Automation and Technical Change") was typically highlighted this week at the meeting of Columbia University's American Assembly at Arden House. While there was no unanimity of opinion, a substantial number of the participating experts voiced agreement as to the existence of automation's serious potential toward unemployment.

In any event, the Stock Exchange community will evidence a complete, if not unique, contradiction of the principle that mechanization increases unemployment.

Such employment spur from mechanization would, for example, result from a proposal emanating from expert John Thiebold for further automating the Stock Exchange ticker to record changes in the Dow-Jones Average minute-by-minute instead of at the current hourly interval. This would enlarge on other mechanical devices, as the \$3 million electronically automated quotation speed-up for the American Stock Exchange, promoting an increase of speculation at the expense of investment attitudes. Resulting increases in market "liquidity," spelling increases in the volume of market trading, both off and on the Exchange floor, would swell the employment of Street personnel including customers' brokers, margin clerks and floor employees.

WITHHOLDING'S IMPACT ON THE MUTUAL FUNDS

Almost all of the critical comment on the withholding tax proposal, strangely, has omitted mention of its potential impact on the investment companies. This gap, perhaps for strategic reasons, has even applied to material published by the fund managements themselves. Hence we venture to suggest that a recital of some of the potential effects may be useful to the investment company shareholder.

For example, the fund shareholder who is reinvesting his income dividends (for which there are 930,000 plans in existence) will be automatically deprived of 20% of his reinvestment plan. This would be operative despite his willingness to reach into another pocket, as he does now, to pay the tax (which he has to do under the existing voluntary system).

Sponsors and other managements will be burdened with a time-consuming and expensive

THE SECURITY I LIKE BEST...

Continued from page 2

end of 1961 was almost \$250 million, a gain of 50% over 1957.

Conclusion

Is United Family Life Insurance Company stock undervalued? A

	Company "A"	Per Share	Company "B"	Per Share	United Family Life Ins. Co.	Per Share
Assets	\$8,626,033	\$4.81	\$22,209,000	\$6.84	\$26,826,000	\$8.33
Premium income	2,341,065	1.31	4,833,000	1.49	6,076,000	1.89
Investment income	352,076	0.20	774,000	0.24	947,000	0.29
Insurance in force	143,558,000	80.04	245,673,000	74.69	246,244,000	76.47
Capital and surplus	5,383,087	3.00	11,030,704	3.40	5,655,185	1.76
Shares outstanding	1,793,500		3,245,492		3,220,000	
Net operating income	(848,874)		100,412	0.03	244,571	0.08
Approximate market	16½-17½		16½-17½		8¼-9¼	

While no attempt has been made herein to value insurance in force or written, the rate of growth of quality of agency plant, I conclude that of the new young aggressive forward looking life insurance companies of this region, United

comparison between United Family and two other insurance companies organized in the same region, of relatively the same age as the predecessor, United American Life Insurance Company, shows the following comparisons:

Family is an overlooked investment opportunity and its purchase is recommended for appreciation over the long-term. The stock is traded in the Over-the-Counter Market.

dollars that should be paid is not being paid by those who owe it, it merely means that the rest of us who don't owe it, have to make good.

I don't think we are suffering from taxpayer ignorance. Our greater difficulty by far is taxpayer craftiness.

J. S. SEIDMAN

Seidman & Seidman
Certified Public Accountants
New York City

American S. E. Appoints Kolton

Edwin D. Etherington, President-Elect of the American Stock Exchange, has announced that the Board of Governors has approved his appointment of Paul Kolton as Executive Vice-President.



Paul Kolton

Mr. Kolton will continue in his present post as Vice-President of the New York Stock Exchange until Sept. 4. He will assume his new position at the same time Mr. Etherington takes office.

Edwin Posner, Chairman of the Board of Governors of the Exchange, joined Mr. Etherington in calling the appointment to the newly-created post "a key move in the Exchange's program to strengthen its management structure."

Under the ASE new system of management, key administrative and operating officials of the Exchange will report directly to Mr. Kolton.

Mr. Kolton joined the New York Stock Exchange staff in 1955. He was named director of Public Information-Press Relations in 1957, and appointed a Vice-President in 1960.

Before joining the Exchange Mr. Kolton spent nine years in advertising, public relations and newspaper work. He was an account executive with Cecil & Presbrey Advertising from 1950 to 1954, and was with Newell Emmett Advertising between 1947 and 1950.

Mr. Kolton was on the editorial staff of the New York Journal of Commerce in 1946 and 1947 after serving in the Army Air Corps between 1943-1946.

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Sound Currency and Economic Equilibrium

By Walter E. Spahr, Executive Vice-President
Economists' National Committee on Monetary Policy, N. Y. C.

Well known economist compares our present predilection for economic slogans with our past addiction to the 1920's "stable price level" and the 1930's "mature economy" and the serious troubles they caused. He points out that today's noble economic aims of economic growth, high levels of production and employment, and a stable price level are essentially plausible slogans capable of doing a great deal of harm since they do not flow from a high degree of economic equilibrium. We are so busy pursuing our currently popular deceptive labels and slogans, Dr. Spahr notes, that we disdain a sound currency, practically ignore today's danger signals, and neglect careful economic analysis.

The Concept of Economic Equilibrium

Economic equilibrium is that state of affairs in which the various forces comprising an economy are in the best possible balance. It is the best degree of economic health known to human beings. It is the highest level of prosperity possible, considering population, intelligence, resources, technical skill, and governmental system. It is the end to be sought in an economic system; and, insofar as it can be attained, every reasonable effort should be made to maintain it.



Walter E. Spahr

Some Important Manifestations of Economic Equilibrium

If economic equilibrium prevails, all major industries will be running at their normal maximum capacities. All employable labor will be employed. Products will be moving smoothly through the channels of trade. Instalment buying will be on a normal scale both for the industry concerned and for the size and certainty of the incomes and payments of the purchasers. The level of prices will be oscillating gently up and down. All the principal factors of production will be moving along together in harmonious relationship. There will be no noticeable maldistribution in the shares of income going to owners, employees, lenders, and government. Payments to and by foreign countries will be nicely balanced. The media of exchange will be sound and will not be inflating or deflating factors in affecting prices. All money, all bank deposits, and all other credit will be liquidated when payment is demanded or at the time of maturity. The burdens of public debt and of taxes will not be sufficient to disturb in a marked manner the behavior of production, consumption, exchange, and distribution of income as these forces move toward equilibrium. There will be no wars or other major catastrophes such as droughts, crop failures, famines, floods, or pestilence. The government will not be engaging in ac-

tivities which create economic maladjustments or which perpetuate or accentuate those in existence. The forces of supply and demand will be operating freely to determine prices, and the government will occupy the position of umpire to enforce fair practices and to obtain from monopolies the consequences produced by free and fair competition.

The Ends Sought Today

The ends commonly stated today to be desirable are an adequate rate of economic growth, sustained high levels of production and employment, and a reasonable stability of prices.

None of these is necessarily beneficial unless it flows from a high degree of economic equilibrium. Any one, or all, of these allegedly desirable ends can constitute an element of economic maladjustment. Economic growth or expansion can be a prelude to a subsequent need for readjustment—an economic contraction. The same is true of high levels of production and employment. The word "sustained" implies that overexpansions and necessary readjustments can be eliminated—an assumption without validity in human affairs. A stable index of prices can rest upon a congeries of price and other economic maladjustments as was the case, for example, during the years 1923-1929 and as is the case in this country today.

Slogans Versus Careful Analysis

The so-called desirable economic aims of today are essentially slogans; and pursuit of one or all of them apart from an understanding of the concept of economic equilibrium can lead to serious economic, social, and political maladjustments.

Apparently a pronounced characteristic of our people is a tendency to embrace slogans and to become slavish users of words which are fostered as a means of popular appeal. In the 1920's, a stable index of prices, generally excluding prices for real estate and securities, was the common test of economic well-being. In the 1930's, economic maturity was widely believed to be the proper term to apply to our nation. Now the common slogan is economic growth, high levels of production and employment, and a stable price level. The use of irredeemable currency and heavy monetization of national debt are

widely or generally accepted as desirable or necessary features of the economy which is to yield those "desirable economic ends."

Our strong tendency to substitute slogans and labels for careful economic analysis manifests itself also in a slavish tendency to utilize various words which have temporary popular appeal. Our population is "exploding"; this or that is "built in"; there is concern over this or that "image"; studies are made "in depth"; "moving ahead" is "impliedly" desirable even though one can move ahead and be crushed by an onrushing locomotive; there are many references to "our free society" despite the many nonfree elements in it; "the American way of life" is a common anti-communist or anti-socialist expression employed by those who do not take the time to try to describe that "way of life" accurately; "inflation" and "gross national product," though widely and commonly used, are rarely defined with precision and their implications are generally not understood; we write and speak much of national or military "posture," of our national "leadership," and of "the shrinking globe."

These characteristic tendencies of our people, along with such manifestations as those frequently or commonly shown in advertising procedures, would seem to reveal that we are a highly superficial and volatile people, and seriously lacking in sobriety and a high degree of responsibility. Ready adherence to popularized slogans led us into serious trouble in 1929. The foolishness in the notion of economic maturity fostered during the depression years of the 1930's should be thoroughly obvious. And now we are rushing along with a series of dangerous economic slogans as political guides without any important amount of awareness being manifested in influential circles that very serious trouble for this nation is the ultimate consequence that should be expected.

The Question of a Sound Currency

Insofar as a sound currency becomes a matter of concern, it is popularly associated with a relatively stable index of prices at the level that happens to prevail. In that respect we are repeating the fallacies of the 1920's which produced its Stable Money Association and the collapse of 1929-1933. A sound currency, properly defined, falls largely outside popular discussion. We are so busy pursuing our currently-popular slogans of economic growth, high levels of production and employment, and a general stability of prices—"moving ahead"—that we do little more than smile tolerantly, in allegedly new and superior wisdom, at those who stress the fundamental importance of a sound currency, correctly defined.

What is a sound currency? It is one that rests upon a fixed standard gold unit with all nongold currency freely redeemable in or convertible into, standard monetary gold at the parity rate, and with all credit automatically self-liquidating at maturity.

A nation's currency is its economic bloodstream, touching every major aspect of the social fabric. An economy cannot be healthy if the nation's currency is not sound. But a national economy can suffer illness even though its monetary bloodstream be of the highest order since, as in the case of the human body, there can be many, and even deadly, afflictions arising from causes other than the nature of the bloodstream.

We reveal a woeful lack of understanding in this country in respect to these facts. Again and again the gold standard has been condemned while the fundamental causes of economic catastrophes have been abuses in the uses of credit. That variety of thinking

and argument is prevalent in this country today.

Our heavy and mounting government expenditure and debt, and our persistent loss of our monetary gold, are major symptoms of a dangerous state of affairs in this nation. But we push on with our deceptive economic and political slogans and practically ignore the danger signals which should be clear warnings of serious trouble ahead.

Customers Brokers To Hold Dinner

The Association of Customers Brokers will hold their annual meeting and dinner at the Waldorf-Astoria, Thursday, May 24. Guest speaker will be Matt S. Szymczak, for eighteen years a member of the Board of Governors of the Federal Reserve System and formerly Comptroller of the City of Chicago. Mr. Szymczak is at present a consultant to both C. J. Devine & Co. and the Georgetown University School of Business Administration.

Reservations should be made prior to May 17 with Albert F. Frank, Ladenburg, Thalmann & Co. Tariff is \$13.50.

Members of the dinner committee are: John C. Howatt, Harris, Upham & Co., Chairman; Frank Dunn, Jr., Merrill Lynch, Pierce, Fenner & Smith Incorporated; Albert F. Frank, Ladenburg, Thalmann & Co.; Leon Herbert, Hayden, Stone & Co.; Donald Randell, E. F. Hutton & Company; Sam Minsky, Hardy & Co.; Leonard L. Marshall, Jr., Harris, Upham & Co.; T. Alvah Cowan, Peter P. McDermott & Co., and Joseph A. Maceda, Moore & Schley.

First Calif. Office

MODESTO, Calif. — First California Company has opened a branch office in the McHenry Shopping Center under the direction of Joseph W. Alexander.

Mitchum, Jones Branch

RED BLUFF, Calif. — Mitchum, Jones & Templeton has opened a branch office on Doane Way under the management of William T. Dalby.

Transwestern Office

COVINA, Calif. — Transwestern Management Corporation has opened a branch office at 21028 Cloverland Drive under the management of Norbert F. Lochner.

Now Frank Warner Secs.

MINNEAPOLIS, Minn. — The firm name of Frank Warner Corporation, Northwestern Bank Building, has been changed to Frank Warner Securities Corporation.

Hall Director of AF-GL Agency

The election of Frank W. Hall as a director and member of the Executive Committee of Albert Frank-Guenther Law, Inc. has been announced by Howard W. Calkins, Chairman of the Board of the national advertising & public relations agency.



Frank W. Hall

Mr. Hall is a Vice-President and advertising account supervisor in the agency's New York headquarters, 131 Cedar Street. He joined AF-GL in 1946 and was elected a Vice-President in 1952.

Gordon Bros. to Admit McCormack

Gordon Bros. & Co., 74 Broad St., New York City, members of the New York Stock Exchange, on May 17, will admit John C. McCormack to partnership.

Wentz to Be V.-P. Of Hooker & Fay

SAN FRANCISCO, Calif. — On May 17 Keith E. Wentz will become a Vice-President of Hooker & Fay, Inc., 221 Montgomery St., members of the New York and Pacific Coast Stock Exchanges.

2nd Dist. Secs. Names Officers

Second District Securities Co., Inc., One Chase Manhattan Plaza, New York City, announced that Edward M. Hatton and Peter A. Leonard have joined the firm as Assistant Treasurers.

Bonbright Branch

ROCHESTER, N. Y. — George D. B. Bonbright & Co. has opened a branch office in the Midtown Tower under the management of Raymond J. Bantel.

Eastman Dillon Branch

SALINAS, Calif. — Eastman Dillon, Union Securities & Co. has opened a branch office at 2 Midtown Lane under the management of Ralph W. Wood.

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Tax-Exempt Bond Market

By DONALD D. MACKAY

There has been much in the headlines during the past few days, as well as innuendo between the lines, that has had important meaning for the financial markets. The President's carefully worded language before the United Automobile Workers was certainly not reassuring to the financial community. Chancellor Adenauer's remarks concluding that the United States' package for a Berlin agreement is unworkable has added to the confusion. All this while Secretary Rusk faces up to problems in Australia and while Secretary McNamara is somewhere in southeast Asia with our troubles and while Secretary Freeman may be up a tree somewhere—near Odessa, Texas, that is.

New Frontier Politics Casting Ominous Clouds

Moreover, most thinking citizens, who may, too, be investors, are seriously preoccupied with the evidence of almost fierce political contention that more than occasionally emanates from Washington and from some of our state capitals. As a recent example, the direct Presidential appeal for political support to the U. A. W. at Atlantic City has been disconcerting to the thoughtful citizen as has been the Administration's political action in connection with the so-called "Medicare" bill. A group of about 200 physicians in rural New Jersey decided that they should do something other than just talk to themselves in objecting to socialized medicine in general and to the Administration's medical care for the aged bill in particular.

This tiny, relatively insignificant group of doctors has now been inferentially condemned by the President of the United States, called a "disgrace to the nation" by Secretary of Labor Goldberg, alluded to as blackmailers by Secretary of Health, Education and Welfare Ribicoff, and Governor Hughes has criticized them in immoderate terms; all of this political impact lambasted to coast-to-coast TV audiences with the Bill in question not even out of Committee. This type of intense political action, weeks ago exemplified by the Steel company case, is generating negative attitudes within the business sphere and is directly affecting the nation's financial markets.

Tax-Exempt Market Unaffected

This, in a circuitous manner, gets us a little closer to the market for state and municipal bonds and their valuable tax-exempt qualities. While the markets for stocks and other equity investments have continued to suffer in face of the news, the markets for tax-exempt bonds have been but little shaken this week even though the President on May 8 asked Congress again to give him standby authority to cut income taxes as an emergency measure should economic recession appear to be in the making. From reports it could be inferred that our

policy makers, while talking boom, have been to some extent expecting bust.

One Washington financial columnist has published figures indicating what a five point tax cut would mean to a married man with two dependents assuming his deductions total 10%. The tax cut would run from \$15 for a \$3,000 income to \$11,130 for a \$250,000 income. These figures indicate that such a tax cut represents no actual threat to the market for tax-exempts even at today's relatively high levels. However, it does represent a negative of some psychological impact.

Yield Index Unchanged

The market for tax-exempts has varied little during the week past. The *Commercial and Financial Chronicle's* high grade general obligation 20-year bond index averages out at 2.965%. This average yield is unchanged from a week ago. Some of our component offerings have differed from a week ago but the mien is almost identical. Although some of the dollar issues were off slightly during Monday's session and during most of Tuesday's session, investor interest appeared late Tuesday following the day's spirited new issue bidding and an improved government bond market.

No Inventory Problem

Viewed from the traditional and more obvious technicalities, the state and municipal bond market has deteriorated somewhat during the last few weeks. Inventories are higher than they have ever appeared to be. According to the *Blue List* of current state and municipal bond offerings, the current total is about \$565,864,000. Although this is a lot of inventory, it does not represent a load that may per se generate a bear market trend. It does have traditional significance and is therefore a market factor psychologically.

In terms of today's financial factors, however, the bullish trend in tax-exempt bonds may not be easily upset by this symptom. In general, an abundance of credit continues available and all types of investors seem variously satisfied with the net return available on tax-exempt bonds. Although higher prices for state and municipal bonds are unwelcome to investors, there are compelling reasons for even further market gains, not the least of which is the struggling state of our politico-economy.

With the big dealer banks throughout the country aggressively interested in purchasing the larger general market issues, it is but normal that many of the lesser issues move more slowly even when relatively priced. Easy credit facilities have made it practicable and advisable for dealers to carry more bonds and to peddle them rather than kick them out.

Business Immediately Ahead

The new issue calendar now more nearly reflects a normal schedule. Last week the volume

was unusually light but at present the weeks ahead are more evenly balanced as to new issue volume. Through May and June the currently anticipated volume totals about \$575,000,000.

Although the new issue volume for the first half of 1962 seems likely to break records, when associated with other pertinent financial and economic criteria, the record carries but little significance. It simply involves no underwriting pain or strain, all things considered.

Recent Awards

The new issue calendar for the past week has been as sparse as any such period to date this year. The volume of new issues sold at competitive bidding totaled but \$108,500,000. Of this total, there have been only eight issues of a general market nature and we will briefly comment about these loans. The State of West Virginia received 20 bids for \$3,000,000 general obligation road bonds maturing 1963-1987 with the high bid, a 2.8145% net interest cost, submitted by the First Boston Corp., Bank of America N. T. & S. A., Mellon National Bank & Trust Co. group. The runner-up bid, a 2.821% net interest cost, was made by the Northern Trust Co. syndicate. The first five maturities 1963-1967 were sold pre-sale and the bonds maturing 1968 through 1987 were offered to yield from 2.20% to 3.05% for a variety of coupons. Initial demand has been modest, with the present balance in account totaling \$1,900,000.

Fresno, Calif. sold \$2,000,000 general obligation sewer (1963-1992) bonds to the syndicate headed by the First National Bank of Chicago at a 3.0267% net interest cost. The second bid, a 3.033% net interest cost, was made by the Halsey, Stuart & Co., Inc. group. There were 14 other bids made for this issue ranging in interest cost from 3.037% to 3.091%. Other major members of the winning group include Glore, Forgan & Co., Burns, Corbett & Pickard, Inc. and Hannaford & Talbot. Reoffered to yield from 1.60% to 3.20%, a balance of \$1,000,000 remains in account.

Friday, May 4 and Monday of this week were devoid of any interesting new issues. On Tuesday, however, several issues of importance came up for sale. The Washington Suburban Sanitary District, Maryland, awarded \$15,000,000 sewer and water supply (1964-1993) bonds to the syndicate headed by the First National City Bank at a net interest cost of 3.018%. The runner-up bid, designating a net interest cost of 3.028%, was made by Phelps, Fenn & Co. and associates. Other major members of the winning syndicate include Chemical Bank New York Trust Co., Bankers Trust Co., The Northern Trust Co., Harris Trust and Savings Bank, Lehman Bros., First National Bank in Dallas and Dominick & Dominick. The bonds were reoffered to yield from 1.85% in 1964 to 3.30% in 1989 and about \$6,750,000 of the bonds were sold out of account. The 1990-1993 maturities bore a one-tenth of 1% coupon and were reoffered to yield 4.40%.

Forsyth County (Winston-Salem), N. C. sold \$4,000,000 serial (1965-1981) bonds to The First Union National Bank of North Carolina, Charlotte, bidding alone. Their bid figured a 2.6788% net interest cost. The runner-up bid of a 2.6881% net interest cost was made by the Wachovia Bank & Trust Co. group. The bonds were reoffered to yield from 1.85% in 1965 to 2.40% in 1971 with the bonds maturing 1972-1981 sold pre-sale. Press time balance is \$1,000,000.

Tuesday's final sale of note involved \$2,000,000 Mobile County, Ala., Hospital Board (1965-1992) bonds which were bought by the Merrill Lynch, Pierce, Fenner &

Larger Issues Scheduled For Sale

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

May 10 (Thursday)

Austin, Texas	14,000,000	1963-1987	10:00 a.m.
Brick Twp. Sch. Dist., N. J.	1,895,000	1963-1981	8:00 p.m.
Cobb County, Ga.	2,500,000	1963-1992	11:00 a.m.
Golden Valley, Minn.	2,600,000	1964-1983	7:30 p.m.
Humboldt Community S. D., Iowa	1,325,000	1962-1980	2:00 p.m.
Manitowoc, Wis.	1,500,000	1963-1980	10:00 a.m.
Syracuse, N. Y.	4,755,000	1963-1977	11:00 a.m.
West Chester Area Joint School Authority, Pa.	2,000,000	1963-1982	8:00 p.m.
Worcester, Mass.	1,380,000	1963-1982	11:30 a.m.

May 14 (Monday)

Wauchula, Fla.	1,200,000	1963-1992	7:30 p.m.
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May 15 (Tuesday)

Arizona State University	2,500,000	1964-2001	10:00 a.m.
Brookhaven Union Free SD, N. Y.	2,724,000	1963-1992	2:00 p.m.
Cook Co. Forset Preserve Dist., Ill.	2,000,000	1964-1973	10:30 a.m.
Dougherty Co., Co. S. D., Ga.	1,275,000	1963-1982	2:00 p.m.
Edina-Morningside Indep. School District No. 273, Minn.	1,800,000	1965-1988	8:00 p.m.
Eustis, Fla.	1,935,000	1963-1991	Noon
Huntington Union Free Sch. Dist. No. 13, N. Y.	4,845,000	1963-1990	11:00 a.m.
Knox County, Tenn.	2,300,000	1963-1975	11:00 a.m.
Los Angeles Unified S. D., Calif.	7,000,000	1963-1987	9:00 a.m.
Meridian, Miss.	1,240,000		11:00 a.m.
Morgan City, La.	1,130,000	1963-1987	7:00 p.m.
Mountain View, Calif.	2,250,000	1963-1982	5:15 p.m.
Nashville, Tenn.	8,850,000	1962-2001	7:30 p.m.
Pendleton Water District, N. Y.	1,200,000	1963-1992	3:00 p.m.
Port Comm. of New Orleans, La.	25,000,000	1972-1997	2:00 p.m.
St. Louis Park Ind. S. D. No. 283, Minn.	1,250,000	1964-1981	8:00 p.m.
Salina & Clay, Cent. SD #1, N. Y.	1,800,000	1963-1987	2:00 p.m.
Salt Lake City, Utah	11,500,000	1965-1980	10:30 a.m.
South Plainfield Sch. Dist., N. J.	2,030,000	1963-1984	8:00 p.m.
Springfield, Mass.	1,325,000	1963-1981	10:30 a.m.
Tucson, Arizona	20,390,000	1963-1991	10:00 a.m.
Wichita, Kan.	4,890,000	1963-1982	9:00 a.m.
Willoughby-Eastlake City S. D., Ohio	1,000,000	1963-1977	Noon

May 16 (Wednesday)

Benton, Ill.	1,235,000	1963-1999	2:00 p.m.
Eastern Kentucky State College, Richmond, Ky.	6,875,000	1963-1997	1:00 p.m.
New Castle, Pa.	2,150,000	1964-1988	7:30 p.m.
Warren Woods Sch. Dist., Mich.	2,000,000	1964-1988	8:00 p.m.
Westwood Consol. Sch. Dist., N. J.	2,481,000		

May 17 (Thursday)

Berlin (City) etc., Joint School District No. 1, Wis.	1,200,000	1963-1982	1:00 p.m.
Birmingham Southern College, Birmingham, Ala.	1,487,000	1964-2001	10:30 a.m.
Kettering City Sch. Dist., Ohio	2,550,000	1963-1986	Noon
Metropolitan Seattle, Wash.	16,000,000	1964-2000	11:00 a.m.
Richfield, Minn.	2,500,000	1965-1984	3:00 p.m.
Sacramento Mun. Utility D., Calif.	10,000,000	1966-1982	11:00 a.m.
Utica, N. Y.	1,125,000	1963-1977	Noon

May 21 (Monday)

Atlanta, Ga.	1,900,000	1963-1982	Noon
Illino's (State of)	95,000,000	1963-1987	11:00 a.m.
Lower Merion Sch. Dist., Pa.	3,800,000	1963-1988	8:00 p.m.

May 22 (Tuesday)

Calhoun County Indep. SD, Texas	1,500,000	1963-1981	8:00 p.m.
Dade County, Fla.	9,000,000	1962-1990	11:00 a.m.
Denver, Colo. (City & County)	1,170,000	1962-1966	10:30 a.m.
Hudson, North Hudson, Troy, St. Joseph & Somerset Joint Sch. Dist. No. 1, Wis.	1,250,000	1963-1982	2:00 p.m.
Indianapolis School City, Ind.	1,000,000	1963-1982	7:30 p.m.
Kaukauna, Wis.	2,000,000	1963-1980	1:00 p.m.
Madison, Wis.	6,700,000	1933-1982	10:00 a.m.
Torrance Unified Sch. Dist., Calif.	1,700,000	1963-1982	9:00 a.m.
Univ. of Minnesota, Regents of (Minneapolis, Minn.)	1,250,000	1964-2001	10:00 a.m.
Washoe County, County S. D., Nev.	3,000,000	1965-1982	8:00 p.m.
Wayne County, Mich.	18,270,000	1967-2002	11:00 a.m.
West New York, N. J.	3,440,000	1968-1980	11:00 a.m.

May 23 (Wednesday)

Griffin-Spalding County, Board of Education, Ga.	1,900,000	1963-1992	2:00 p.m.
Henrico County, Va.	4,500,000	1963-1982	Noon
Mississippi (State of)	10,000,000	1971-1982	10:00 a.m.
New Orleans, La.	2,000,000	1964-1987	10:00 a.m.
New York (State of)	54,500,000		
North St. Paul-Maplewood Indep. Sch. Dist. No. 622, Minn.	1,000,000	1965-1990	8:00 p.m.
Pierce County Easley - Central Water District, S. C.	2,500,000	1962-1982	10:00 a.m.
Warren, Consol. Sch. Dist., Mich.	2,930,000	1963-1987	7:00 p.m.

May 24 (Thursday)

Maine State Teachers College (Augusta)	2,600,000	1965-1992	11:00 a.m.
Salt River Project Agricultural Improvement & Power D., Ariz.	10,000,000	1965-1994	
University of Illinois	2,100,000	1965-1999	11:00 a.m.

May 25 (Friday)

University of Washington	3,000,000	1963-1992	1:30 p.m.
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May 28 (Monday)

Santa Barbara High Sch., Calif.	3,400,000	1963-1987	9:30 a.m.
Vanderbilt Univ., Nashville, Tenn.	3,775,000	1965-2002	10:00 a.m.

Continued on page 15

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3 1/2%	1982	3.30%	3.15%
*Connecticut (State)	3 3/4%	1981-1982	3.15%	3.00%
New Jersey Highway Auth., Gtd.	3%	1981-1982	3.00%	2.85%
New York State	3 3/4%	1981-1982	3.00%	2.85%
*Pennsylvania (State)	3 3/8%	1974-1975	2.85%	2.70%
Delaware (State)	2.90%	1981-1982	3.00%	2.85%
New Housing Auth., (N.Y., N.Y.)	3 1/2%	1981-1982	3.00%	2.85%
Los Angeles, Calif.	3 3/4%	1981-1982	3.30%	3.15%
Baltimore, Md.	3 3/4%	1981	3.00%	2.85%
Cincinnati, Ohio (U. T.)	3 1/2%	1981	3.15%	3.00%
Philadelphia, Pa.	3 1/2%	1981	3.30%	3.15%
*Chicago, Ill.	3 3/4%	1981	3.25%	3.10%
New York, N. Y.	3%	1980	3.10%	3.05%

May 9, 1962 Index = 2.965%

*No apparent availability.

The State of TRADE and INDUSTRY

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

Inventory accumulation has played a smaller role in the rise in economic activity since the low point reached over a year ago than in previous recovery periods, the Federal Reserve Bank of Chicago noted in the May issue of *Business Conditions*.

About \$11 billion, or less than one-fourth, of the rise in total spending on goods and services between the first quarter of 1961 and the first quarter of 1962 was attributable to a switch from inventory liquidation, at a \$4 billion annual rate, to accumulation at a rate of about \$7 billion. In earlier postwar upswings, inventories had accounted for one-third or more of the first-year rise in activity.

With a wage settlement in the steel industry being reached far in advance of the midyear deadline, steel inventories were increased much less than in the first half of 1959, a period immediately preceding a prolonged strike, the bank noted. At the end of March, inventories of all durable goods manufacturers were only \$2.1 billion, or 7%, higher than in the corresponding month a year ago. However, sales of these firms in March were 19% higher than a year earlier. As a result, the inventories of these firms were equal to only two months' sales, compared with 2.2 months' sale a year earlier.

This favorable inventory picture strengthens prospects for continued stable growth in production, according to the Reserve Bank. Nevertheless, past trends suggest that any future rise in total sales will be less rapid than the 10% increase achieved during the first 12 months of the current business upturn. Successive annual gains in spending, approaching 10%, probably would reflect substantial price inflation.

Retail sales in the first quarter were at a record annual rate of over \$228 billion. This represented an increase of 6.5% from the same period a year earlier and was about in line with increases in personal income. However, at roughly the same stage in the two preceding recoveries, total consumer spending had risen more than income, the bank noted.

March retail sales were boosted by a rise in deliveries of new cars to a seasonally adjusted annual rate of about 6.9 million units, the best performance since last November when the 1962 models were introduced.

Bank Clearings Increase 7.5% Above 1961 Week

Bank clearings this week will show an increase compared with a year ago. Preliminary figures compiled by the *Chronicle*, based on telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, May 5, data from all cities of the United States from which it is possible to obtain weekly figures will be 7.5% above those for the corresponding week last year. Our preliminary totals stand at \$33,751,579,828 against \$31,398,238,174 for the same week in 1961. Our comparative summary for some of the principal money centers follows:

Week End.	(000s omitted)	1961	%
May 5—	1962	1961	
New York	\$19,424,043	\$17,846,789	+ 8.8
Chicago	1,893,141	1,477,455	+ 7.8
Philadelphia	*1,215,000	1,157,000	+ 5.0
Boston	1,006,140	908,044	+10.8
Kansas City	412,917	515,676	-19.9

*Estimated.

Steel Production Data for the Week Ended May 5, 1962, Shows 7% Decline Against Previous Week

According to data compiled by the American Iron and Steel Institute, production for the week ended May 5, 1962 was 1,820,000 tons (*97.7%), as against 1,957,000 tons (*105.0%), in the week ended April 28.

Production this year through May 5 amounted to 41,522,000 tons (*123.8%), or 43.2% above the period through May 6, 1961.

The Institute concludes with index of Ingot Production by Districts for week ended May 5, 1962, as follows:

	* Index of Ingot Production for Week Ended May 5, 1962
North East Coast	93
Buffalo	74
Pittsburgh	93
Youngstown	90
Cleveland	99
Detroit	118
Chicago	101
Cincinnati	112
St. Louis	107
Southern	107
Western	105
Total	97.7

* Index of production based on average weekly production for 1957-1959.

Rising Steel Consumption Coincides With Production Drop

Steel consumption, the true barometer of the industry's health, is rising even though steel production is dropping, *Steel* magazine reported this week.

Market analysts expect second quarter consumption to be 7 to 10% higher than that of the first quarter.

What's more, they predict that second quarter shipments of finished steel products, including imports, will be about 19 million tons (vs. 17.3 million tons in the like period a year ago).

Steel said production is falling for reasons that are entirely unrelated to the economic outlook:

(1) Users are trying to digest part of the inventory surplus that they accumulated for strike protection during the first quarter.

(2) Mills are supplying part of the market's requirements by processing semifinished steel that they melted long ago.

(3) Service centers are liquidating big inventories that they accumulated during the first quarter.

Even if ingot production is 18% lower this quarter than it was in the first three months of the year (25 million tons vs. 30.6 million), shipments won't drop more than 10%. Reasons:

(1) General Motors Corp. will continue building cars at a high rate while postponing inventory adjustments until fall.

(2) Canmakers will step up their plate releases as they move into the peak packing season.

(3) Structural fabricators and road builders will increase orders as work accelerates seasonally.

Production Decline Until August

Steel looks for production to decline through June, bottom out in July, rise slightly in August, then gain upward momentum in September.

Look for ingot production this week to be less than the 1,850,000 tons that the magazine estimates were poured last week, the fifth week-to-week decline.

Scrap prices are at their lowest level in eight years. *Steel's* scrap price composite is at \$28.33 a gross ton, down \$2 from the previous week.

More higher priced steel mill products are being imported into the U. S., *Steel* reports. Stainless sheets and bars are being shipped here from Japan in increasing quantities. Alloy bars are making their appearance. Imports of galvanized sheets are expanding fairly rapidly.

Biggest import items continue to be wire products (this foreign steel is priced on the average, around \$30 a ton below U. S. steel); reinforcing bars (the price difference is \$15 to \$30); and heavy structural shapes (the difference, at least \$20 a ton).

While the Japanese, West Germans, and Belgians continue to be the major competitors, the Australians, South Africans, and Italians are stepping up efforts.

Iron Age Predicts Keen Competition for Steel Sales

All the signs of a prolonged period of tough competitive selling are present in the steel market, *The Iron Age* reported May 9.

The market has touched bottom and is finding solid ground. But there's no indication the level is any higher than anticipated. This means rough selling well into the third quarter at best.

The national metalworking weekly notes these symptoms of a soft steel market:

Steel warehouses have cut prices of cold-rolled sheets. Until the settlement of the steel labor contract, this had been the strongest product.

Mills are studying orders carefully before they turn down freight-equalizing on orders outside their normal trade area.

In isolated instances, some extras are dropped to get business.

Mills are taking orders for small tonnages that normally would go to steel service centers.

Prices of imported steel are down. Imported steel prices tend to vary more than domestic prices. When the market eases, imported steel declines.

The order pattern varies from

mill to mill. Here is how one major mill sees it, admittedly a more optimistic viewpoint than most.

For this mill, the market bottomed out last week. Until then, the point of leveling had been in doubt. This mill says its order flow has shown progressive improvement. Individual days last week were within shooting distance of the consumption rate of users.

Indications now are that May shipments will total about six million tons.

April shipments were about seven million tons and in March, the peak month, shipments approached eight million tons. This figures out to about a 25% decline since March.

Considering that the April rate continued to add to user inventories, only about 500,000 tons of inventory will have been liquidated in the second quarter—if June shipments continue at the May rate. More likely, the June rate will be down. But in any case, the possibility is strong that inventory liquidation will continue well into the third quarter.

Auto Output by End of This May Expected to Equal All of 1961

Production of 1962 model passenger cars in U. S. plants will overtake the industry's 1961 model run of 5,408,500 before the end of May, *Ward's Automotive Reports* predicted.

The statistical agency said that by the end of last week more than 4,880,000 cars of 1962 model vintage will have been completed, equal to 90% of the 1961 model total. Nineteen—sixty-one model making was not concluded until the first week of August last year.

Ward's said that car assembly in May is slated to rise above April and also be second-best on record for the month, and possibly the peak month of 1962 model making. April output, of 616,945 units, similarly was the second-best for that month, exceeded only in 1955.

Factory output this week will

reach 147,521, *Ward's* estimated, a decline of 3.9% from the year's peak session last week, which yielded 153,436 new cars, but 18.5% above 124,454 cars turned out in the corresponding session of a year ago.

This week's decline is attributed to changes in overtime operations by General Motors and Ford Motor Co., which last week had 11 and eight plants, respectively, assigned Saturday sessions.

Electric Output 8.2% Higher Than in 1961 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, May 5, was estimated at 15,369,000,000 kwh., according to the Edison Electric Institute. Output was 315,000,000 kwh. less than that of the previous week's total of 15,054,000,000 kwh. and 1,163,000,000 kwh., or 8.2% above that of the comparable 1961 week.

Carloadings Increase 6.1% Above 1961 Week's Volume

Loading of revenue freight in the week ended April 28 totaled 577,534 cars, the Association of American Railroads announced. This was an increase of 8,041 cars or 1.4% above the preceding week.

The loadings represented an increase of 33,155 cars or 6.1% above the corresponding week in 1961, but a decrease of 65,794 cars or 10.2% below the corresponding week in 1960.

There were 13,267 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended April 21, 1962 (which were included in that week's over-all total). This was an increase of 1,744 cars, or 15.1% above the corresponding week of 1961 and 2,921 cars or 28.2% above the 1960 week.

Cumulative piggyback loadings for the first 16 weeks of 1962 totaled 204,619 cars for an in-

Continued on page 22

This is not an offer of these securities for sale. The offer is made only by the Prospectus.

NEW ISSUE

May 8, 1962

\$25,000,000

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Due May 1, 1977

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DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

Airlines—Survey—E. F. Hutton & Co., 1 Chase Manhattan Plaza, New York 5, N. Y.

Bank Stocks—Earnings comparison of 20 leading banks stocks outside New York—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Bank Stocks—Quarterly comparison of leading banks and trust companies of the United States—New York Hanseatic Corporation, 120 Broadway, New York 5, N. Y.

Canadian Balance of International Payments—Study—Greenshields Inc., 507 Place d'Armes, Montreal, Que., Canada.

Canadian Oil—Review—With particular reference to Union Oil of Canada—Ross, Knowles & Co., Ltd., 25 Adelaide Street, West Toronto, Ont., Canada.

Conservative Stocks—A selected list — Courts & Co., 11 Marietta Street, N. W., Atlanta 1, Ga. Also available is a memorandum on **Minnesota Power & Light**.

Farm Equipment Stocks—Review—Hemphill, Noyes & Co., 8 Hanover Street, New York 5, N. Y. Also available is a review of the **TFX (Tactical Fighter) Program** with particular reference to **Boeing and Grumman**.

Fire & Casualty Insurance Stocks—Comparison and analysis of leading companies—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Insurance Stocks—Attractive for capital gains—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y. Also available are data on **Dover Corp.**, **Great Atlantic & Pacific Tea Co.** and **Walter E. Heller & Co.**

Japan—Analysis of financial statements of 149 selected Japanese corporations—Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y.

Japanese Market—Review—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also available is a review of the **Japanese Department Store Industry**.

Japanese Market—Review—Yamaichi Securities Co. of New

York, Inc., 111 Broadway, New York 6, N. Y. Also available are data on **Chuo Kasetu Koko Co.**, **Fujita-Gumi**, **Nishimatsu Construction Co.** and **Sato Kogyo Co.**

Life Insurance Stocks—Review with particular reference to **Connecticut General Life Insurance Company**, **Travelers Insurance Co.** and **United States Life Insurance Co.**—Purcell & Co., 50 Broadway, New York 4, N. Y. Also available is a bulletin on **Rohr Corp.**

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

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

Public Utility Stocks—Review with particular reference to **California Electric Power Co.**, **Hartford Electric Light Co.**, and **Union Electric Co.**—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

Railroad Highlights—Bulletin—H. Hentz & Co., 72 Wall Street, New York 5, N. Y.

Reform for Transportation—Survey of the rails—Thomson & McKinnon, 2 Broadway, New York 4, N. Y.

Rubber Industry—Bulletin—Mackay & Co., 524 Washington Street, Reading, Pa.

Savings & Loan Stocks—Survey with particular reference to **Financial Federation**, **First Charter Financial** and **California Financial**—Shields & Co., 44 Wall Street, New York 5, N. Y.

Stock Market—Review—Salomon Brothers & Hutzler, 60 Wall St., New York 5, N. Y.

Adelphi Electronics Inc.—Report—H. B. Crandall Co., 79 Wall St., New York 5, N. Y.

Aerological Research Inc.—Memorandum—A. D. Gilhart & Co., Inc., 141 Broadway, New York 6, N. Y.

Aeroquip—Memorandum—White, Weld & Co., 20 Broad Street, New York 5, N. Y.

American Broadcasting-Paramount Theatres, Inc.—Analysis—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

American Cyanamid—Discussion—Newburger & Co., 1401 Walnut Street, Philadelphia 2, Pa. Also available are discussions of **Federal-Mogul-Bower Bearings**, **Garlock**, **Greyhound**, **Latrobe Steel** and **Riegel Paper**.

American Photocopy—Report—Colby & Co., Inc., 85 State Street, Boston 9, Mass. Also available are data on **Breeze Corp.**, **Genung's Inc.**, and **Timkin Roller Bearing**.

American Viscose Corporation—Annual Report—Public Relations Department, American Viscose Corporation, Philadelphia 3, Pa.

Baldwin-Lima-Hamilton—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Building Products Limited—Analysis—Royal Securities Corp., Ltd., 244 St. James Street, West, Montreal 1, Que., Canada. Also available are analysis of **Dominion Foundries and Steel Limited** and **Interprovincial Pipe Line Co.**

Christiana Oils—Analysis—Gerstley, Sunstein & Co., 211 South Broad Street, Philadelphia 7, Pa.

Christiana Securities Co.—Bulletin—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Coastal States Gas Producing—Memorandum—Walston & Co., Inc., 74 Wall Street, New York 5, N. Y.

Continental Investment—Memorandum—J. C. Bradford & Co., 414 Union Street, Nashville 3, Tenn. Also available are memoranda on **Life Insurance** stocks and **Terminal Transport**.

Controls Co. of America—Memorandum—A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill. Also available is a memorandum on **Mary Carter Paint**.

Courtaulds—Bulletin—Georgeson & Co., 52 Wall Street, New York 5, N. Y.

Deere & Co.—Review—Fahnestock & Co., 65 Broadway, New York 6, N. Y. Also available is a review of **Interstate Department Stores**.

Drackett Company—Analysis—R. S. Dickson & Co., Inc., Wachovia Bank Building, Charlotte 2, N. C.

Du Pont of Canada Limited—Review—Vandenbroeck, Lieber & Co., Inc., 125 Maiden Lane, New York 38, N. Y. Also available are reviews of **Lance, Inc.**, and **Vanity Fair Mills**.

Electrolux Corp.—Analysis—Hill Richards & Co., Inc., 621 South Spring Street, Los Angeles 14, Calif.

El Paso Natural Gas Co.—Analysis—Hornblower & Weeks, 1 Chase Manhattan Plaza, New York 5, N. Y.

First National Credit Bureau—Memorandum—Morrison & Morrison, Inc., Penobscot Building, Detroit 26, Mich.

POSITION WANTED

Reg. Rep (NASD) seeks position as assistant to top Security Analyst. Diversified background prior to entry into Securities Business. Scientific and Technical Article Writer for Magazines and News Synds. Studied at N. Y. Inst. of Finance.—Best References. Box M510. The Commercial & Financial Chronicle, 25 Park Place, New York 7, N. Y.

Foster Forbes Glass Co.—Memorandum—Raffensperger, Hughes & Co., Inc., 20 North Meridian Street, Indianapolis 4, Indiana.

Franklin Corp.—Analytical Brochure—Blair & Co., Inc., 20 Broad Street, New York 5, N. Y.

Great American Insurance Co. of New York—Analysis—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 5, N. Y. Also available are data on **Borg-Warner Consolidation Coal Co.**, **Carrier Corp.**

Great Atlantic & Pacific—Memorandum—Evans & Co., Inc., 300 Park Avenue, New York 22, N. Y.

Hallierafters—Memorandum—Sincere & Co., 208 South La Salle Street, Chicago 4, Ill. Also available is a memorandum on **Piper Aircraft**.

Hudson Pulp & Paper—Memorandum—Brooke, Sheridan, Bogan & Co., Inc., 2 Penn Center Plaza, Philadelphia 2, Pa.

International Silver Co—Bulletin—Freehling, Meyerhoff & Co., 120 South La Salle Street, Chicago 3, Ill.

Interstate Life & Accident Insurance—Memorandum—Janney, Battles & E. W. Clark, Inc., 1401 Walnut Street, Philadelphia 2, Pa.

KDI Corp.—Analysis—R. A. Holman & Co., Inc., 54 Wall Street, New York 5, N. Y. Also available is a study of **Bradford Industries**.

Kilbanon Corp.—Analysis—Freeman & Co., 350 Washington Street, Boston 35, Mass.

King's Department Stores—Data—Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y. Also available are reports on **Pittston Co.**, **Radio Corp. of America**, **Rus Togs**, **Sprague Electric and State Street Investment**.

Korfund, Inc.—Analysis—Street & Co., Inc., 30 Broad Street, New York 4, N. Y.

McDonnell Aircraft—Memorandum—Andresen & Co., 30 Broad Street, New York 4, N. Y.

McDonnell Aircraft—Data—Schweickart & Co., 29 Broadway, New York 6, N. Y. Also available are comments on **Oxford Paper Co.**, and **U. S. Plywood Corp.**

Mobile Rentals Corp.—Analysis—Century Securities Co., 8421 Wilshire Boulevard, Beverly Hills, Calif.

Mohasco Industries, Inc.—Survey—Abraham & Co., 120 Broadway, New York 5, N. Y. Also available is a survey of **Montana Dakota Utilities and Puritan Fashions**.

NAC Charge Plan & Northern Acceptance Corp.—Analysis—Bellamah, Newhauser & Barrett, Inc., Investment Building, Washington 5, D. C.

National Distillers & Chemical Corp.—Analysis—Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif.

Norwood-Young America, Minn.—Independent School District Bonds—Stern Brothers & Co., 1009-15 Baltimore Avenue, Kansas City 5, Mo.

Ohio Edison Co.—Annual Report—Ohio Edison Co., L. I. Wells, Secretary, Akron 8, Ohio.

Pacific Northwest—Selected issues in the area which appear attractive—Pacific Northwest Company, United Pacific Building, Seattle 24, Wash.

Radio Corp. of America—Review—Hirsch & Co., 25 Broad Street, New York 4, N. Y. Also available are reviews of **Abbott Laboratories** and **Eastman Kodak**.

Radio Corp. of America—Discussion in current "Investment Letter"—Carreau & Co., 115 Broadway, New York 6, N. Y. Also in the same issue are discussions of **Standard Oil of California** and **United Fruit**.

Reheis Co., Inc.—Analysis—Boehning & Co., Alison Building, Philadelphia 3, Pa.

Ritter Company—Analysis—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available are reports on **FMC Corp.**, **General Telephone & Electronics**, **Montanto Chemical**, **Radio Corp. of America**, **Electronic Associates**, **Boeing Co.**, and **Creole Petroleum**.

Royal Dutch Petroleum Co.—Data—Oppenheimer, Neu & Co., 120 Broadway, New York 5, N. Y. Also available are data on "Robeco," **Homestake Mining Co.**, **United Merchants & Manufacturers** and **Missouri Pacific Railroad Company**.

Savings & Loan Industry—Analysis—F. S. Moseley & Co., 50 Congress Street, Boston 2, Mass.

Scope, Inc.—Memorandum—Jones, Kreeger & Co., Cafritz Building, Washington 6, D. C.

Seaboard Life Insurance Co. of America—Analysis—Charles A. Taggart & Co., Inc., 1516 Locust Street, Philadelphia 2, Pa.

Seatrains Lines—Memorandum—Coburn & Middlebrook Incorporated, 49 Pearl Street, Hartford 3, Conn.

Sel-Rex Corp.—Analysis—Eastman Dillon, Union Securities & Co., 15 Broad Street, New York 5, N. Y.

Simmons Co.—Report—Dreyfus & Co., 2 Broadway, New York 4, N. Y.

Stewart-Warner Corp.—Analysis—Glore, Forgan & Co., 45 Wall Street, New York 5, N. Y.

Susan Crane Packaging Inc.—Analysis—Parker, Ford & Co., Inc., Vaughn Building, Dallas 1, Texas.

Texas Industries—Memorandum—First Southwest Co., Mercantile Bank Building, Dallas 1, Tex.

Thokol—Memorandum—Edwards & Hanley, 100 No. Franklin Street, Hempstead, N. Y.

Tom Huston Peanut Co.—Memorandum—Johnson, Lane, Space & Co., Inc., 16 Laura Street, Jacksonville 2, Fla.

Transfer Taxes—Booklet giving current federal and state stock original issue and transfer tax rates (on request)—Registrar and Transfer Co., 90 Church Street, New York 7, N. Y.

21 Brands Inc.—Bulletin—DeMott Associates, 600 Old Country Road, Garden City, N. Y.

U. S. Steel Corp.—Bulletin—Jacques Coe & Co., 39 Broadway, New York 6, N. Y.

Joins Proctor, Cook

(Special to THE FINANCIAL CHRONICLE)
BOSTON, Mass.—Leroy H. Myrick has joined the staff of Proctor, Cook & Co., 10 Post Office Square, members of the New York and Boston Stock Exchanges. Mr. Myrick who has been in the investment business in Boston for many years, was formerly with Schirmer, Atherton & Co.

With Eastman Dillon

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Savings and Loan Shares

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

A swift appraisal of the risks and rewards presented by shares in some of our fastest growing thrift institutions.

Western savings and loan shares have swooped in on the market during the past five years. Propelled by growth curves as pleasingly contoured as Marilyn Monroe, several issues have rewarded early investors with exciting market gains. Even after a king-size shake out in this group (along with hundreds of other issues) during the past few months, broad devotion to S & L stocks persists, and rarely has any industrial group so swiftly attracted, and motivated, broad scale institutional buying. If stock prices are the slaves of earning power, then California S & L shares have been in happy bondage. The big questions today are (1) will their steep and steady rise in net earnings continue, and (2) will these earnings, after longer market seasoning, command higher price multiples? We'll endeavor to field the answers to these questions, forthwith.

Factors Favoring Growth

The plus factors going for the savings and loan industry in California are (1) a fabulous population increase, (2) an incessant home/building program, financed by mortgages, (3) high rate of mortgage interest, (4) ability to offer savers a rate consistently higher than other savings media, (5) outstanding managerial competence in real estate development and mortgage lending, coupled with aggressive thrift merchandising.

Population Explosion

To document the foregoing, we should point out that California is just about our fastest growing state, gaining 20% in population between 1955 and the end of 1960. California, with a 1960 census of 15.7 million, is expected to overtake New York as our largest state, by the end of this year. Further, this population has a very high per capita income, which permits Californians to afford, and to acquire, new housing, at a fantastic rate.

S & L Leadership in Home Mortgages

Savings and loan companies in California, in 1960, accounted for 43% of all new home mortgages (\$20,000 or less) against 12% for commercial banks. Also in 1960, the average monthly interest on new mortgages was 7% and average interest paid in savings was 4½%. That spread (2½%) has narrowed somewhat recently (to around 2%) with loan interest now around 6.7% and interest to depositors currently 4¾%. Maximum permissible savings account interest is now 4% for commercial banks, so the S & L companies still have a substantial edge in attracting depositors. There are no mutual savings banks in California, so the commercial banks and the Savings and Loans share the thrift business.

Competition

Thus, the S & L companies have been able to assemble the merchandise they need—money, and put it to work on an attractive earnings basis. In a business so profitable and growing so fast, there was bound to be competition. This has come, not only from the banks, which have just raised their interest rates, but from other S & L companies, which also compete for depositors' dollars and the top-grade mortgage loans, at favorable interest rates. If California home building construction were to contract sharply, then competition for needed loans might hot up, with a resulting reduction in mortgage interest

rates. There is currently, however, little evidence of any slow-down in building.

Further, the Savings and Loans are gleaming major interest gains, as older mortgages (at lower rates) are amortized and renewed at the higher current interest levels.

Modifying Factors

Possible clouds in the sky might include higher foreclosure rates (presently 2% or less) and Federal tax proposals, which might remove existing tax shelter of earnings and call for a tax rate of up to 20.8%. This rate, at the worst, would moderate earnings a bit, but should not significantly inhibit long term growth. (Often the soup is never eaten as hot as it is cooked!)

Having thus ticked off the salient points about S & L's there are a few specific companies we'd like to present for your current inspection.

First Charter Financial

This holding company majors in the San Francisco area, where it has 29 branches. It has been growing at the rate of about 30% annually in net. For 1961, per share was \$2.46 and we would estimate a figure of \$2.75 for 1962. On that basis, First Charter listed on NYSE and now selling at 47¼, appears attractive. A 6% dividend in stock is indicated. FCF does not seem over-priced at 17 times expected 1962 net. Price range, 1961/2 was between a low of 32 and a high of 69.

Financial Federation

Another interesting holding company is Financial Federation. Organized only three years, it is the corporate shepherd for 11 savings and loan associations, doing a burgeoning business in Southern California, through 23 offices. Here again, the growth rate is exciting, with net earnings in the single year 1961, rising by 41.5% to \$4.47 per share. So far this year, the growth rate has been even greater and we would expect a net of at least \$5.25 per share for the full year. Management is energetic, cost conscious and the foreclosure rate at Financial Federation is one of the lowest in the business. FFI common trades on NYSE. It has ranged, 1961/2, between 57 and 165, and sells currently at 103. It has been substantially bought by investment institutions.

California Financial

Smaller, but up and coming, is California Financial, which concentrates its business around San Francisco. Its rapid growth has required sizable new financing. Debentures were converted and the stock split, so outstanding common has been increased to 2,538,000 shares. These trade in the Over-the-Counter Market, at around 14½, but application has already been made for NYSE listing. The attraction of California Financial lies in the low multiple (around 15 times 1962 estimated earnings of \$1.10) managerial competence, and the solid home building expansion in the San Francisco Bay area. A 5% stock dividend policy is indicated.

Trans-World Financial Company

This company has recently published its third annual report. It makes fascinating reading. Net earnings increased 116%, from 88 cents in 1960, to \$1.85 per share in 1961, on the 1,449,573 average shares outstanding. Assets increased to a new all-time high of \$136,876,182, and savings on deposit surged ahead 27% to \$102¼ million. Trans-World is a holding company for three savings and

loan associations and, in addition, does much to develop its mortgage packaging business, by a program of residential home development (170 homes to be completed this year) which resulted in \$336,677 in income for 1961.

Trans-World now has over 4,200 stockholders in 47 states, and several foreign countries. The stock was listed on NYSE, April 23, where it is attracting a substantial following. Dividend policy is 5% in stock, and current quotation is 32½. Trans-World appears as an animate and attractive member of the S & L group. Its first quarter net for 1962 was 50 cents per share.

We couldn't cover all the companies here today, but have selected those which seem to be representative of the unusual growth, gains in earnings power, and eager management, which shares in the field have displayed.

Form C. W. Burgener Co.

(Special to THE FINANCIAL CHRONICLE)
SAN DIEGO, California—Clair W. Burgener Company has been formed with offices at 3045 Rosecrans to engage in a securities business. Officers are Clair W. Burgener, President; Joseph W. Suffudy, Vice-President; and Douglas O. Haigh, Secretary and Treasurer.

Form George P. Fahr, Inc.

(Special to THE FINANCIAL CHRONICLE)
ST. LOUIS PARK, Minn.—George P. Fahr, Inc. has been formed with offices at 4020 Minnetonka Blvd., to engage in a securities business.

Officers are George P. Fahr, President; M. N. Fahr, Vice-President, and Frederick W. Thomas, Secretary.

Grant, Jones Branch

ROME, N. Y.—Grant, Jones & Company, Inc., has opened a branch office at 133 Glen Road, South, under the management of Richard D. Nadeau.

E. N. McCully Named V.-P. of First Inv. Co.

LOS ANGELES, Calif.—First Investment Company, Inc., 6505 Wilshire Boulevard, investment counselling firm based in Los Angeles, has elected Edward N. McCully a Vice-President. Mr. McCully joined First Investment Company, Inc. on March 1 of this year after eight years with the Kemper Insurance organization, where he served as Assistant to the Chairman of the Board, economist, and member of the Investment Committee.

Previously Mr. McCully spent 10 years with the Foreign Service of the United States in various countries. He last assignment was with the U. S. Embassy in Rio de Janeiro, Brazil, as Second Secretary and Financial Affairs Officer.

Opens N. Y. C. Branch

Lustgarten, Mautner & Company has opened a branch office at 445 Park Avenue, New York City, under the management of Robert Lustgarten.

New Sandkuhl Branch

WASHINGTON, D. C.—Sandkuhl & Company, Inc. has opened a branch office at 1725 K Street, N. W., under the management of Gilbert Lochrie.

Walker, Wachtel Branch

Walker, Wachtel & Company Inc. has opened a branch office at 445 Park Avenue, New York City, under the direction of H. J. Wachtel.

James Reis, Jr. Now

With G. H. Musekamp

(Special to THE FINANCIAL CHRONICLE)
CINCINNATI, Ohio — James J. Reis, Jr. has become associated with G. H. Musekamp & Co., Carew Tower, members of the Cincinnati and Midwest Stock Exchanges. Mr. Reis was formerly in the sales department of Season-good & Mayer.

DuPont Acquires Schirmer, Atherton

BOSTON, Mass.—The 75-year-old New England investment firm of Schirmer, Atherton & Co. has been acquired by Francis I. duPont & Co., it was announced by Edmond duPont and A. Rhett duPont, Senior Partners of Francis I. duPont & Co.

With its main office in Boston, Schirmer, Atherton has branch offices in Worcester and Northampton, Manchester, New Hampshire; Portland and Bangor Maine. Its Boston office is to be consolidated with that of Francis I. duPont & Co.'s Boston office.

With the addition of Schirmer, Atherton offices, Francis I. duPont & Co., now operates a nationwide network of 82 offices in 30 states and the District of Columbia. It also has an international affiliate in Lausanne, Switzerland.

In addition to its security and commodity brokerage business, Francis I. duPont & Co. is active in the underwriting and distribution of corporate and municipal securities. It is a member of all the principal security and commodity exchanges of the nation.

Forms Beasley Associates

HOUSTON, Texas — James W. Beasley is conducting a securities business from offices at 5423 Tutherglenn under the firm name of Jim Beasley Associates. He was formerly with Security Planning Services, Inc. and Schmitt, Berry & Co.



Edmond duPont

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

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The Continued Expansion of Control Systems Industry

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

Descriptive account of the relatively unknown burgeoning control system industry, conservatively estimated now at \$5.8 billion gross sales, is especially tailored to the financial community. A quick review shows how the addition of automation to the industrial revolution supplants the human operator in what heretofore were thought to be irreplaceable operations. Noted are the forte of both large and small companies due to the post World War II breakthroughs in electronics, physics, etc., pressured by the driving need for profits and the Federal Government's success in atomic energy, missile, space exploration and many other activities requiring better control systems. Problems of small companies which have done well by specializing in a limited product line based on technical advance, and the increasing competition they face from larger companies, are depicted as well as advice on assuring their continued growth. Technical competence is not enough, Mr. Linde points out, to take the place of equally important marketing and general management ability—aided but apparently still not supplanted by automation.

Since the start of "The Industrial Revolution," machine labor has, to a constantly greater degree, replaced human labor as a means of production. In addition, the development of the steel, chemical, petroleum, and similar industries whose very nature precludes direct human handling of the processed materials, has been dependent upon the use of mechanical devices and equipment. But machines could not be allowed to act on their own free will and some means of regulating their behavior was necessary before each new type of device could be used practically.

Starting with simple things such as the governor for steam engines, numerous means have been devised over the years to perform these regulatory functions. Not only has the need for human physical effort been reduced, but the dependence upon human response for actuating the control elements has been constantly lessened until there now exists the possibility of almost completely eliminating the need for human operators of equipment by what is commonly called "automation."

The term "automation," was coined to denote the great technical advances which have been made, in the last few years, in the development of the devices which can perform almost all the functions for which human operators had been thought essential. While the concept of using non-human elements to measure the conditions present in machinery and other equipment, to judge the correctness of these conditions, and to act to correct any deficiencies is considered by many people to be novel—it is really just a continuation of past efforts to regulate the operation of mechanical equipment. The control systems industry was founded upon these efforts and continues to grow because of these new developments.

Basic Elements of Control

Control, whether human or machine, involves three essential activities: the sensing of the existing conditions, comparison with the desired conditions to determine if any change is necessary and the effecting of action to correct any deficiencies so as to achieve the desired conditions. Each of the individual elements which perform these functions must be connected to the next one in the chain so that the output from one goes into the next.

Just as a human has eyes, ears, taste buds and other organs which perform the sensing function, various comparative and actuating organs in the brain and nervous system, and muscles connected to limbs and other organs which take action, so a control system has devices which sense temperature, pressure, voltage, acidity, and like conditions, computing elements to perform the "thinking" or nervous system functions and actuate any change and valves, switches and like devices which take action to correct any conditions detected and determined by the other elements of the system to be outside the desired range. In most cases these systems can react to any condition which develops much faster than a human and thereby more efficiently optimize the results obtained from the equipment under control in terms of both yield and quality as well as achieve safety of operation.

Since all modern production equipment requires power for its operation, control systems generally perform their functions by regulating the power or sources of power going into and/or coming out of the various pieces of equipment it controls. A system can be a relatively simple one consisting solely of a thermostat (which performs the sensing, comparison and the action functions) which acts to open or close the switch on the motor pumping fuel into the burner of a furnace. Or it can be a very complicated array of thermocouples, pressure gages, pH meters, gas analyzers, etc. which sense values which are fed (as electrical signals) into computer elements which evaluate the conditions indicated and actuate whichever of the numerous switches, valves, motors, etc. are required to adjust the operation of the equipment.

The simple control system is of standard design, uses standard parts, can be installed by a semi-skilled workman such as a plumber or an electrician without any special supervision. The more complicated systems must be designed specifically for the particular process involved by engineers who have had very specialized training and installed by highly trained workmen under careful supervision. More often than not unique or at least modified instruments and components are required.

Make-Up of the Control Systems Industry

Because of the varying degrees of complexity of control systems and the different technical requirements involved in the control of various kinds of operations, several distinct types of company activity have been built up within the control systems industry. The functions performed fall into three categories: system design, instrument and component

manufacture, and system construction and installation. A substantial number of firms operate solely or primarily in only one of these three areas of activity, but many encompass at least two of them in an important way.

The companies which are primarily instrument and component manufacturers tend to be either large companies which have at least some products which lie outside the control field or rather small companies which have entered the field on the basis of a limited product line which has been the result of some technical advance. A large proportion of the invested capital of these firms is in the form of fixed assets. Those firms which are basically designers are generally either large organizations which provide engineering assistance on all aspects of the design of a production facility or rather small ones which specialize in control system work. The fixed assets of either type are normally relatively small.

The widest variety in size is found among the companies which concentrate their activity in the construction and installation area. Some specialize in control systems works, but many have a broader scope of activity. These companies typically have a somewhat greater portion of their capital in the form of fixed assets than do the design companies, but often considerably less than do most manufacturing firms.

Growth of the Control Systems Industry

During and since World War II there have been many significant technical breakthroughs in electronics and physics which have radically changed the control systems industry and, in fact, established it as an important factor in our economy. Almost all the control instruments and devices sold today were not in existence before the war and over half of them have been developed within about the last five years.

Partly as a result of these technical developments which made it practical and partly because of the increased pressure on profits from various forces within the economy, greater emphasis has been placed on achieving better control of industrial processes. The success of the Federal Government programs in atomic energy, missiles, space exploration and a host of other fields have also been greatly dependent upon and supplied much of the impetus toward the development of better control systems. These factors have been largely responsible for the very rapid growth which the industry has experienced. This growth is expected to continue at almost the same rate over at least the next five years because of the continued expansion of these activities.

A great many new companies have entered the industry in recent years because of the growth possibilities which it seemed to present and this trend shows little sign of diminishing. As is usually the case when such a situation occurs, over-capacity results and many of the new firms fail. This is especially true in this type of endeavor, in which technical skill is acknowledged as a prime necessity, but where the importance of sound business management is often overlooked.

Very often the founders of these companies are engineers and scientists who have developed a strong technical capability but very little managerial capacity. Sometimes one of the group has an innate business sense, but usually if a business-oriented participant is not brought into the firm very quickly, the company does not prosper long.

Technical obsolescence also presents a problem to many of these new companies; especially instrument and component manufac-

turers. The technology in this field is changing so rapidly that many companies which were formed to take advantage of a new technical success find their product out-dated within a very short time and no new one ready to take its place.

Need for Adequate Financing

Lack of adequate financing often also contributes to a small firm's difficulties, but in the last few years, this has not been a major factor since public financing has been relatively easy to obtain due to the "glamour" attached to companies in this field by the investing public. However, this situation is changing. It has already become more difficult to raise funds from the public and will probably become increasingly so.

In the near future, those companies which have specialized in only one of the three functions of the industry and have few or no sources of income outside of the control systems field will find themselves under increasing pressure. The larger instrument and component manufacturers, many of which have, at times, had some gaps in their product line as a result of technical advances by new entrants into the field, have generally caught up with these smaller technical specialists and will probably be able to maintain or better their positions as a result of the increased research activities which they have undertaken.

Larger Firms' Competitiveness

From the marketing point of view, they will continue to be able to obtain business more easily than their smaller competitors because of their reputation, service, and completeness of product line. However, in cases where specialized component design is required, some of the better small firms will still have an advantage; especially if they are equipped to handle the design of complete systems. There has been a trend for the plant design and/or construction companies to set up their own control systems groups so that they do not have to subcontract the control work to other specialized firms. This trend is expected to increase in the future, particularly with regard to design. This will undoubtedly make things tougher for the specialized design companies.

In order for the smaller and more specialized firms in all three areas of activity to enhance their chance for continued growth, they must broaden their scope by developing added capabilities in the systems field either internally, by merging with firms performing similar or complementary functions, or by entering another field requiring similar talent and facilities. Technical competence will continue to be important, but marketing and general management ability will be the vital factor in success or failure in most cases, and persons capable in these areas should be obtained immediately.

Marketing Methods

The marketing methods used within the industry vary with the size and orientation of the companies. Some of the larger instrument and component manufacturers have their own salesforce and depend entirely upon it to produce sales. The smaller companies usually rely solely upon manufacturers' representatives. Many firms have a small sales and sales engineering staff which is used to contact major customers and to assist the manufacturers' representatives who contact the bulk of the potential customers. In addition to these channels of distribution, many of the instrument and component firms sell standard items through their own warehouses and/or distributors placed at key locations around the country.

The firms which are strictly systems designers frequently subcontract work from general design and/or construction organizations. Very often the job is obtained by bid. If not, personal contact between the key personnel of each firm is the key selling method. These relationships once established, are usually long-standing. In some cases, representatives or company salesmen are employed. The general design companies which have their own systems groups usually have their own salesmen. A significant portion of their work is generally obtained through competitive bidding.

Construction and installation firms obtain a great portion of their work through competitive bidding. Other contracts are developed either through representatives or by salesmen employed by the firm. Both means are often used in conjunction with each other.

Advertising and promotion in various trade publications play an important part in the marketing program of all the firms in the industry. The image of a company's technical competence can not be built up as quickly in any other way. Direct mail advertising is also used by many. A number of design and construction companies use this means of reaching prospects extensively. Trade shows are another important factor in building a marketing image for a company, but often this is over-done or not properly followed through. When all these programs are properly related to the general marketing strategy of the company, they are very effective.

Markets for Control Systems

Other than the Federal Government, which is the largest customer, there are a few industries which account for a major portion of the industry's sales. The power industry, which was one of the earliest users of control systems, and the so-called "process" industries (chemical, petroleum and metallurgical), are estimated to purchase at least 50% of the industry's non-Government output. The plastics fabrication, food processing and machine tool industries are also important customers.

It is not possible to obtain any hard and fast figures which would indicate the industry's importance in the economy since none of the standard industrial classifications encompass the industry or completely isolate any of its elements. However, a rough estimate of the total value contributed by it to the Gross National Product and an indication of its future growth potential is possible.

The staff of McGraw-Hill's *Electronics* magazine estimated the sales of electronic industrial control apparatus at \$171 million, of nuclear instruments and controls at \$85 million, of electronic testing and measuring instruments at \$449 million and of all types of computers at \$964 million. Sales in these categories for 1962 were projected at \$189 million, \$113 million, \$513 million and \$964 million and for 1965 at \$275 million, \$149 million, \$638 million and \$1,470 million respectively. Items which fall in all these categories go into control systems.

Assuming that 90% of the sales that the *Electronics* staff classified as industrial control apparatus, 70% of the testing and measuring instrument sales, 50% of the nuclear instruments and controls sales and 15% of the sales of computers were used in control systems, the value of the electronic hardware going into these systems in 1961 was about \$655 million. It is expected that the percent of computer sales accounted for by control system application will increase markedly in the future. Therefore electronic hardware for control systems should be valued to at



Richard I. Linde

least \$780 million in 1962 and \$1,050 million in 1965.

Of the Federal Government's expenditures in 1961 of an estimated \$7.56 billion for electronic equipment, a major portion was for items which could be classified as control systems equipment. Various sources have estimated the proportion accounted for by these items as between 40 and 70%. Assuming a conservative 50% figure, the control systems industry's sales to the Federal Government were \$3.78 billion last year and should be \$4.8 billion in 1962 and about \$6.7 billion in 1965.

In addition to electronic items, the industry sells many mechanical and pneumatically operated products. An estimated \$1.2 billion worth of this type of control hardware was sold in 1961. This should increase to \$1.3 billion in 1962 and about \$1.9 billion in 1965. About 75% of these sales were to the Federal Government.

Over and above the sales indicated above, some system design, construction and installation charges must be added to complete the economic picture of the industry. The Government sales figures include these charges, but the industrial figures do not. A reasonable evaluation of these charges would seem to be 25% of the hardware sales or about \$248 million.

While one must recognize that in compiling these figures a number of assumptions have been made, it is fairly safe to say that the control systems industry represents gross revenues in the range of \$5.8 billion. It is expected that this figure will almost double by 1965.

J. L. Reece Joins John Nuveen Co.

CHICAGO, Ill.—John L. Reece, a veteran in the Public Bond (Municipal Bond) industry, has become associated with John Nuveen & Co., 135 South La Salle Street, national investment banking organization, as a member of the company's sales department in Chicago, according to Chester W. Laing, President.

Mr. Reece has been a member of Storz-Wachob-Bender Company, Omaha, since 1946. Prior to that time he served for five years in the U. S. Army during World War II and was a Captain at the time of his release to inactive duty.

Now Proprietor

VALLEY STREAM, N. Y.—Erwin Anholt is now sole proprietor of A & T Funding Co., 4 West Mineola Avenue.

Janov Incorporates

PHILADELPHIA, Pa.—Janov & Co., 1510 Chestnut Street, is now doing business as a corporation. Officers are Samuel Janov, President; Elma Janov, Treasurer; and Arthur F. Euler, Secretary.

Rankin Opens Branch

AMERICUS, Ga.—Rankin & Company has opened a branch office in the Flowers Building, under the management of Ernest H. Peavy.

E. P. Dorosh Opens

EAST MEADOW, N. Y.—Edward P. Dorosh is conducting a securities business from offices at 884 Maple Lane under the firm name of E. P. Dorosh Co.

Joins K. J. Brown

(Special to THE FINANCIAL CHRONICLE)

RICHMOND, Ind.—Walter C. Davis, Jr. has become associated with K. J. Brown & Co., Inc., of Muncie. He was formerly Richmond Manager for Indianapolis Bond & Share Corporation.

Britain's E.C.M. Membership Does Not Mean Devaluation

By Paul Einzig

Dr. Einzig disagrees with those who believe that Britain's entry into the European Common Market will be accompanied by devaluation. The international exchange authority refers to the growing realization that parity changes even for noble reasons, such as last year's West German revaluation, cause more difficulties than cures. Today's impressive international volume and mobility of liquid funds are said to have made devaluations unfashionable. Dr. Einzig reminds the reader that if his country were to devalue it would cancel out the very reason for seeking E. C. M. membership. Therefore, he concludes, Britain would not pursue such a step unless there is such a chronic deterioration in the balance of payments as to make devaluation inevitable. With labor wage restraint, he sees no reason to adopt devaluation.

LONDON, Eng.—The negotiations between the British Government and the European economic community are approaching their decisive phase. It is no wonder that there is an increasing interest in the question of how the conclusion of an agreement would effect sterling. Needless to say, the long-term effects of Britain's adhesion to the Common Market on the British balance of payments must be entirely in the realm of conjecture. What realistic people are more interested in at the present moment is whether there would be an immediate readjustment of exchange parities in connection with Britain's admission into the Common Market. It is widely suggested that, in view of Britain's perennial adverse balance of payments and of the strongly favorable balance of payments of the Common Market countries, some degree of devaluation of sterling might be deemed advisable immediately, seeing that the lowering of British tariff barriers to the goods imported from the Common Market might cause a worsening of Britain's balance of payments.

Sees No Need for Devaluation

There is no reason whatsoever to suppose that the British Government is thinking on such lines. For one thing, the balance of payments position need not remain so unilaterally adverse to Britain as it may appear to be on the basis of the figures of the last three years. If the wage restraint policy in Britain should be even partly successful, the overvaluation of sterling in relation to Common Market currencies would decline and might even disappear, especially since the rising trend of wages in several of those countries is becoming accentuated.

In any case, the British Government is definitely not thinking in terms of devaluation in connection with joining the Common Market. The main argument which has influenced the government in favor of joining has been the desire to stimulate competition. During the '30s it was necessary to fight unemployment by encouraging some inefficient industries to develop under a tariff wall. These industries had little or no inducement to become efficient. Now that employment is at a very high level, it is sheer waste of manpower to allow these industries to deprive the more efficient industries of much-needed manpower.

If the tariff wall is lowered to imports from Common Market countries the inefficient industries would either have to become efficient or they would have to go out of business. The latter solution would entail much painful loss of invested capital, but it would release manpower for the benefit of progressive industries, so that in the long run gains would heavily outweigh losses, from a national point of view.

Whether this line of argument is sound may be a matter of opinion. What is important from the point of view of the future of

sterling is that the British Government is in fact thinking on such lines. It means that, so far from being afraid of increased continental competition, the British Government would welcome such competition with open arms. Now if sterling were to be devalued it would materially reduce the extent of continental competition on the British markets. It would cancel out the inducement to British industries to become more efficient and would prevent the process of eliminating the unfit in order to ensure the survival and prosperity of the fittest. It would be contrary to elementary common sense if the government were to cancel out by means of a devaluation of sterling the main advantage it hoped to derive from joining the Common Market at the cost of considerable risks and sacrifice.

Devaluations Do Not Succeed Any Longer

In any case, changes of parities have become very unfashionable. The experience with last year's revaluation of the D. mark shows that they are liable to result in major crisis even if they are undertaken with the object of reducing international disequilibrium. Although the claim put forward by Allied statesmen during World War I that it was a "war to end wars" has since proved to be unfounded, it seems reasonable to suggest that the revaluation into which the West German Government allowed itself to be persuaded last year was a "revaluation to end revalu-

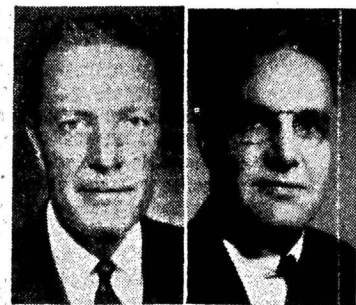
ations" or, for that matter, to end devaluations as well—unless they are forced upon a government through irresistible pressure.

The reason why governments are becoming increasingly reluctant to resort to the safety-valve device provided for under the Bretton Woods Agreement is that, since that Agreement was negotiated nearly 20 years ago, the disturbing effects of anticipated changes of parities have increased to an extent that the negotiators of Bretton Woods could not be expected to foresee. The volume of liquid funds which are now available for being shifted from one center to another in anticipation of changes in parities is now many times larger than before the War. In addition, the spectacular increase of investment abroad since the War has led to an increase of the potential extent of hedging to a multiple of its pre-War extent. The expansion in the volume of international trade has greatly increased the disturbing effect of "leads" and "lags" in international commercial payments. There is now a high degree of liquidity in most countries, which facilitate the transfer of funds seeking refuge from devaluation.

It is true in the meantime international cooperation to offset the effects of the anticipations of changes in parities has made good progress. Its progress has not been sufficient, however, to make up for the increase in the potential disturbing effect of such anticipations. In the circumstances, governments have come to the conclusion that the right policy is to reduce the extent to which changes in parities are anticipated, by abstaining as far as possible from making such changes and by strengthening confidence in their ability and determination to defend their existing parities "with the last drop of their blood." While it would be rash to rule out the possibility that, as a result of joining the Common Market, there would be a great deterioration of the British balance of payments and that its chronic character would eventually force the British Government to correct the situation by means of a devaluation, that step will certainly not be taken in any conceivable circumstances until after practical experience has shown that it was inevitable.

N. Y. Chamber Elects Officers

George Champion, board chairman of the Chase Manhattan Bank, was elected President of the New York Chamber of Commerce. Wal-



George Champion Walter F. Pease

ter F. Pease, partner of the law firm of Shearman & Sterling, was elected Chairman of the Chamber's executive committee. Both will serve until May 1963.

Mr. Champion succeeds Ralph T. Reed, Chairman of the executive committee of the American Express Company. He is the 58th President in the 194th-year history of the Chamber, the nation's oldest organization of businessmen.

Mr. Pease succeeds J. Wilson Newman, board chairman and chief executive officer of Dun & Bradstreet Inc., who was named a Vice-President of the Chamber.

Also elected to four-year terms as Vice-Presidents were James Stillman Rockefeller, board chairman of the First National City Bank of New York, and Thomas J. Watson, Jr., board chairman of International Business Machines Corp.

Chosen as Vice-President to replace the late W. Alton Jones, former executive committee chairman of Cities Service Company, was Henry U. Harris, board chairman of Harris, Upham & Company.

Form Midwestern Inv.

LINCOLN, Neb.—Midwestern Investment Company is conducting a securities business from offices in the Anderson Building. Officers are Billy B. Wright, President; Lester E. Jones, Vice President; and Emra L. Butler, Secretary and Treasurer.

This announcement is not an offer to sell nor a solicitation of an offer to buy any of these securities. The offer is made only by the Prospectus.

NEW ISSUE May 9, 1962

FAFCO FINANCING

100,000 Shares

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Common Stock
(Par Value \$1.10 per share)

Offering Price: \$5.00 Per Share

Copies of the Prospectus may be obtained from the undersigned and from such dealers as may legally offer these securities in this state.

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Taking a Skeptical View of Joint Ventures by Giants

By Hon. Paul Rand Dixon,* Chairman Federal Trade Commission, Washington, D. C.

Spelled out is F. T. C.'s interest in domestic, foreign and overlapping-industry joint ventures which lessen, discourage or, more importantly, create literal monopolies. Doubt is expressed as to whether business can competitively vie against each other in one market when they are allies in another or united in one stage of the production process. Posing the question whether prices are being determined any longer in open markets populated by rival competitors or not, Mr. Dixon serves notice to joint ventures inside or outside the country that the Administration is gunning for "old trust techniques" no matter their disguise. Paradox is drawn between our espousal and protection of competition within our borders and our export of monopoly. Further, skepticism is voiced regarding access to financing and other reasons advanced to justify joint ventures among vast corporate entities.

The jurisdiction of the Federal Trade Commission is very broad, both substantively and geographically. Authorized by its organic act to proceed against unfair methods of competition and unfair or deceptive acts or practices, the Commission is charged with the almost boundless task of promoting an economic system which is not only competitive but which is also fair. Moreover, the mandate of the Commission, by the terms of both the FTC Act and the Webb-Pomerene Export Trade Act, authorizes it to perform its function in export trade.

In some major respects the Commission shares its obligation with other agencies, including, of course, the Antitrust Division of the Department of Justice. Despite this, the Commission's area of responsibility is very large, indeed. To function effectively the Commission must do more than merely challenge old practices. It must also observe and evaluate new ones which may be developing so that, if necessary, prompt action may be taken against them. These new practices may include some old ones which sometimes reappear in their original guise but often in a somewhat different one, as is now the case with respect to joint ventures, which is the subject of my remarks.

In connection with its observation and evaluation of business practices, the Commission is aided by two important provisions of the FTC Act. One of these is section 6(a) which authorizes the Commission to investigate the organization, business, conduct, practices and management of corporations and their relationship to other corporations and to individuals, associations and partnerships. The other is Section 6(h) which authorizes the Commission to investigate trade conditions in and with foreign countries where associations, combinations, or practices of manufacturers, merchants, or traders, or other conditions, may affect the foreign trade of the United States.

As I have indicated, the joint venture is both an old and a new device in the business world. In simplest terms, a joint venture is formed whenever two or more people pool their financial resources and skills and engage in some business activity. It is in this sense that the joint venture undoubtedly has its source in antiquity.

Today's Totally Different "Joint Ventures"

But the kind of joint venture which is presently of interest to the Commission is younger and more sophisticated. It is the offspring of two or more giant cor-



Hon. Paul R. Dixon

porations, each with vast financial resources, which — for one reason or another—want to conduct jointly through it an enterprise in a field in which they have a common interest. Such a joint venture goes by many names: Jointly-owned subsidiary, 50-50 corporation, business cooperative, and corporate partnership.

In America joint ventures of this more sophisticated class date back at least to the 1880's when the railroads used them in ways which were to their advantage, although probably not always to the benefit of the public. Perhaps the real impetus for the relatively recent and very substantial increase in joint ventures in this country was the combinations successfully used by the big oil companies for exploiting the oil resources of the Middle East. Whatever their origin, joint ventures are very much with us, and this raises interesting and perplexing questions for the Commission and other government agencies concerned with the maintenance of competition.

Prevalence and Political Status

First, let me raise some of the questions that trouble us. How prevalent are joint ventures which unite vast corporate estates at some point or other? Are the unions primarily of enterprises doing business within the confines of the United States? Or do they, to a considerable extent, join the leading firms in an industry irrespective of national boundaries? Or are they a mixture of both, varying with the nature and conduct of the industry, as well as with the extent of the penetration of American companies abroad and of foreign firms in our domestic market? I don't think anyone in government can give conclusive answers to these questions, and I doubt that any businessman can, except, perhaps, with respect to his own industry.

Let's look now at a related question. What are the real functions or purposes of these modern joint ventures? It is said that, roughly, these fall into four categories:

- (1) To provide the large amounts of capital needed for the exploitation of raw material resources, particularly natural resources.
- (2) To supply security in a new industrial development, of borderline concern to the major business of the corporate partners, where considerable financial risk is involved.
- (3) To establish one large, joint facility which is more economical in operation than would be smaller, separate installations by the partners.
- (4) To undertake research, or other experimental work, on a scale too vast to be conducted by single companies.

Recently there seems to have been a tendency not to assign the financing function as a reason for establishing joint ventures. So many banks, investment houses, and private corporations have

funds available for investment that it is difficult to say that there is a lack of ready capital. The emphasis appears to have shifted to certain intangible values arising out of the corporate partnership which do not flow from mere accessibility of funds.

Examples of and Rationale for Their Existence

In many instances it is difficult to relate joint ventures to the frequently-asserted reasons for their existence. The glass industry is an intriguing case in point. Joint ventures here have reached a stage of development perhaps unequalled in any other American industry of similar size. Two of the leading firms, Pittsburgh Plate Glass and Corning Glass, jointly own Pittsburgh Corning Corp. Organized in 1937, this corporate partnership manufactures hollow glass building blocks and also cellular glass products (Foamglas) used in refrigeration chambers and as a flotation material. It also owns a subsidiary, Pittsburgh Corning Export Corp., through which is funneled the export trade of the two parent corporations in this field. Pittsburgh and Corning have also joined forces in glass producing plants in Argentina and Brazil.

Another large glass company, Owens-Illinois, is a partner with Corning Glass in Owens-Corning Fiberglas Corp. which is engaged in the development and manufacture of fibrous glass products. Owens has a 33 1/3% interest; Corning 31%. Clearly, this joint ownership of 64% controls the joint venture, which in turn, holds a controlling interest in fibreglass companies in Canada, Mexico, Japan, Australia, and South Africa. As you can see, it gets a bit complicated, but there is even more.

Corning Glass and Dow Chemical each has a half interest in Dow Corning Corp. This company has a plant in Michigan for the manufacture of electrical insulating resins, greases, fluids, and elastomers resembling natural or artificial rubber, generally known as silicones. Dow Corning, in turn, wholly owns Processed Surfaces, Inc., Dow Corning Silicones, Ltd. of Canada, and Dow Corning A. G. which was organized in Switzerland and which in turn owns Dow Corning International S. A., a corporation in Panama.

Now let me return to Pittsburgh Plate Glass. Some time ago it joined fifty-fifty with the Koppers Company in the ownership of Koppers Pittsburgh Co. which produces materials for resins in paint manufacture. In addition, Pittsburgh Plate Glass has a 51% interest in Southern Minerals Corp., and Southern Petroleum Corp., with American Cyanamid holding the remaining 49%. Southern Minerals operates oil and gas producing wells, and has a 100% interest in Southern Pipe Line Corp.

Petrochemical Ownership Maze

I could go further with these companies on this subject, but I want to get into the petrochemical field, where there is also a fine maze of joint ownerships. One of our young economists started with Sinclair-Koppers Chemical Co., jointly owned by Koppers and Sinclair Oil, for the construction of a styrene monomer plant in Houston, Texas. He then moved into the involvements between Cities Service and Sinclair through their wholly owned subsidiaries, Sinclair Delaware Corp. and Empire Gas and Fuel Co. These two latter companies each have a 30% interest in Richfield Oil. A little more work revealed that Richfield and Stauffer Chemical Co. each have a fifty-fifty interest in American Chemical Corp., a vinyl and ethylene products producer.

Another array of joint ventures in this field exists between Cities Service Co. (either directly or through its subsidiary, Empire Gas & Fuel) and Continental Oil Co. Petroleum Chemicals, Inc.,

owned 55% by Cities Service and 45% by Continental Oil, operates a petrochemical complex at Lake Charles, La., comprising a butadiene plant, an ethylene plant, and an ammonia plant. The same ownership situation exists with respect to Mid-South Chemical Co., important in the area of ammonia for direct application fertilizer. Cities Service, directly, and Continental Oil each have an approximate 30% interest in Calcasieu Chemical Corp. which owns an ethylene glycol plant in Lake Charles which is operated by Petroleum Chemicals, Inc.

In the early 50's the Federal Trade Commission published a report on joint ventures of the steel companies in iron ore deposits, not only in the U. S. but in Canada and Venezuela. It revealed that there is a labyrinth of corporations jointly owned by the major steel producers and that the iron ore produced annually is prorated among the several owners on the basis of their interest in the joint enterprise. More recently, in 1957, a professor at Michigan State University looked at all joint ventures involving members of the iron and steel industry. As to joint ventures in which all corporate partners were members of that industry, he found 40-odd engaged in iron ore mining and another 10 concerned with coal mining, coke production, shipping and the like. In addition, there were about 20 enterprises which joined steel producers with companies outside of the steel industry in such activities as metal fabrication, titanium production, and chemical manufacturing.¹

Free Price Mechanism Myth

After even leafing through these studies it is difficult to believe that economists can have iron ore interlocking ownerships in mind when they talk about prices being determined in open markets in which rivalry among competitors determines behavior.

At least one economist, Professor Kahn of Cornell University, has made it clear that he does not. Referring to the intricate array of joint ventures in steel, he stated: "I will certainly henceforth [hesitate] about describing the steel industry as an oligopoly dominated by six to ten large, integrated, but essentially distinct companies; or to concern my students as much henceforth with the familiar questions about whether the industry's pricing behavior is or could have been the reflection of collusion or of noncollusive oligopoly—questions that seem almost laughably irrelevant in the light of the pervasive web of interlocking controls and relationships. . . ."²

Among classic examples of international joint ventures were those created by Du Pont and Imperial Chemical Industries (I.C.I.) of England. Du Pont and I.C.I.'s spirit of cooperation extended back to 1897 when Du Pont and Nobel-Dynamite Trust, I.C.I.'s predecessor, signed their first international agreement, an agreement which was reaffirmed in 1907 by another agreement. These and subsequent agreements divided up world markets between two vast complexes, concerned first with explosives and, later, with chemicals.

To perfect their union, Du Pont and I.C.I. established joint ventures in areas which initially had been designated "free" territories. Their first and most important joint venture was established in Canada in 1910. This was Canadian Industries, Ltd. (C.I.L.). C.I.L. subsequently acquired 14 other chemical companies, thereby creating Canada's largest and most diversified chemical company. In 1923, Atlas Powder Company, one of Du Pont's court-created rivals,

became a junior partner in this joint venture. By 1950 C.I.L. had grown to be a \$100 million concern.

In 1921 Du Pont and I.C.I. (Nobel) created Cia Sud Americana de Explosivos in Chile. Since Atlas Explosives Company also supplied this important market, it was permitted a junior partnership status in the Chile operation.

In 1934 Du Pont and I.C.I. created Duperial Argentina; this was accomplished by the merging of Du Pont's and I.C.I.'s Argentina facilities. The two companies further entrenched themselves in this market by permitting a local firm to become a junior partner. A Du Pont official predicted the resulting invulnerability of this partnership. He said:

"A merger or amalgamation having at its disposal the combined technical research and business resources of such important firms as Du Pont and I.C.I., supported by the unequalled experience of local conditions and practice as that possessed by Bunge & Born . . . could not fail to take a very prominent part in the industrial development of the Argentine and the unified effort would be so effective as to make its competitive power almost invulnerable."

Du Pont and I.C.I. subsequently insulated themselves from foreign competition by granting Europe's leading textile manufacturer, Comptoir Des Textiles Artificiels, a 15% interest in their joint venture. By 1948 the Du Pont-I.C.I. controlled operations in Argentina had assets of about \$67 million.

In 1934 Du Pont and I.C.I. created Duperial Brazil. As was done in Argentina, they admitted junior partners to their Brazilian joint venture when doing so insured the elimination of vexatious competitors.

Du Pont and I.C.I. also undertook a joint venture in England in 1926 and another in Australia in 1935. However, Du Pont subsequently sold its interest in these companies in accordance with an agreement giving I.C.I. exclusive rights to these markets.

The Du Pont-I.C.I. joint ventures were integral parts of a world-wide cartel, and were woven into a fabric of arrangements which, in their entirety, were found to violate the Sherman Act in a proceeding filed in 1944 by the Antitrust Division of the Department of Justice.³ Included in the relief sought and granted was the requirement of divestment of Du Pont and I.C.I.'s interests with respect to their joint ventures in Canada, Argentina, and Brazil.

Have American firms learned something from this experience? I hope so. Certainly a country which espouses and protects competition within its borders can ill afford to export monopoly.

Amalgamation and Not Expected Competition

In January, 1961, the Department of Justice brought an action involving Penn-Olin Chemical Co., a joint venture formed in 1960. Violations of Section 1 of the Sherman Act and of Section 7 of the Clayton Act are alleged. The economic context, as revealed in the allegations of the complaint, are of significance. Prior to the formation of the Penn-Olin Chemical Co., the sodium chlorate industry was highly concentrated, with three companies engaged in manufacture. Prices were high and inflexible. A number of companies were considering independent entrance into the business. Among them were Olin Mathieson, a company which had engaged in some developmental work in this area and had close ties with pulp mill consumers. Another candidate was Pennsalt, the dominant producer of sodium chlorate in the West and an ambitious newcomer in this field in the East.

For a time it appeared that both

¹ "Joint Subsidiaries in the Iron and Steel Industry" by Daniel R. Fusfeld, Michigan State University, *American Economic Review*, May, 1958, Vol. XLVIII, No. 2, p. 578.

² Alfred E. Kahn, Comment on Daniel R. Fusfeld, "Joint Subsidiaries in the Iron and Steel Industry," *American Economic Review*, May, 1958, p. 601.

³ U. S. v. *Imperial Chemical Industries*, 100 F. Supp. 504 (1951).

Olin Mathieson and Pennsalt might enter the sodium chlorate field and supply some much-needed competition. Instead, in February, 1960, the Penn-Olin Chemical Co. was formed, owned fifty-fifty by Pennsalt and Olin. The initial project of the joint venture was the construction of a sodium chlorate plant on Pennsalt's property at Calvert City, Ky. In effect, the alleged result of the formation of the joint company is that Pennsalt engages in production and Olin markets the product.

But the ultimate impact is more far-reaching. Olin had been working on new technologies for the production of sodium chlorate more cheaply than by standard methods; these projects have been abandoned. Pennsalt had been interested in developing new uses and new customers for its product; this now falls within Olin's domain as seller. In fact, Pennsalt's plans to increase its competitive activity in other lines—chlorine, caustic soda and ammonia—as part of developing a sodium chlorate sales program were simply abandoned when the joint venture was formed.

And not least important is the marketing policy to be followed for sodium chlorate by the newly formed company. All decisions relative to prices, sales territories, methods of packaging, consumer discounts, customer services, and the like, are matters for consultation between the joint owners. Certainly we may expect that in other areas of joint interest, such as expansion into related products and the development of new technologies, the partners will also proceed jointly.

The Basic Question

All of which gets me to the basic question presented by joint ventures, and I point out that it is exactly the same question that is posed by mergers currently under study by the Federal Trade Commission. The question is: What is the probable effect upon competition in the industry?

Obviously, neither the Department of Justice nor the Federal Trade Commission is concerned about mergers or joint ventures between or among companies whose share of the market is too small to make any real impact upon the competitive conditions within the industry. Indeed, combination in one form or another by small firms may be essential to their survival, particularly in those industries characterized by massive aggregates of corporate power. The growth of the giant food chains, for example, revolutionized the behavior of the small independent grocery stores. They were quickly faced with the alternative of constructing cooperative buying arrangements or extermination. Certainly many independent food stores long ago would have withered before the competitive threat of large chains had they not formed retailer-owned cooperative wholesalers; stores with combined retail sales of over \$7 billion are now affiliated with such jointly-owned wholesalers. But what may be socially desirable when sponsored by small companies usually has markedly different economic consequences when engaged in by industrial giants.

Big vs Small Firms' Merger

The Federal Trade Commission is currently conducting a survey of the frozen foods and canning industries. Here again are industries in which a multitude of small, specialized companies—highly vulnerable in an intensively competitive market—are battling with giant companies possessing the security that arises from diversified operations and product demand created by national advertising. Clearly, mergers or joint ventures by these small companies can have little adverse effect nationally upon competition, though conceivably their regional effect might require a hard look.

However, if two firms each with a sizable share of the market for a commodity, pool this business into a joint venture, the effect—for all practical purposes—is similar to that of a merger. It is really the old "trust" technique in modern dress. The damage to competition is clearcut, and, if possible, the move should be quickly halted. The particular device used to achieve the result is irrelevant. It is the effect upon competition that counts.

But what is the nature of the problem where unity in ownership occurs in raw materials or intermediates which are vital in the conduct of business by both parties? The argument, of course, is that such a partnership is limited to a specific purpose, that it goes far enough to accomplish that purpose but no farther. At this point, the joint venturers allegedly go their separate ways, independently, to their individual final destinations, just as travelers do at terminals after arrival by common carrier. It is asserted that companies can be members of an industrial family at some point in the productive process, but that when they reach the market place they can vie for business like strangers. Obviously, whether such is the case cannot be answered in the abstract. It should be pointed out, however, that many students of the problem have raised serious questions as to the likelihood of maintaining the vitality of competition where intimate family relationships, in the form of joint ventures, exist behind the front lines. There is justifiable doubt that business strategists can treat one another as belligerents in one market when they are allies in another.

What's Carried Back Home?

Substantially the same observations may be made concerning foreign joint ventures. It appears to be a particularly common practice for American companies to channel their activities into joint enterprises when they move abroad. Such activity may involve foreign manufacturing plants and marketing facilities, or it may be limited to the establishment of an export subsidiary. The claim is made that restraint of trade, if any, is confined exclusively to foreign countries and thus is beyond the jurisdiction of our antitrust laws. Again the implicit assumption is that the togetherness of joint ventures has rigidly defined boundaries; that corporations may stand as one in foreign countries or markets, but that within the territorial confines of the United States, they are vigorous rivals in the competitive struggle. This is an interesting matter for speculation, but what is needed to determine the answer are detailed facts of events and behavior.

Overlapping Activities of Joint Ventures

Also of particular interest are the joint ventures created to engage in overlapping activities of major corporations which operate in different but allied industrial domains. Somewhat akin to these are enterprises jointly established to exploit new technologies in industrial fields in which the partners have peripheral interests. It is frequently argued that, in these areas, there can be no complaint because, fundamentally, the parent companies are not in competition. How then, it is asked, can competition be restrained?

I wish the answer were as easy as it is made to appear. Unfortunately it is not. There are many considerations: Large corporations, for example, do not have a monopoly on economic opportunities that lie around the corner waiting to be exploited. They can, however, secure that monopoly if they move in as one. Smaller corporations are naturally most reluctant to pit their skills and financial resources against a two-headed or three-headed giant decked out in the garb of a joint venture. In this kind of a one-

sided struggle, there are few, if any, who have the temerity to take on the role of Jack the Giant-Killer. The effect of joint ventures in such cases as this, then, could well be to damp down, or even extinguish, the fires of competition.

Often the chief restraint on the market power of entrenched oligopolists is the existence of potential entrants. But this restraint of potential competition is diluted, or even lost forever, when the leading potential competitors become partners in joint ventures in one another's fields. Can we ignore completely such elimination of potential competition?

The F.T.C.'s Interest

I hope these remarks give some understanding of the interest of the Federal Trade Commission in the joint-venture problem. We want to find out how many joint ventures there are and in what industries they exist. We want to know what companies are involved in them and what functions they serve. It may be that this economic phenomenon is so ramified that our concepts of the structure of American industry require substantial change. Or it may be less prevalent than is commonly supposed.

I don't want to give the impression that a mere exercise in numbers will provide the answers. After all, the concern of the antitrust agencies is the maintenance and continued vitality of competition in the extraordinarily complex business structure that exists today. The number of joint ventures give a clue to the regard in which they are held by business; but statistics cannot tell us the manner and extent to which they are contributing to fundamental changes in the industrial fabric. This can be accomplished only by the painstaking analysis. We must make realistic economic understanding the foundation of our public policy toward joint ventures.

In a speech before the Economic Club of Chicago, as reported by the *Wall Street Journal* on March 14, 1957, the Chairman of U. S. Steel, Mr. Roger M. Blough, stated:

"Our biggest corporations are rapidly getting too small to do all the things that are expected of them. The development of raw materials, for instance, has become so expensive, and involves such risks, that a number of large steel companies have had to band together to develop far-away iron ore deposits, and to establish plants and processes for the manufacture of usable blast furnace materials out of low grade ores."

Mr. Blough also called attention to other fields, such as atomic power and oil, where he thought that even giant corporations aren't big enough. Then he asked, but did not answer, this question: "Does this joint development idea, perhaps, presage, the birth of even larger joint ventures in business enterprise than our present-day organizations?"

In an editorial comment on this speech, the *Wall Street Journal* repeated Mr. Blough's question, but instead of answering it, asked some questions itself, among which was this one: "Would it be possible to prevent such organizations from becoming literal monopolies?"

If both of the questions just quoted are rhetorical, and I believe they are, then they clearly suggest the ultimate problem which is inherent in joint ventures. Had I used my own words for this task, some might have thought that I was seeing ghosts. In any event, if the Commission is to function as it should, it must deal with the problem of joint ventures long before it matures and I am convinced it will do so.

*An address by Mr. Dixon before the Economic Club of Detroit, Detroit, Mich.

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

While the controversy over social-security-based medical care to the aged continues, a plan that has been in effect since 1960 is operating in 24 states. Five more states will implement the program during 1962. It is based on the Kerr-Mills Act which was passed in lieu of the Administration bill and provides for State operation with Federal Government assistance of 50 to 80% of the costs.

The Administration contends it is inadequate and reduces the recipient of aid to a pauper.

Of the 24 states using it, it is functioning as originally planned in 15 states, while in six states too short a time has elapsed to evaluate the results. Three other states—California, Michigan and West Virginia—reported participation in the Kerr-Mills provisions may have been "partially responsible" for state fiscal troubles. Other concurrent factors contributed to the problems.

Eligibility requirements vary greatly from state to state, with value of the home exempted in half the states with operating programs.

Allowable monthly incomes for a couple range from \$125 to \$325, depending upon the state and services required.

State welfare directors are reported to be favorably inclined toward the operation of programs where Kerr-Mills provisions have been used.

Two states—Ohio and Wyoming—indicated Kerr-Mills participation would be disadvantageous because of the increased expenditures required.

The remaining 24 states outside this Federal program are either operating exclusive state-local programs or have not seen the need for such action. (Two additional states have scheduled participation later this year—Connecticut and Vermont).

However, at least six of the remaining 24 states are utilizing Kerr-Mills funds in their Old Age Assistance program. In nine of the 24 states Kerr-Mills participation is being considered, contemplated or proposed for the next legislative session. Specific legislation to comply with Federal program requirements is deemed necessary in 19 of these states, plus a constitutional amendment in Texas. Enabling legislation was passed in

another state—Iowa—but no qualifying appropriation was made.

The range of medical care provisions among the 24 states participating in the Kerr-Mills program extends from comprehensive coverage comparable with Blue Cross-Blue Shield (upgraded with no limit of length of stay or readmission) to limited hospital and nursing home benefits. Some states started on a modest basis and have gradually added additional features, drawing upon other relief programs.

Significant growth was reflected in a few states a few months after medical services became available. In Pennsylvania 53,500 are expected to receive benefits during the current year. New York reports that 80% of current monthly number of new applicants for medical assistance were not previously in receipt of public assistance?

In over half of the 24 states where the value of the home occupied is not disregarded, the range extends from Hawaii with a limit of \$14,000 to Arkansas specifying \$7,500. In many states home valuations are exempt from need consideration. Differences exist in the amount of personal property allowable and that permitted to be used for business or income producing purposes. A single person may retain a cash reserve of \$300 to \$2,000 depending upon his residence; a married couple from \$600 to \$3,000. Face or surrender value of life insurance policies is exempt in three states, a "reasonable" amount is exempt in another and up to \$1,500 may be retained by a single person and \$2,000 by a married couple in other states.

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"The End of an Era?"

By Robert C. Tyson,* Chairman, Finance Committee, United States Steel Co.

Mr. Tyson strongly remonstrates against wage and tax inflation which he blames for driving our cost structure to crisis proportions where either they must be checked or we must default on the dollar's international integrity. In employing the descriptive phrase "fiat wage inflation era," which is said to have started with the substitution of collective for individual bargaining, he warns that failure to solve our cost problem will abort another and better American era.

A certain matter which is of deep concern to me and, I think, of some importance to all of us, is whether we are nearing the end of a certain era. The era to which I refer began about a quarter of a century ago. It has proved to be an extraordinary and unique era in our history. I refer to what some future historian might well call "fiat wage inflation in America," in the course of which the buying power of the American dollar has faded away to less than half of what it used to be.

A principal reason why the wage inflation era may be coming to an end is that if it doesn't it threatens the termination of another and better American era. That other one started about a half a century ago when, largely as the result of World War I, there was almost thrust upon the United States the financial and industrial leadership of the world. In this sense, I have given myself a sort of "anchor to windward" in foreseeing the end of an era—because there are really two eras involved. One cannot with confident certainty know which of the two is nearing its end; but it seems quite unlikely that both can continue. They are fundamentally incompatible for, as more and more people are becoming aware, wage inflation if unchecked must seriously handicap our capability in international commercial competition and thereby undermine the international stability of the dollar as manifested in gold losses and recurring balance of payments crises. In short, we can give up either our cost inflation or the dollar's international integrity. We cannot keep both. Since in this case decision by default might be the wrong one, the matter is worth thoughtful consideration.

If we in this land are to deal wisely with fiat wage inflation, then we need all the insight we can achieve into its basic nature—how it started, how it works. Today, we have the advantage of historical perspective. From that viewpoint there are certain things that need to be said about fiat wage inflation; however rueful and distasteful the task.

When Individual Bargaining Ended

I think it goes back to the 1930s when the nation was suffering great economic distress. Under the pressures of that long depression decisions were made more hastily than might otherwise have been the case and, I think it fair to assume, without full evaluation of all the consequences that would flow from them. Among them was the historic decision that in the determining of wages and working conditions individual bargaining over terms of employment would be legislatively displaced in favor of collective bargaining with Federally certified "exclusive" bargaining agents. There followed an expansion of this concept so that those agents spanned both company and industry boundaries,

and so tremendous power centers became established, a process enhanced by labor union immunity from laws which others had to obey. This labor power, which Professor Sylvester Petro has characterized as "Power Unlimited," displaced the competitive labor market forces upon which there had been historic reliance for automatic maintenance of wage and price stability, economic equity and growth, and individual independence.

This simple historical account supplies us with our first important observation: We should wipe right out of our minds any notion that fiat wage inflation is primarily an economic phenomenon as such. It is, instead, primarily a power phenomenon. That is why it can be accurately described as "fiat" wage inflation. That is why it has been inexorably persistent year after year, regardless of peace or war, boom or bust, tight money or soft money. It seems obvious that it is neither to be analyzed nor dealt with in terms of the ordinary concepts and measures that economists often pull out of their tool chests. For example, it cannot be stopped by tight money or by suddenly opening our home markets to a flood of foreign-produced goods. There is nothing in the nature or the record of fiat wage inflation to suggest that it would thereby be halted. It seems more likely we could rather create massive unemployment and visit bankruptcy on American enterprises.

Initiated Half Monopolistic and Half Competitive Economy

Through historical retrospection a second significant observation may be made. When, so many years ago, we instituted an enlarged labor union power in collective bargaining I guess we did not realize we were initiating an historic experiment. It was nothing short of seeing if this nation could endure half monopolistic and half competitive—monopolistic with respect to the main ingredient, namely labor, that goes into products; competitive with respect to their disposition. It cannot be said to have worked well if it edges us towards the status of a second-class industrial and financial nation. And it cannot be too soon to find a way to avoid the final push, because it might be later than we think.

As a corollary to this observation there is an admonition that I would, with due diffidence, extend to those in the economic profession preoccupied with attempting to establish oligopolistic explanations of cost-covering price increases. As most everybody now understands, employment costs constitute three-quarters or more of all costs in consolidated industry. Can such economists really ignore labor union power over this biggest of all costs in the search for inflation scapegoats?

Historical review yields another observation that to many may not appear important but to others may appear of very great long-term importance indeed. As a forerunner to fiat wage inflation we breached one of the great bulwarks of our individual freedom. I do not have to expound it at length for it needs only to be mentioned to be recognized. I refer to the freedom requirements

that all men be treated equally under the law. Special privilege was accorded to none. But under the pressures of the great depression people were deliberately classified by occupation, especially in agriculture and unionized labor, and deliberately given unequal treatment under the law in terms of privileges, immunities and subsidies. Perhaps the deeper significance of this is that where we once boasted a classless society, we opened the door to old-world strife of class against class and rivalry in seeking privilege and bounty from government.

False Assumption of Conflict of Interest

In reviewing the beginnings of fiat wage inflation one is compelled to wonder what were the popularly held ideas that afforded intellectual sanction for its inauguration. As one ponders that matter he may come to the startling—in some ways frightening—conclusion that a monstrous misconception was involved, and one to which many may still subscribe. I refer to the very wrong notion that the fundamental interests of employers and employees are conflicting rather than mutual in nature, and that in some way the parties involved should therefore be equally armed to do battle.

The fact is, of course, that employers and employees are indispensable to each other. Neither can survive without the other. Neither can prosper except as the other does. It is not an employer who threatens a man's job—only another would-be employer can do that. Employers are matched against each other—not against their employees. It is, in fact, the competition of employers for employees that gives the employees job security and freedom of choice. Employees are also matched against each other rather than against employers. In short, competition here, as elsewhere, safeguardingly runs horizontally rather than vertically across the nation's production lines.

The power of an enterprise in which people voluntarily associate themselves to produce the good things of life is a benevolent power. Its offsetting power to prevent the production of the good things of life could be a malevolent one. We should each searchingly ask ourselves whether we have inadvertently let loose such a power in our land through gross misconception of the competitive realities.

With this brief review of the origin and nature of fiat wage inflation—or "cost-push inflation," as I have sometimes termed it—I think we can gain a better insight into how it functions and speeds us towards decisions affecting our nation's destiny.

Leapfrog Pressures on Labor Leaders

We might start by noting the situation in which the administrators of labor union power find themselves. They find themselves in a situation where success is measured almost solely by the extent to which they are able to obtain additional benefits for the employees they represent. They are thus compelled to outdo each other, lest they be superseded by more determined aspirants to the positions they hold. Each leader's success becomes the minimum target of the next leader's efforts—and so the wage inflation spiral is perpetuated. It has been termed "the game of leapfrog up the ladder of inflation." In drawing attention to this I do not seek condemnation of labor leaders' efforts. I seek, instead, understanding of what I regard as their predicament, and question whether anyone in their position would act much differently. The problem does not lie with the people who exercise the power; it

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Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The results of the May-June refunding operation showed that the 3¼% certificate was the favorite exchange issue for those who owned the obligations that are maturing this month and next. The 3¼s were taken in the amount of \$6,540,000,000. This was not unexpected since the need for short-term liquid obligations is as great as ever. The 3½% note also was well received by the holders of the May-June maturities since they were taken in exchange for the maturing issues in the amount of \$3,110,000,000. This is considered to be a favorable showing. The turn-ins of the maturing obligations for the 3½% bond was made in the amount of \$1,199,000,000 which was also considered to be not only better than expectations but also was indicative of the trend which is towards lengthening of maturities. The attritions of \$833,000,000 or 7.1% was in the area that had been predicted by most money market followers.

Long-Term Bonds Eschewed by Treasury

The Government market is digesting the refunding issues and there are indications that the investing public has taken kindly to the 3½% due 1971 since it is an obligation with a good maturity date and the return is attractive to those who are interested in fixed income bearing obligations. The longer-term Government bonds also are being bought by institutional investors since the yield which is available in these securities makes them more attractive than the comparable bonds in the non-Federal field. In addition, it appears as though the most distant maturities of Government bonds are not going to be added to in the foreseeable future by either new money or refunding operations. The Treasury could have made a token offer of long-term bonds in the just completed spring refunding, but followed the established pattern of not going out any further than 1971, or just under the 10-year maturity area.

As has been the case since the present Administration has been in office, the only additions to the long-term list have been through senior advance refundings. Whether there will be more of these long-term forward refunding appears to be an open question, but for the foreseeable future it seems as though the Treasury will confine its maturity extending ventures to the shorter forward refundings.

The Treasury, in using only the short and intermediate term maturities to take care of the May and June maturities, gave the financial community pretty much what it had been talking about, although it would not have been a surprise if a long-term bond had been part of the deal. There would most likely have been a modest amount of exchanges into such an obligation even though commercial banks—important holders of the maturing issues—are not usually interested in taking positions in long-term Government bonds. As matters stand now, there is not likely to be any early test of the long-term Government bond market for either new money or refunding purposes.

Future Treasury Financing

The Treasury will be raising new money during July which is the start of the 1962-1963 fiscal year unless there will have to be some new funds obtained just as the current fiscal period is ending.

Indications are that \$5 billion will be borrowed during July and August with another \$5 billion to be picked up during September and October. These amounts are in line with Treasury estimates which still call for a balanced budget. Again, unless there is a change in policy, these funds will be borrowed in the short- or intermediate-term areas of the Government market.

Yields Narrowing

The demand for bonds is still sizable even though there is a somewhat more cautious attitude appearing among some of the institutional buyers of fixed income bearing obligations. Yields on some of the corporate bonds have gone down to levels where it is advisable to not only be attracted to Government bonds, but also to be selective in the non-Federal bonds that are being considered. The yield spread between the various ratings of non-Federal bonds are currently so close together that there appears to be a sacrifice in quality in order to get a more favorable yield. This is a development which sometimes means that the market for bonds is at a level where it will not stay too long before it will be in for a setback.

Erickson Elected Boston Fund Dir.

BOSTON, Mass.—Joseph A. Erickson has been elected a director of Boston Fund, large balanced mutual fund, it has been announced by Henry T. Vance, President.



Joseph A. Erickson

Mr. Erickson is President of New England Council, Inc. He formerly served as President of the Federal Reserve Bank of Boston from 1948 to 1961. He previously was Executive Vice-President of the National Shawmut Bank of Boston. He is a trustee of Boston Five Cents Savings Bank and a director of Sprague Electric Co. and Liberty Mutual Insurance Co.

Fidelity America Financial Corp. Stock Offered

Netherlands Securities Co., Inc., and G. E. C. Securities, Inc., New York City, are offering 100,000 common shares of Fidelity America Financial Corp., at \$5 per share.

The company of 42 South 15th St., Philadelphia, is engaged in commercial financing involving the advancing of funds primarily to business clients for working capital purposes, against the security of accounts receivable, inventory, equipment, real estate and other assets. Net proceeds from the stock sale will be added to general funds to be available for general corporate purposes, principally for making loans to clients.



R. C. Tyson

Investment Fundamentals

By Roger W. Babson

Some facts the investor should know ranging from keeping up with the science news to incorporating certain types of real estate in one's diversified program are spelled out by Mr. Babson. The financial adviser points out "big profits" come from new ideas, new discoveries and forecasting the future, and willingness to "gamble" some funds by buying into companies which may have a big future. Stressed is the value of compound interest, and the need to capitalize on the coming scarcity of fresh water, and in developments in sun's heat, cellulose of wood and cotton, and science.

I have spent the day reading a remarkable book — "THE PICTORIAL HISTORY OF WALL STREET" — 368 pages — size 12" by 9". This history shows clearly that the fundamental facts underlying investing during the past decade apply equally today. (This is an anniversary of the New York Stock Exchange founded just 170 years ago.) Let me describe some facts.

Safety and income come from careful selection and supervision of your investments. Profits come usually from "gambling" although your total investment will rise and decline in "value" along with the Dow-Jones Averages. But big profits come from buying into new ideas, new discoveries, and scientific developments. To make big money, read scientific journals along with financial news.

Newton's Law of Equal and Opposite Reaction can be depended upon when the AREAS involved are properly considered. This was first noticeable when African slaves and gold were the only "commodities" traded on Wall Street 200 years ago. I believe that we will continue to have periods of Decline and Depression during the next few years. Congress can legislate only to temporarily postpone declines; but cannot change the AREAS involved.

A study of Wall Street history during the past 170 years shows that dips in the stock market have always come unexpectedly, without warning. This was true when slaves, gold, or stocks were selling abnormally high — as at present. Such bear markets have always followed great wars, from Napoleonic Days through World War I. No such bear market has yet occurred following World War II. The D-J Industrial Average was around 100 in 1942 and has since climbed fairly steadily upward, standing around 670 today.

Special groups of stocks have acted differently during the past 150 years. The demand for slaves and land declined from 1860-65 while the demand for gold and railroad stocks was very active. Then, being over-popularized — as the electronics and space stocks are today — they had a terrible

slump with most of the companies going into receivership. Most of the stocks in the same group suffer more or less together; but different groups can act very differently.

Bonds vs Stock Yields

Bonds — other than governments — were almost nonexistent until 75 years ago when corporation bonds began to be issued. A study of quotations shows that the bond market is usually going down when the stock market is going up. Careful investors will hold both stocks and bonds in a proportion varying according to conditions. For instance, good corporation bonds can now be bought to yield 4½% while the stocks of the same corporations will yield today 3% or less. Hence, the switching of stocks into bonds has now begun on Wall Street and it will continue until the stock yield equals the bond yield.

Naturally, everyone who knows Wall Street will advise diversification of all kinds. Don't put all your money in stocks or bonds. Real estate can be bought in the Central West and South West at \$75 per acre. One must pay more to get land in an oil or mineral "terrain." There never will be any more land. If you can get enough rent for pasture rights to pay taxes, buy such land. When buying land, be willing to pay for adjoining fresh water. Someday fresh water in quantity will almost be "liquid gold!"

I believe in African gold stocks — also good Mutual Funds and especially insured savings to pay 4½%. I once asked Thomas A. Edison who was the greatest inventor. He replied "The man who invented compound interest." The lower Manhattan Island — with Wall Street later its center — was bought from the Indians for a few trinkets valued at \$24.00. If the Indians had taken the cash and invested it at 6% interest, compounded quarterly, this \$24.00 would today amount to around \$16 billion. So don't forget the great power of compound interest even if the bonds yield you only four and a half per cent.

¹ Such as the M.I.T. Technology Review, Room 1-281, Massachusetts Institute of Technology, Cambridge, Mass., price \$4.00. (Read its "Trend of Affairs" columns.)

Seek professional guidance in formulating an investment program. Tell your adviser that you want to diversify according to the basic fundamentals — but that you are willing to do some "gambling" by buying now into companies which may have a big future.

Profits must come from forecasting the future. Some bankers will call it "gambling." But every forward-looking man has been a "gambler" — from Columbus to those scientists who, like M.I.T.'s Provost Charles H. Townes, are now working on condensed light rays and masers and lasers! Forget the moon; but capitalize on four big things: (1) The heat of the sun; (2) the coming scarcity of fresh water; (3) the cellulose of wood and cotton, to give us cellophane, plastics, and fibers; and (4) science. Stick to these four fundamentals, although you can diversify your holdings over many companies.

We are living in a new age, the age of "television," fuel cells, ion engines, harnessing gravity, and good bacteria. Don't spend too much time on present educational courses based only upon memory. Rather, learn to forecast the future by reading scientific magazines. Just now drug stocks may be selling for all they are worth. But these drug companies are great "gamblers"; if you own their stocks they will do the "gambling" for you!

In closing, let me say the U. S. Navy is supporting a project at Santa Fe Springs, Calif., to make bacterial batteries! The chemists are raising bacteria for new insecticides. The seed dealers are using same to improve quality of seeds. Interest in good bacteria and other microorganisms is now so high that the American Type Culture Collection, the "national repository" for "germs" in Washington, D. C., is planning to build new facilities to house its expanding activities. Read more scientific news!

Named Syndicate Mgr.

BROOKLYN, N. Y. — Miss I. Gersten is now syndicate manager for Robert W. Grafstrom Co., 330 Flatbush Avenue.

TAX-EXEMPT BOND MARKET

Continued from page 6

Smith Inc. group at a 3.366% net interest cost. The second bid of a 3.375% net interest cost was made by a group of Alabama dealers headed by Sterne, Agee & Leach. Other members of the winning syndicate are White, Weld & Co., Clement A. Evens & Co., Inc., Arnold & Derbes, Inc., Fox, Reusch & Co., Pierce, Carrison, Wulbern, Inc. and the Cumberland Securities Corp. The bonds were offered to yield from 2.10% to 3.50% and upon reoffering about 50% of the bonds were sold.

2.78% net interest cost, was made by the First Boston Corp. syndicate. The bonds were offered to yield from 1.50% to 3.00%.

This week's final issue of note involved \$8,900,000 Danbury, Conn. School Building (1964-1982) bonds which went to the Morgan Guaranty Trust Co. group at a 2.853% net interest cost. Other major members included are Connecticut Bank & Trust Co., Philadelphia National Bank, First National Bank of Dallas and others. The balance on May 9 was \$5,600,000.

Week's Major Sale

A group headed jointly by the First Boston Corp. and White, Weld & Co. submitted the better of two bids for this week's largest issue, \$26,600,000 State School Building Authority of Georgia (1963-1983) revenue bonds. The winning bid figured to be a net interest cost of 3.0872% as compared to the runner-up bid of a 3.11% net interest cost which was made by the Blyth & Co., Inc.-Robinson - Humphrey Co., Inc. group. Other major members of the winning account include Wertheim & Co., Ladenburg, Thalmann & Co., A. G. Becker & Co., Dominick & Dominick, Francis I. duPont & Co., Hallgarten & Co., Paribas Corp., L. F. Rothschild & Co. and Shearson, Hammill & Co. The securities are reoffered at prices to yield from 1.60% in 1963 to 3.25% in 1982. The 1983 maturity bore a 2¾% coupon and was sold at a 3.40% yield. Initial demand for this well regarded obligation was good, with the 1963-1968 maturities sold immediately and with the over-all balance in account amounting to about \$15,000,000.

The syndicate headed by the First National City Bank was the high bidder for \$10,000,000 City of Cincinnati, Ohio, various purpose unlimited and limited tax (1963-1987) bonds in very close bidding. The winning bid designated a net interest cost of 2.7745%. The second best bid, a

No Toll Road Financing in Sight

The toll road issues and the other long-term revenue type issues showed some slight improvement during the past week according to our revenue bond average. The *Chronicle's* revenue Bond Index stands at 3.743% against a 3.769% Index a week ago. This indicates an average market bettment of about a half-point. Usually, at this time of year several important negotiated type revenue bond issues are well on their way to market. This year is exceptional as May and June calendars include no notable issues of this type to date.

Forms Columbia Basin Co.

MOSES LAKE, Wash.—David C. Janecke is engaging in a securities business from offices at 411 East Hill Avenue under the firm name of Columbia Basin Securities Sales.

Blalack Wells Branch

SANTA MONICA, Calif.—Blalack & Wells, Incorporated, has opened a branch office in the Lawrence Welk Union Bank Building under the management of Andrew De Graff Berkey II.

Sidney Call Opens

CHICO, Calif.—Sidney J. Call is conducting a securities business from offices at 2230 North Ave.

*Price \$17.50 postpaid from Score and Script, 76 Chestnut St., Boston, Mass.

This is not an offer of these securities for sale. The offer is made only by the Prospectus.

New Issue May 3, 1962

330,000 Shares

King Louie BOWLING CORPORATION

Common Stock
(\$.25 Par Value)

Price \$2.00 Per Share

Copies of the Prospectus may be obtained from the undersigned and such other dealers as may legally offer these securities under applicable securities laws.

GEORGE K. BAUM & COMPANY

THE PUBLIC UTILITY ISSUE OF

THE CHRONICLE

Will Be Published June 14, 1962

- ★ The 1962 edition of our ANNUAL PUBLIC UTILITY ISSUE will present the official opinions and forecasts of the nation's public utility leaders and non-industry authorities on the outlook for this vital segment of the nation's economy.
- ★ Get your perspective on this year's prospects and the future trends of the public utility industry.
- ★ Do not miss the opportunity to advertise your Firm, Corporation or Bank in this important issue. Please reserve your space requirements before closing date of June 12th.

Regular advertising rates will prevail for space in this important issue.

THE COMMERCIAL & FINANCIAL CHRONICLE
25 PARK PLACE, NEW YORK 7, N. Y.
RECTOR 2-9570

Birr Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Birr & Co., Inc., 155 Sansome Street, members of the Pacific Coast

DIVIDEND NOTICES**ACF INDUSTRIES**
INCORPORATED**Common Dividend No. 170**

A dividend of 62½¢ per share on the common stock of this Corporation has been declared payable June 15, 1962, to stockholders of record at close of business May 25, 1962.

C. ALLAN FEE,
Vice President and Secretary

May 4, 1962



BRILLO
MANUFACTURING COMPANY, INC.

Dividend No. 129
A Dividend No. 129 of Twenty-Five Cents (\$.25) on the Common Stock has been declared, payable July 2, 1962 to stockholders of record June 15, 1962.
M. B. LOEB, President
Brooklyn, N. Y.

THE COLORADO FUEL AND IRON CORPORATION**Dividend Notice**

The Board of Directors of The Colorado Fuel and Iron Corporation today (Monday, May 7th) declared the regular quarterly dividend of 62½ cents per share on the series A \$50 par value preferred stock and 58¾ cents per share on the series B \$50 par value preferred stock. These dividends are payable June 30 to holders of record at the close of business on June 8. The Board of Directors took no action with respect to the common stock for this quarter.
C. Kirk, Secretary
The Colorado Fuel and Iron Corporation



THE DAYTON POWER AND LIGHT COMPANY
DAYTON, OHIO
159th Common Dividend

The Board of Directors has declared a regular quarterly dividend of 22¢ per share on the Common Stock of the Company, payable on June 1, 1962, to stockholders of record at the close of business on May 14, 1962.
GEORGE SELLERS, Secretary
May 4, 1962

FEDERAL RESOURCES CORPORATION

Notice of
SEMI-ANNUAL CASH DIVIDEND
Five Cents Per Share
Payable May 28, 1962
Record Date: May 9, 1962

Transfer Agent:
First Security Bank of Utah, N. A.
P. O. Box 720, Salt Lake City, Utah

Federal Resources Corporation
1370 South Third West St.
Salt Lake City, Utah

Stock Exchange, have added to their staff John S. Blyth, Gilbert Brown, James C. Graziani, Russell K. Tanner, and James E. Ryan. All were formerly with Reynolds & Co. except Mr. Blyth who was associated with Eastman Dillon, Union Securities & Co. in Los Angeles.

DIVIDEND NOTICES**DOMINE MINES LIMITED**

April 30, 1962
DIVIDEND NO. 179
At a meeting of the Board of Directors of Dome Mines Limited, held this day, a quarterly dividend of Seventeen and One-Half Cents (17½¢) per share (in Canadian Funds) was declared payable on July 30, 1962, to shareholders of record at the close of business on June 29, 1962.

CLIFFORD W. MICHEL,
Chairman and Treasurer.

PHELPS DODGE CORPORATION

The Board of Directors has declared a second-quarter dividend of Seventy-five Cents (75¢) per share on the capital stock of this Corporation, payable June 8, 1962 to stockholders of record May 23, 1962.

M. W. URQUHART,
Treasurer.

May 2, 1962.

DIVIDEND NOTICE

The 720,000 owners of Standard Oil Company (New Jersey) will share in the earnings of the Company by a dividend.

declared by the Board of Directors on May 3, 1962 and payable June 12, 1962

to shareholder of record May 14, 1962 at the rate of 60¢ per share of capital stock.

1962 is the 80th consecutive year in which cash dividends have been paid.

Standard Oil Company
(New Jersey)

ESSO

XEROX
CORPORATION
ROCHESTER, NEW YORK

DIVIDEND NOTICE

The Directors of Xerox Corporation at a meeting held on May 1, 1962, declared a quarterly dividend of \$0.10 per share on the common stock payable July 2, 1962, to stockholders of record at the close of business on June 8, 1962.

E. K. DAMON
Treasurer

SECURITY SALESMAN'S CORNER BY JOHN DUTTON**Sales Procedures That Are Productive in "Bear Markets"**

There are times when investor confidence has been badly shaken as is the prevailing situation today. This is nothing new. The experienced security salesman expects such periods, and, although there are many who are relatively newcomers to the security business that may find the next few months somewhat trying, there is no need for overdoing the current pessimism. Following are some practical suggestions that can be helpful to the security salesman who looks upon his work as a career and who seriously desires to remain in this highly volatile and fluctuating business through the years.

There is no question about one thing: if you have been enjoying a relatively high income, and have partaken of the feast of "new issues," advancing markets, and general confidence that has lured billions of dollars of savings into the securities markets during the past 12 years, and you have never lived through previously depressed markets, you may be in for a few surprises. Quite possibly, for example, you may be obliged to realign the amount of work and effort you must contribute to keep your present clientele and gradually acquire new ones; because this is what may be in store for you for a period of months or years. Markets do not go up forever—confidence always overdoes itself—prices always go too high—and they ultimately swing too far the other way. This is the business in which you are engaged—it is steeped in human emotion and it is dominated by the "hopes" and "fears" of millions of people.

Now For The Suggestions

(1) **Keep in touch with clients.** This is not the time to stop contacting people because they may have losses. If you do not keep in touch with your clients, their confidence IN YOU will begin to fade. You should continue to contact them, discuss their securities, and offer your services in keeping them advised regarding the fundamental values behind their investments such as, current earnings, new developments, (either favorable or unfavorable). You must also emphasize to them that general market conditions are a fluctuating and changing panorama of "ups and downs" that are part of the business of investing, and that "emotional swings" in the minds of millions of people are always self correcting. With this approach you will not only retain the confidence and good will of your customers but also

find opportunities to continue to help them adjust their investments to changing conditions if such a course is indicated.

(2) **Don't look upon your business as a one week, or a one month EFFORT.** There are times when a security salesman must build for the future, there are also times when he must repair the roof of his house (nourish his clientele), and there are years when business just rolls in without much work. Don't sell yourself out of business just to make a production record when you might be much better off telling your customers to stay near the shore until the weather clears.

During periods of uncertainty, when you honestly believe that your customers would be wise to hold excess buying power, put these funds into some short-term bonds of good quality and of high marketability. Don't advise your more gullible customers and prospects to keep these funds in cash—as a safeguard to them it is sometimes better that this reserve buying power is in the form of a highly marketable good bond than in cash. Then they won't be tempted to listen to someone else who may not have the same high regard for their welfare as do you, or whose judgment may be at a variance with yours as to the timing of future commitments.

We all have competitors in this business—keep control of your accounts. One way to do it, and still retain their buying power, is to sell them some good bonds that will qualify as a reserve fund for future reinvestment in equities.

(3) **Meet new people.** During periods when people are uncertain, fearful, and concerned about their securities, they have problems. It is something like the old story about the fellow who sat in a train and one of his children was constantly annoying the lady in the aisle across from him. After much restraint the woman turned to him and said, "Mr. if you don't control that child I'll call the conductor and make trouble for you." The man replied, "Lady, my wife is in the hospital and I don't know whether or not she will live, I have just lost my job, my home is being taken back by the mortgage company, my daughter is having a baby and we don't know who is the father, now go ahead—just make trouble for me!"

Remember, the other fellow has customers with losses too—you are not the only one. This is the time to get busy, keep busy, and not only try to keep what you have but build for the future. You

may not make as much money for the next few months, or even for a year or more, but one thing is certain: there will be a day again when stock prices are attractive and the public will recognize that fact. Then, and only then, will confidence gradually restore itself. Politics, threats, examinations, investigations, we have had before. We have had a lot of "ups" and "downs", and some of us are still selling securities and making a good living doing it.

Levy Pres. of Standard Shares

Standard Shares, Inc. (the former Standard Power and Light Corp.) investment company, has announced that Robert J. Levy has been elected President and a Director to succeed the late J. Keifer Newman, Jr. It was also announced that Stephen Kellen has been elected a Director.



Robert J. Levy

Mr. Levy is founder and Senior Partner of the New York Stock Exchange firm of Robert J. Levy & Co. He was formerly Chairman and President of Standard Gas and Electric Co.

Mr. Kellen is President of the investment banking firm of Arnhold and S. Bleichroeder Inc., New York City.

Schulman Forms Co.

Gerald L. Schulman is conducting a securities business from offices at 550 Fifth Avenue, New York City, under the firm name of G. L. Schulman Co.

Sinclair Securities in N. Y.

Sinclair Securities, Inc. is conducting a securities business from offices at 120 West 57th Street, New York City.

Form Summit Associates

Summit Associates has been formed with offices at 401 Broadway, New York City, to engage in a securities business. Partners are Nathan Lichtman and Arthur Lichtman.

Form Marc Commodities

Marc Commodities Corp. is engaging in a securities business from offices at 6 Harrison Street, New York City. Officers are Herbert Weinberger, President; Donald Weinberger, Secretary and Treasurer; and Charlotte Weinberger, Vice-President.

Mutual Fund Inv. Opens

SUMTER, S. C.—Mutual Fund Investments Incorporated is conducting a securities business from offices at 27 West Calhoun Street. Officers are Robert B. Moise, President; William M. Jones, Vice-President; and Francis M. Moise, Jr., Secretary-Treasurer.

Form Ling Associates

Ling Associates, Inc. has been formed with offices at 11 West 42nd Street, New York City, to engage in a securities business. Officers are James S. C. Ling, President and Treasurer; Lee N. Ling, Vice-President and Secretary.

O'Brien-Williams Partner

MONTREAL, Canada—Raymond C. Hicks has been admitted to partnership in O'Brien & Williams, 635 Dorchester Blvd., West, members of the Montreal Stock Exchange and other leading Exchanges.

DIVIDEND NOTICE**SINGER****375th Quarterly Dividend**

- 75 cents per share
- Declared: May 7, 1962
- Payable: June 13, 1962
- Record date: May 18, 1962

D. H. ALEXANDER, Secretary



HOUSEHOLD APPLIANCES

INDUSTRIAL EQUIPMENT

MILITARY PRODUCTS

THE SINGER MANUFACTURING COMPANY

Angelo Braccio



In America, you
have the
same opportunity

Angelo Braccio came to America from Southern Italy as a boy of nine.

The last 36 years, he has worked for the same private club in Los Angeles, raised and educated three children, and bought 53 shares of Union Oil stock out of his savings.

The latter entitles him (along with some 63,000 other share owners) to a report on our business in 1961—our 71st year.

Our customers paid us \$546,342,000.

We spent 59% of this amount—or \$320,231,000—with over 18,000 other companies and individuals with whom we do business.

More than 1,500 local, State and Federal tax collecting agencies took another 5% or \$27,497,000. And we also handed over to governmental agencies 17%—or \$94,252,000—in fuel taxes we collected from our customers.

Wages and other benefits for our employees and their families amounted to 12%—or \$67,427,000—of our income.

This left 7%—or \$36,936,000—as net profit. Slightly less than half of these earnings—or \$17,463,000—the Braccios and our other share owners received in cash dividends. In addition, they received a 2% share dividend.

The balance of our net earnings—equal to 4% of our customers' dollars—we reinvested in the business to expand and modernize facilities.

We are proud that Angelo Braccio chose to become a part owner of Union Oil.

Even more important is the fact that in America any man can become a part owner of a company by investing his savings.

This opportunity will continue to exist for all of us as long as our economy remains free and competitive.

YOUR COMMENTS INVITED. Write: Chairman of the Board, Union Oil Company, Union Oil Center, Los Angeles 17, California.

Union Oil Company OF CALIFORNIA



The Market . . . And You

BY WALLACE STREETE

Any notions that the urgent selling in industrial shares had ended with the dawn of a new month were rudely shattered this week when more liquidation showed up to drive the Dow industrial average not only to a new low for this year, but also to its poorest standing in more than a year.

The cheering items that the technicians could dredge up were minor, chief of them being that the far wider Standard & Poor's industrial average which comprises 425 issues — or 395 more than the Dow—was showing far more resistance to selling.

The more obvious fact was that there was no general unloading of securities and daily trading volume held to a low level to indicate that lack of buying support contributed as importantly as light offerings to the way prices eroded easily.

Sparked by GM

The new low was triggered by selling in General Motors when a large block of 430,000 shares showed for distribution as a secondary offering, the block presumably involved in the divestiture proceedings in which Du Pont alone ultimately will dispose of 66 million GM shares. There are other large blocks that will reach the public market both from holdings of the Du Pont family and, presumably, from Du Pont shareholders who will receive the GM shares held by the company. If the GM market price is affected similarly on all the block offerings, the shares are in for a rocky road and for a long time.

Up to the end of March, General Motors was something of a pet of the investment companies who, obviously, are well aware that there will be much distribution of heavy blocks of the issue over several years. Massachusetts Investors Trust, for one, one of the giants of the mutual fund industry, was a prominent buyer of 94,200 shares in this year's first quarter to give it a mammoth holding of 894,200 shares which, at the price prevailing then made it a \$50 million bundle and third largest holding in the oldest of the mutual funds. Other funds were similarly active in acquiring GM shares.

The funds so far in their comparatively brief life span have generally been unperturbed by flips in the market prices of their holdings. In fact, of M.I.T.'s big bundle, there need be little concern over 800,000 of the shares since the cost to the fund of these was less than half of the price prevailing in this week's markets despite the pressure on the stock.

How Far Down?

As for the other major sections—rails and utilities—the story was a mixed one. Rails with only token selling sold off to a new low for the year as they have done on previous declines, while utilities continued to buck the trend with fair success. In fact, the poorest price shown by the Dow utility average so far this year was a late January achievement so it has resisted well most of the recent selling. The broader Standard & Poor's utility barometer, however, has been posting new lows in the recent downdrifts.

Pessimism, easily generated by declining markets, was rife. Not only was there much talk of the average getting down to last year's low around 610, some half a hundred points below its standing when it posted a new low for the year this week, but even some talk of it "breaking 600" which would more than wipe out all the progress made last year. The only flaw is that such talk is normally far from the mark, and would die

out swiftly if there is any vigorous rally.

Until this year's dreary market performance, as an illustration, there was a spirited debate raging over whether the traditional bear markets were a thing of the past and definitely precluded in the era of modern controls. The fact is that the more severe of the recent market declines during the brief recessions of the 1950s was only a 20% reversal, and breaking the 600 line would fit within that measurement. The old-time reversals ranged between 40 and 50%, apart from the far more violent convolutions of 1929-32. But there is no guarantee that a valid bear market which hasn't been seen since 1946 would have to be confined to the latter-day, 20% limit. And it doesn't apply to individual issues at all since some already have retreated 40 to 50% from their peak prices, a few cut back even harder.

Quality Issue

For individual situations, the debate was whether the better buys were those that have been showing independent strength, or the quality items already forced well below recent peaks. Pittsburgh Plate Glass is one of the latter, having sold above 90 in 1955 but down to as low as 60 this year.

In the case of Pittsburgh Plate it was a reversal of its earnings trend that apparently dropped it from public favor, since net profit that was up to \$61 million in the year the stock hit its peak was well under \$35 million last year. The company made what could be a turn for the better in its profit picture late last year.

Supplying automobile glass was one of the lines in which a pinch developed after its peak year to help shrink the profit margin of Pittsburgh Plate. Currently the company is working on a new contract to supply most of the glass for the auto industry's top maker. Management has been strengthened and most profit projections for this basic enterprise suggest a good increase in its earnings per share this year.

The case of an independent favorite in lagging markets could be newly-listed Fischbach & Moore, a large electrical contractor. The shares in their brief trading life have been far more prominent on the new highs list than on the far heavier list of new lows. The shares, available at some 12 times indicated earnings, show a more modest price-earnings ratio than many companies which, at least, doesn't indicate excess optimism working on the market price.

All Rails Ignored

The cases of downright neglect and widespread disinterest are those in the rail section. Investors, apparently, are not interested in differentiating between the eastern roads, that dragged down the overall industry profit showing last year, and the quality roads of the west that, in general, were able to show higher profits last year.

The general expectation is that the industry as a whole will show a good earnings turn this year particularly since last year was the sixth in a row when the overall total profit showed a decline. Few of the regular dividends are in particular jeopardy and yields are available running up to 6%, including financially-strong Gulf, Mobile & Ohio.

Norfolk & Western which, to many, is one of the nation's best managed railroads, had a recent runup in part due to much merger talk, but this week had settled

back to where its well-covered dividend had worked over the 5% line again as it carved out a niche on the new lows lists. It has an unbroken dividend chain running back 61 years which, for a railroad, is an unusual achievement. It makes it at least a statistical bargain in current markets for a high-quality item with a high yield.

A Profitable Merger

Another group that has had little in the way of investment following for a long time are the coal companies, even a merger between Truax Traer Coal and Consolidation Coal stirring up little in the way of the usual merger hubbub in the latter which is the surviving company. The shares, however, haven't been subjected to much pressure even in the latest selling drives.

It is a fact that coal use has been dropping but that hasn't affected Consolidation which has been increasing earnings and recently increased its dividend as well. The merger with Truax opened up the midwestern markets to Consolidation where utility customers loom importantly. More than half of the company's output already is for its utility customers. The company has also been a leader in pipeline transportation of coal, as slurry, which could work out as one of the more important innovations in the coal business in a generation. It is available at a yield of well above 4%.

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

Cont. Research Names Herbert

KANSAS CITY, Mo.—Thomas J. Herbert has been elected Chairman of the Board



Thomas J. Herbert

of Continental Research Corporation, investment manager of United Funds, Inc., it has been announced. Mr. Herbert will make his offices at the firm's Kansas City, Missouri headquarters, 20 West Ninth Street. United Funds, Inc., is the nation's fourth largest mutual fund group. Four separate mutual funds comprise the United Funds, Inc. group: United Income Fund, United Accumulative Fund, United Science Fund and United Continental Fund, all of which are basically common stock funds.

Mr. Herbert has been President of Hugh W. Long and Company Incorporated and prior to 1951 was a Vice-President of the American National Bank and Trust Company of Chicago.

Two V.-Ps. for D. B. Marron Co.

On May 17 Warren W. Nissley and Archibald Taylor, Jr. will become Vice-Presidents of D. B. Marron & Co., Inc., 63 Wall St., New York City, members of the New York Stock Exchange.

KrammetoBeV.-P. Of T. C. Henderson

DES MOINES, Iowa—On May 17 Walter B. Kramme will become a Vice-President of T. C. Henderson & Co., Inc., Empire Building, members of the New York and Midwest Stock Exchanges.

PUBLIC UTILITY SECURITIES

BY KENNETH HOLLISTER*

Northern Illinois Gas

At the close of seven years of independent operation, the future of Northern Illinois Gas continues bright, though perhaps not as spectacular as past growth. The modern record of the company has been duplicated only in rare instances in the utility field. While there were present in the period several unusual elements that contributed materially, the management, nonetheless, used these advantages in the best interests of the stockholder as well as the consumer when they occurred.

In 1954 at the time of the company's separation from Commonwealth Edison, the territory served, which includes all of suburban Chicago and central Illinois, customers were being added at a rate about double that of the average gas utility. Had adequate supplies been immediately available, the rate would have been significantly higher, but litigation between several pipeline companies held back the needed gas for about two years. Subsequent to 1958, however, the company added 196,000 heating customers bringing the 1961 total to 474,000, and total customers now aggregate 753,000, an addition of 125,000 in the period.

As each residential heating customer provides over \$150 in annual revenues compared with about \$50 for homes not heated by gas, the effect of connecting the heating load was indeed large. At the present time close to 67% of single family dwellings are heated with gas, 47% of the commercial establishments (including small multi-family dwellings) and 37% of the industrial customers use gas for this purpose. Interruption of industrial sales now comprise only 20% of the load and increments are being added slowly. Under present circumstances the company expects to add about 35,000 new customers this year, practically all of whom will use gas heat. Including conversions from other fuels, customer additions this year could approach 55,000. Increments of this magnitude seem to be a reasonable expectation for the several ensuing years. A major sales promotion program is also being undertaken to secure new markets and to protect against encroachment from competing fuels.

For 1961, the company sold 1.092 billion cubic feet of gas of which 62% was obtained from pipelines and 37% from storage facilities. By 1963, it is expected that 50% of peak-day requirements will come from underground storage. Peak-day sales increased 130 million cubic feet in 1961 and are expected to rise another 130 million for 1962. In addition, the company anticipates adding 10 million cubic feet of daily sales for off-peak use. Purchases now total 690 million cf per day from the three pipeline suppliers, Northern Natural Gas, Midwestern Gas Transmission and Natural Gas Pipe Line of America. Assuming approval by the FPC of pending construction request, Northern Illinois expects to receive an additional 40 million from Midwestern and 60 million from Natural Gas Pipeline. No additional purchases are contemplated before 1964 or 1965.

The company's underground storage field at Troy Grove is operating in a most satisfactory manner and provided 250 million cf per day during the recent cold spell. It is to be tested for 350 million per day next winter and is expected to have an ultimate

capacity of 650-750 million cf. A smaller underground field at Crescent City should have an ultimate capacity of 350-450 mcf per day. Another new prospective field is at Ankona, Illinois, and initial development is being undertaken. Natural Gas Pipeline has applied for a 25% expansion of its Herscher underground storage plant which will provide the company with a total of 260 million cf per day during the heating season.

Over the coming five years, construction expenditures, primarily for expansion of distribution mains and enlargement of underground storage, are estimated at \$210 million. For 1962, capital outlays will be about \$43 million and financing will consist of \$20 to \$25 million of senior securities. In view of the company's high equity ratio (48%), additional sale of common stock does not seem likely for the next three to four years. While Northern earns a fairly high rate of return on investment, the rate is comparable to that of other Illinois companies and it is not expected that there will be any pressure to reduce service rates. Gas supply, including new deliveries this year, will be adequate to meet the growth foreseen.

Earnings of Northern Illinois Gas were \$2.24 for 1961 compared with \$2.04 for the prior year. During the five years ended 1961, which includes the period of rapid buildup of heating load per share, earnings advanced 71%. The improvement over the coming several years will be somewhat smaller, but could well be close to that of the leaders in the utility field. For 1962 earnings may advance to \$2.40 (assuming normal weather) and annual improvements of about 7% for several years thereafter seem a reasonable prospect. The annual dividend of \$1.52 is 63% of last year's earnings and a payout of 55% to 65% of earnings is anticipated. The dividend has been raised, however, each year since 1958. At the current price of 64 the shares are selling at 26.5 times estimated 1962 earnings and 27.5 times last year's figures. The dividend yields 2.4%. In comparison with other utilities having comparable growth prospects, the issue remains attractive.

*Pinch-hitting for Owen Ely.

Boston Inv. Club To Hear

BOSTON, Mass.—The Boston Investment Club will hold a dinner meeting on May 10 in the Travelers Building of the Fort Hill Club. Guest speaker will be John P. Chase, Chairman of the Board of John P. Chase, Inc., who will address the group on "Investing in a One World Economy."

Sterling, Atkins Formed in Toronto

TORONTO, Canada — Sterling-Atkins Limited, member of the Toronto Stock Exchange, has been formed to engage in a securities business from offices at 55 Yonge Street. Principals are Theodore M. Sterling, George S. Atkins and Exley B. Calvert. All were formerly partners in Watt & Watt.

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UNION PACIFIC RAILROAD COMPANY



(INCLUDING ITS LEASED LINES)

SIXTY-FIFTH ANNUAL REPORT — YEAR ENDED DECEMBER 31, 1961

REPORT OF THE BOARD OF DIRECTORS ON THE YEAR'S BUSINESS

New York, N. Y., April 26, 1962

TO OUR STOCKHOLDERS:

Net income for 1961 was 3.6 per cent better than the year before, but it was still substantially below the level of earnings in each of the four years preceding the steel-strike year of 1959. Net income per share of common stock was \$2.84, or 11 cents more per share than in 1960. Dividends declared on the common stock at the rate of \$1.60 per share represented about 56 per cent of net income after preferred dividend requirements.

* * * *

The net from transportation operations as shown in the income statement was \$1 million less than in 1960, but transportation earnings before Federal income taxes, which include taxes on income from all sources, were \$6 million greater than in 1960. The main reason for the disproportionate increase in income taxes in 1961 was the further drop in allowances for tax purposes in connection with amortization of the cost of emergency facilities, to which attention has been called in previous years. Apart from the income tax factor, transportation income after lagging in the early months showed steady improvement as the year progressed because of the gradual rise in general business activity.

Income from oil and gas operations rose by \$3.9 million before income taxes and by \$2.8 million after such taxes. Practically all of this better showing resulted from expanded development of the Patrick Draw oil field.

There was a decrease of \$1.4 million in aggregate income from dividends and interest on investments, but this was partially compensated for by the drop of \$1 million in fixed charges for interest on debt, reflecting primarily the redemption of \$46 million of Oregon-Washington R.R. & Navigation Co. 3% bonds at maturity on October 1, 1960.

* * * *

Gross expenditures for investment in new rolling stock and other transportation property were \$49.9 million in 1961, or \$6.4 million less than the year before. Capital expenditures for oil and gas facilities, on the other hand, were somewhat greater than in 1960—the largest such undertaking being a plant constructed in Patrick Draw field for processing gas produced concurrently with oil, to render it marketable and extract natural gasoline and other valuable liquid products.

Reference was made in last year's report to the investigation of deposits of trona (raw soda ash) northwest of Green River, Wyoming, and to an undertaking by the Company to pool its lands in this area with those held by a chemical company under joint arrangements for their development. This joint arrangement was formalized during 1961 by the organization of Stauffer Chemical Company of Wyoming to mine and process the trona, and Union Pacific acquired 49% of its capital stock and \$4,299,750 of 5-year promissory notes, issued to finance the project. It is anticipated that production of refined soda ash will start in 1962. Royalties will be paid to Union Pacific for trona removed from its lands.

The Calnev Pipe Line Co. completed construction of its Colton—Las Vegas pipe line for refined petroleum oils and it was placed in operation in May, 1961. Additional interest-bearing loans were made to the company during the year for financing this project.

Acquisition by Spokane International Railroad Co. of holdings of common stocks of the Western Pacific and Denver & Rio Grande Western, for the reasons outlined in last year's report, had the incidental result of a substantial rise in Spokane International income through receipt of dividends over and above the amount of interest paid on investment advances made to it by Union Pacific early in 1961.

* * * *

Little progress was made during 1961 in obtaining Federal legislation so urgently needed by the railroad industry to remove

inequities caused by discriminatory over-regulation and over-taxation of the railroads and governmental subsidization of competing transportation agencies. On the other hand, protests by railroad representatives with substantial outside support were effective in dissuading a Senate committee from progressing Federal legislation which, if enacted, would seriously interfere with the railroad's right to publish reduced freight rates merely because such rates might deprive highway and water carriers of some traffic. It might be supposed that such an attempt by sponsors of this legislation to deprive the public of the benefits of reduced transportation costs through normal and legitimate competition would not have received serious Congressional consideration. The disturbing fact is, however, that the motion to defer action by the Senate Commerce Committee was sustained by a very narrow margin, and the proposal will probably be revived in this session of Congress. It is up to all of us—railroad management, employes, stockholders, and informed citizens generally—to let our representatives at Washington know of our opposition to all such discriminatory railroad legislation.

* * * *

The Presidential Railroad Commission appointed to study employe working rules issued its report on February 28, 1962. It represents the unanimous views of the five public members. The five members representing the railroads, while expressing some disappointment, accepted the recommendations contained in the report, but the five labor members were completely dissatisfied. The report is not binding on the industry or its employes, but the Commission has performed a public service in bringing to light many inequitable and obsolete working rules and its recommendations were unquestionably designed to serve the public interest.

By order of the Board of Directors,

E. ROLAND HARRIMAN, *Chairman of the Board*ROBERT A. LOVETT, *Chairman of the Executive Committee*A. E. STODDARD, *President*

INCOME ACCOUNT

	1961	1960	Increase	Decrease
TRANSPORTATION OPERATIONS				
Operating revenues	\$499,324,448	\$494,184,464	\$5,139,984	
Operating expenses	360,798,813	359,741,036	1,057,777	
Revenues over expenses	\$138,525,635	\$134,443,428	\$4,082,207	
Taxes*	85,979,525	79,342,574	6,636,951	
Railway Operating Income	\$52,546,110	\$55,100,854		\$2,554,744
Equipment rents (debit)	19,029,381	20,575,972		1,546,591
Joint facility rents (debit)	1,702,854	1,689,588	\$13,266	
Net Income from Transportation Operations	\$31,813,875	\$32,835,294		\$1,021,419
INCOME FROM INVESTMENTS AND OTHER SOURCES				
Net income from oil and gas operations*	\$26,030,815	\$22,098,416	\$3,932,399	
Royalties from oil and gas leases	410,702	408,957	1,745	
Dividends on stocks owned	4,418,546	5,215,094		\$796,548
Interest on bonds and notes owned	3,968,854	4,892,089		923,235
Other interest income	548,777	201,720	347,057	
Rents from lease of road	122,579	122,579		
Miscellaneous rents	806,669	756,687	49,982	
Miscellaneous income	3,448,918	3,350,494	98,424	
Total	\$39,755,860	\$37,046,036	\$2,709,824	
Total Income	\$71,569,735	\$69,881,330	\$1,688,405	
Miscellaneous tax accruals and other deductions	887,619	503,662	383,957	
Income available for fixed charges	\$70,682,116	\$69,377,668	\$1,304,448	
FIXED CHARGES				
Interest on funded debt	\$2,996,256	\$4,052,192		\$1,055,936
Other fixed charges	15,371	12,964	\$2,407	
Total	\$3,011,627	\$4,065,156		\$1,053,529
NET INCOME FROM ALL SOURCES	\$67,670,489	\$65,312,512	\$2,357,977	
Per share on Union Pacific Railroad Co. common stock outstanding (after preferred dividends)	\$2.840	\$2.734	\$1.06	
DIVIDENDS DECLARED ON UNION PACIFIC R.R. CO. STOCK				
On Preferred Stock (4%)	\$3,981,724	\$3,981,724		
On Common Stock	35,886,776	35,886,776		
Total dividends declared	\$39,868,500	\$39,868,500		
Net income less U.P.R.R. Co. dividends	\$27,801,989	\$25,444,012	\$2,357,977	

*Federal taxes on income from oil and gas operations, which were approximately \$7,818,900 in 1961 and \$6,716,600 in 1960 are included in "Taxes" under "Transportation Operations."

MUTUAL FUNDS

BY JOSEPH C. POTTER

Profit and Growth

With International Business Machines, the daddy of the growth stocks, down nearly 150 points (from top to bottom) in this still young year and other growth and glamour issues losing much of their appeal, the investment community has been engaged in some understandable portfolio-searching.

After all, appetites can be whetted for stocks that sell at even 50 to 60 times earnings and provide yields of less than 1% as long as the shrewd slide-measure men can cite an historically hefty growth in net per share with the promise of more to come. But indigestion is inevitable in the present Government-created atmosphere of misunderstanding and suspicion about profit.

Chicago-based Growth Industry Shares, which has few stodgy stocks in its prize portfolio, is out with a report for the six months ended March 31 that notes "more than the usual proportion of current savings" has been diverted by folks to savings institutions. Harland H. Allen, Chairman of the Board, and Philip Mullenbach, its President, are convinced that the attraction of high yields on deposited funds is phasing out as "abnormal" competition for growth issues.

They base their hope on the good first-quarter sales and earnings of such growth equities as IBM, American Hospital Supply, Magnavox, Radio Corp. of America and Rohm & Haas. (G. I. S. sold 1,100 Magnavox in the first quarter of 1962, retaining 25,000 shares at March 31.)

The fund, which is marking its sixteenth anniversary, has a splendid record of growth. From asset value of \$6.67 a share in March of 1946, it rose with few pauses to reach \$18.29 on March 31, 1959, advanced to \$18.97 a year later and at the end of March last year stood at \$22.19. At March 31, 1962, the asset value was down to \$21.45. And in the drubbing administered to stocks (not least, the growth stocks) in the weeks since the latest report, asset value underwent additional shrinkage.

The G. I. S. people argue that in the period ahead "it will be the top-quality growth stocks that have relatively low operating costs" that will make the best showing rather than "the high-yield mediocre issues recently favored."

This, of course, is the selective approach to the market place. But that much-overworked term — selectivity — is being rested these days. Rather, the talk is about the prospects for all stocks, whether they be glamour issues or such bread-and-butter fare as steels, and railroads. (G. I. S. this year has added to its holding of Armco Steel.)

What we have been witnessing for many weeks is a retreat in the stock market on a broad front that has carried hundreds of issues to the lowest levels in more than a year. Confidence in this Administration is at a low ebb. The Chicago fund nevertheless manages to find a bright ray. It says: "Most gratifying during the early months of 1962 have been the opportunities to invest new money in desirable securities at bargain prices."

G. I. S. may find even more "opportunities" and "bargains" if the Administration continues on its present path. Since President Kennedy's crackdown on the steel industry, which had incurred added labor costs, he has received the report of his emergency railroad committee on wages. The committee proposed a 10.2 cents

hourly pay rise for some 450,000 non-operating railroad employees. The President has expressed gratification that the panel remained within the economic guide lines of his advisers. He added: "It is now the plain duty of both parties to negotiate a responsible and non-inflationary settlement in their own and in the public interest."

It has been estimated that the panel's finding entails an additional \$100-million-a-year labor cost for the railroads. Here we have industry-wide bargaining in a field that includes companies which are bankrupt, decrepit and down at the heel.

The railroads, unlike the steels, can't raise their prices (even if they thought it was desirable) without obtaining official sanction. And the unions already have served notice that the committee-approved increase is too little.

Mr. Kennedy probably put his finger on the small store of confidence that survives within the investment community when he said, in his address to the United States Chamber of Commerce, that his Administration wished business well since it was a 50% partner. But there is a wide gap between the wish and the deed. And that's what the stock market, concerned about profit and growth, has been saying this spring.

The Funds Report

Blue Ridge Mutual Fund, Inc. reports that at March 31 net assets were \$37,819,831, or \$12.50 a share, against \$37,300,897 and \$12.55 per share a year earlier.

Broad Street Investing Corp. announces acquisition of Inland Investors, Inc., a diversified closed-end investment company headquartered in Cleveland.

Chemical Fund reports that during the first quarter of this year common stock purchases totaled \$14,288,000 and sales amounted to \$11,873,000.

Colonial Growth & Energy Shares, during the first three months of this year, bought American Metal Climax; Beneficial Corp.; DuBois Chemicals; Tom Huston Peanut Co.; A. C. Nielsen; Rank Organization and Vanity Fair Mills. At the same time it sold Atlas Chemicals Industries; Florida Power & Light; Foxboro Co.; Rexall Drug & Chemical; Sony; Southern Co., and Texas Utilities.

De Vegh Investing Co., Inc. reports that during the three months ended March 31 net asset value per share decreased from \$18.84 to \$17.88.

De Vegh Mutual Fund, Inc. reports that during the fiscal year ended March 31 net asset value fell from \$67.36 to \$65.68. The decline in the final quarter of the fiscal year was from \$68.49.

Fund of America, Inc. reports net assets per share of \$8.62 on March 31, against \$9.05 three months earlier. Total net assets of \$6,082,897 at the end of March compared with \$6,439,327 at the end of 1961.

During the quarter the fund added the common stock of W. R. Grace & Co. while eliminating American Viscose and Universal Match.

Fundamental Investors' net asset value per share declined from

\$10.68 to \$10.30 in the quarter ended March 31.

Investments made during the quarter consisted of additions to holdings reported previously. Emphasis was on common stocks of major oil companies, including Ohio Oil; Standard Oil of California; Standard Oil Co. (New Jersey); Texaco and Union Oil Co. of California. Common stocks of Brunswick; Republic Steel and Kansas City Southern Railway were eliminated.

General Investors Trust reports that at March 31 net assets were \$16,116,136, or \$6.99 a share, compared with \$16,106,957 and \$7.36 a share three months earlier.

During the quarter the company established no new portfolio positions while eliminating the corporate bonds of Food Fair Stores and Republic Steel and the common stock of Gillette; Jay Manufacturing; Southern Railway and Wisconsin Electric Power.

Johnston Mutual Fund reports that net asset value per share at March 31 was \$14.55, down from the \$15.40 at Dec. 31, 1961. Total net assets at latest report were at an all-time high of \$31,620,286.

Keystone High-Grade Common Stock Fund S-1 reports that at March 31 total net assets were \$32,597,799, or \$23.18 a share. This compares with assets of \$30,485,444 and \$22.94 a share at Sept. 30, 1961.

National Investors Corp. reports it has acquired assets of Munasca, Inc., a private investment company incorporated in Maine. Assets of Munasca, put at \$1,300,000, consist of cash and marketable securities.

George Putnam Fund of Boston reports that at March 31 total net assets amounted to \$296,335,000, equal to \$16.26 a share. Value per share at the close of 1961 was \$17.05 and a year earlier it was \$16.47.

Trustees of Shareholders' Trust of Boston report that at March 31 net assets were \$65,234,376, compared with \$60,610,511 three months earlier. Net asset value per share at March 31 was \$11.26, against \$11.34 at the end of 1961.

Stein Roe & Farnham Balanced Fund reports that at March 31 total net assets were \$74,160,956, or \$38.46 a share, against assets of \$59,510,865 and \$38.38 a share a year earlier.

Stein Roe & Farnham Stock Fund reports that at March 31 total net assets amounted to \$33,895,990, or \$33.43 a share. This compares with \$21,599,122 and \$33.27 per share at March 31, 1961.

Wisconsin Fund, Inc. reports that at March 31 total net assets were \$21,732,398, or \$7.38 a share. This compares with \$7.13 a share a year earlier and \$7.97 on Dec. 31, 1961.

Coastal Acceptance Stock Offered

Eastern Investment Corp., 324 Central Avenue, Dover, N. H., and associates are offering 80,000 class A nonvoting common shares of Coastal Acceptance Corp., at \$12.50 per share. Of the total, 68,000 shares are being sold for the company and 12,000 for certain stockholders.

The company, of 36 Lowell St., Manchester, N. H., and its subsidiaries are engaged in the making of small loans, the solicitation and placing of insurance, and the operation of a realty office. Net proceeds from this financing will be used by the company for the reduction of indebtedness.

NEWS ABOUT BANKS AND BANKERS

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

The Chase Manhattan Bank, New York, May 7 opened a branch office in Santo Domingo. It is the only United States bank now operating a branch in the Dominican Republic.

The branch, is at the corner of Mercedes and Isabel la Catolica Streets. The Manager of the Santo Domingo branch is Thomas J. Carter, who has been Manager of branches in Puerto Rico. David Gonzales is Assistant Manager.

Harry M. Lyter has been promoted to Vice-President of the **Chase Manhattan Bank, New York**, President David Rockefeller announced May 3.

Mr. Lyter has been in charge of the custody division of the bank's trust department since 1960. He joined the bank in 1929 and became a Personal Trust Officer in 1949 and an Assistant Vice-President in 1958.

The bank also announced the promotion of Clifford I. MacCullough to Assistant Vice-President. Mr. MacCullough joined the bank in 1924. He too is in the custody division of the trust department. George Anderson of the international department and Robert H. Kaupé of the Grand Central branch in Manhattan were promoted to Assistant Treasurers.

Three men were named investment officers. They are A. Joseph Debe and Ronald I. Lockwood, both of the investments and financial planning department, and Alexander Schiavone of the trust department.

W. Giles Mellon was appointed an associate economist in the corporate plans and staff department.

Chase Manhattan Bank, New York, elected Robert C. Hills, a Director of Chase International, foreign financing subsidiary. He succeeds the late Charles R. Cox.

James M. Nicely, has been appointed to the Trust Advisory Board of **First National City Bank, New York**.

Mr. Nicely retired as a Senior Vice-President of First National City Bank in 1960 after having served a period with the **National Bank of Commerce in New York**, the **Guaranty Trust Company of New York** and subsequently **The First National Bank of the City of New York**.

Appointments of Thomas J. Sweeney as a Trust Officer and Wilson M. Brazer as an Assistant Vice-President of **Morgan Guaranty Trust Company of New York** were announced.

Mr. Sweeney is in the bank's trusts and investments division.

Mr. Brazer is in Morgan Guaranty's real estate department. He was formerly with **Girard Trust Corn Exchange Bank in Philadelphia**.

The Bankers' Trust Company, New York, announced on May 7 the appointment of Mack Goldsick, 39th Street Office; Benjamin F. Gordon, 1107 Broadway Office; Gerald F. Gullinan, Commodities Group, and Thomas C. Miller, 1107 Broadway Office as Assistant Vice-Presidents.

Arthur Dixon was named Trust Officer and Harvey G. Burney and Ben F. Wilder Assistant Trust Officers in the personal trust division.

John Niebojewski was appointed Assistant Secretary in the corporate agency division.

Boris A. Nachamkin and Grover A. Strauss were named Assistant Treasurers in the 39th Street Of-

fice and credit analysis and investigation respectively.

Stockholders of Trade Bank and Trust Company, New York, voted at a special meeting May 8, to approve an increase of the capital of the company from \$3,938,580 to \$5,251,440 and the number of its shares from 393,858 to 525,144.

The additional 131,286 shares of stock will be offered to stockholders of the Bank on the basis of one new share for each three shares held, at a subscription price of \$24.00 per share. This will result in total Capital Funds, consisting of Capital, Surplus and Undivided Profits in excess of \$11,000,000.

Warrants will be issued to the stockholders of record as of May 18, and will expire June 19.

Commercial Bank of North America, New York elected Louis Gurock, Vice-President and Controller.

The Quarter Century Club of the **County Trust Company, White Plains, N. Y.** inducted five new members, including the Bank's President, John A. Kley.

Other new members, who have completed 25 years of service, include Wallace L. Brown, George H. Betts, Donald M. Smith, and John F. Weidner. Total club membership now stands at 111.

Francis A. Smith, President of the **Marine Trust Company of Western New York**, died May 8 at the age of 63.

After service in World War I, he joined the **Buffalo Trust Company** in 1922. The Bank was merged with Marine Trust Company in 1925. Mr. Smith had been President of Marine Trust since 1956.

New England Merchants Bank, Boston, Mass. elected Frank S. Christian Vice-President-Marketing.

A new banking office to serve residents of West Roxbury, Brookline and Newton was opened early this month by **State Street Bank and Trust Company of Boston, Mass.** at the Hancock Village Shopping Center, West Roxbury.

In a joint statement by Hooper S. Miles, Chairman of the Board of **Maryland National Bank, Baltimore, Md.**, and Reuben Riggs, President of **The Montgomery County National Bank of Rockville, Md.**, it was announced that by action of the respective Boards of Directors of the two banks, a merger of The Montgomery County National Bank of Rockville with Maryland National Bank has been agreed to, subject to the approval of the Comptroller of the Currency and the stockholders of both banks.

The agreement between the two banks contemplates the issuance of 28,000 shares of Maryland National Bank stock to the stockholders of Montgomery County National Bank for the 14,000 shares of its stock now outstanding, providing a ratio of two-for-one.

Central National Bank, Chicago, Ill., elected Burke B. Roche, a Director.

Andrew J. Lee, Assistant Vice President of **The Detroit Bank and Trust Company, Detroit, Mich.**, retired April 30, after 42 years service.

Mr. Lee joined the Bank as a teller in 1920. Subsequently, he

was assigned to the Business Development Department and in 1925 was named branch manager.

Mr. Lee was appointed an officer in 1948, and in 1952 was named Assistant Vice President.

The Board of Governors of the Federal Reserve System on May 2 announced its approval of the merger of **Broadway National Bank, Nashville, Tenn., into Commerce Union Bank, Nashville, Tenn.**

Comptroller of the Currency James J. Saxon April 24 announced preliminary approval to the establishment of a new national bank to be located in Orlando, Florida. The approved title for the new bank is "East Orlando National Bank". It will open with initial capitalization of \$800,000. The Bank will be headed by William H. Dial as President.

The Board of Directors of **The First National Bank of Topeka, Kan.**, announces the election of Maurice E. Fager to the office of Vice-President in charge of Business Development.

Board of Governors of the Federal Reserve System on May 2 approved the application of the **Commerce Union Bank, Nashville, Tenn.**, for prior consent to merge with **Broadway National Bank of Nashville, Nashville, Tenn.**, under the charter and title of **Commerce Union Bank.**

Election of Robert B. Seal, as an Assistant Vice President of the **Republic National Bank of Dallas, Texas**, was announced.

Wilbur E. Schmitt, Assistant Vice-President of the San Leandro office of **The Bank of California, San Francisco, Calif.**, officially assumed his new duties as Manager. Mr. Schmitt had been Acting Manager since the untimely passing on April 12 of Fred B. Hallberg.

The Bank of America, San Francisco, Calif. has established a representative office in Spain, it was announced April 30 by S. Clark Beise, President.

Located in Madrid, this will be the first representative office to be opened in Spain by an American bank.

Michael Simon, who has had extensive foreign trade experience in Europe and Latin America, will be in charge of the office, located at No. 3 Calle del Marques de Valdeiglesias.

The Bank of California, N. A., San Francisco, Calif. will open its new San Mateo office on April 27, at 4th & El Camino Real.

The official staff is Manager George L. Lorimer, Jr., Assistant Manager Alfred G. Gunsten and Robert J. Goudy, Assistant Cashier.

Fred B. Hallberg, Manager of **The Bank of California's San Francisco, Calif.** San Leandro office, died April 12. He was 64 years old.

Mr. Hallberg joined The Bank of California in 1956 as Assistant Cashier. He became Assistant Manager in 1958 and was advanced to Manager in 1959.

The Bank of Nova Scotia, Toronto, Canada. announced the appointment of Miss Jean Begg as Manager of the Nova Scotian Hotel branch in Halifax and Miss Margaret Mullan as Manager of University branch, Vancouver.

The Bank of Montreal, Canada, on April 30 opened three new branches.

The new Bank of Montreal branches were established in the 34-story C-I-L House and the 20-story Hydro-Quebec building, both on Dorchester Boulevard; and in the 20-story Standard Life building on Sherbrooke Street.

N. Y. Stock Exch. Makes Report

Keith Funston, President of the New York Stock Exchange, has reiterated the Exchange's opposition to Administration proposals for tax withholding on dividend income.

Mr. Funston declared in the Exchange's first quarter report that "the drastic remedy of withholding is far from the best solution" to the problem of under-reporting of dividend income. While the Exchange has worked with the Treasury Department in an effort to iron out many of the difficulties and hardships inherent in dividend and interest withholding, Mr. Funston said, it will continue to support other alternatives.

These would include continuing the educational effort by the Government and industry to encourage the public to declare dividend and interest income, and applying the Internal Revenue Service's new taxpayer numbering and automatic data processing systems to reduce any remaining dividend gap.

Mr. Funston's report also noted that the Exchange and its member firms have furnished considerable material during the quarter to the Securities and Exchange Commission in connection with its current study of the securities industry. Among several questionnaires issued by the SEC as part of the study, he said, those distributed to New York Stock Exchange specialists have been completed and returned.

An Exchange-recommended training course for registered rep-

resentatives was inaugurated during the quarter at Florida's University of Miami, the Exchange President said, bringing to eight the number of cities where such courses are offered; in New York, 292 trainees and 126 registered representatives were enrolled during the quarter in Exchange training and "refresher" programs.

Bond Club Stock Exchange Offers

The Bond Club Stock Exchange, which conducts a once-a-year trading session at the Bond Club of New York's annual Field Day, is making its annual offering to members of 2,500 shares of "not very common stock." As a non-inflationary gesture, the price will be the same as last year—\$10 a

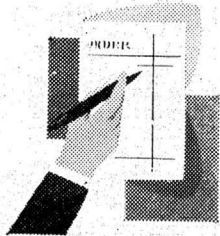
share. Trading in the shares will take place in the Stock Exchange tent at The Sleepy Hollow Country Club, where the outing will be held on June 1. Robert A. Powers, Smith, Barney & Co., Field Day Chairman, and John W. Callaghan, Goldman, Sachs & Co., head of the Stock Exchange Committee, predicted an oversubscription.

Bond Club members have been notified that subscriptions up to two shares will be allotted in full. Subscription books will close on May 24.

Now Corporation

SKOKIE, ILL.—The Thomas Investment Company, 5430 Foster Street, is now doing business as a corporation. Officers are Robert W. Thomas, President and Treasurer; John H. Thomas, Vice-President and Harry D. Strouse, Jr., Secretary.

American Viscose Corporation reports improved operations in 1961



SALES AND EARNINGS—In the latter part of 1961 there was excellent improvement in the business of American Viscose. Sales in the last half of the year were \$118 million compared with \$98 million in the corresponding period of 1960—an increase of 20 percent. This increase, however, was offset by somewhat lower shipments during the first six months of the year. Sales for 1961 were \$219 million versus \$207 million in 1960. Earnings increased 43 percent to \$9.8 million from \$6.8 million in 1960. Earnings per share were \$2.06 in 1961 including \$.69 from Monsanto dividends—versus \$1.45 in 1960 including \$.49 from a Chemstrand dividend.

FIBERS—American Viscose, the largest producer of rayon staple—a fiber used in quantities second only to cotton—has greatly improved this commodity through research since production was first undertaken by our company in 1935. One of the new rayon staples, Avril*, entered the fabric market in 1961. It is the first rayon staple ever produced with tensile strengths equal to or exceeding cotton. The immediate use for Avril will be in blends with polyesters and other fibers in cloth for high grade apparel. The quantity of rayon and acetate yarns and rayon staple shipped in 1961 was 19 percent higher than the previous year.

AVISTRAP—This rayon cord strapping was improved by the use of better chemical formulations to bind together the strands of high-tenacity rayon yarn. New lines of hand, pneumatic and automatic tools were designed and produced.

The light weight, ease of handling, economy, safety and strength of Avistrap have placed it in a wide range of uses.

CELLOPHANE—Avisco cellophane shipments were again ahead of the previous year.

Polymer-type coated cellophanes were improved during 1961 and their uses expanded. A special coated cellophane for wrapping fresh meats is preferred by major chain stores throughout the nation.

AVICEL—During 1961 considerable progress was made toward the commercialization of the Corporation's newest product, Avicel—a microcrystalline cellulose. This product, developed through basic research, is now available in sufficient quantities to permit its use by food manufacturers in calorie-controlled foods.

The first unit of a commercial plant to produce Avicel, located at Newark, Delaware, will soon be completed.

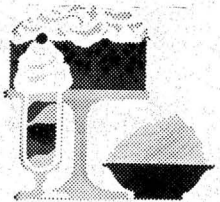
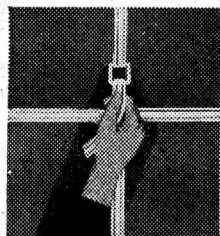
RESEARCH AND DEVELOPMENT—A new Tyrex* rayon tire yarn was developed with tensile strengths 10 to 12 percent stronger than any rayon tire yarn previously available. Also in development are a high-strength filament yarn with properties similar to Avril rayon staple; a high-strength, low-elongation rayon fiber for paper applications; a high-tenacity ribbon-type yarn for tear tapes on cardboard cartons.

Among developments in packaging films were a polymer-coated cellophane with improved printing properties; a cellophane for use in silver-zinc batteries; and a new polymer-coated cellophane which retains longer the desired flavor and aroma associated with many foods.

*Tyrex is a collective trademark of Tyrex Inc. for rayon tire yarn and cord.

HIGHLIGHTS OF THE YEAR		1961	1960
Net Sales	.....	\$219,000,000	\$206,700,000
Net Earnings	.....	\$9,800,000	\$6,800,000
Net Earnings Per Share	.....	\$2.06	\$1.45
Dividends Per Share	.....	\$2.00	\$2.00
Capital Invested in Business at Year-End (a)	.....	\$288,800,000	\$287,800,000
Book Value Per Share (a)	.....	\$60.93	\$61.01
Number of Shareholders	.....	27,000	25,500
Number of Employees	.....	13,400	13,100

Note (a): Includes \$78,092,000 representing investment in Monsanto common stock.



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Prospects Far From Dim for Savings and Loan Industry

Continued from page 1

the in-and-out, unpredictable funds than it pays for longer term, large sum investments, its competitive position for the latter could be improved at no higher average cost.

Bank Competition

While it is true that competition from commercial banks for savings is increasing, this may not divert any funds from savings and loan institutions. Whatever growth commercial banks have probably will come out of increased total saving. After all, the savings business is just now becoming respectable, after years of being treated by our bankers as a sort of step-child. However, I do not expect too much growth in bank savings.

Many people, including quite a few savings and loan managers, forget that most of our banks neither want nor can afford very much savings growth. The traditions as well as the supervisory rules-of-thumb in banking require commercial banks to match each thousand dollars of new savings with one hundred dollars of new capital. If the banks are to compete for savings with savings and loan associations on a rate basis, they cannot squeeze out enough earnings to justify the increase in capital. Or if they can, they think they cannot, or they don't wish to add to their capital because of other considerations.

Our third unfavorable factor, the unsatisfactory progress in home building, seems to me to be a temporary or short-run development. However, even if we must wait a few years, until the post World War II babies reach marrying age, for house-building to boom again, savings and loan can still grow and prosper.

Let's remember that savings and loan units, although the largest element in the home mortgage market, are still far short of doing all the business. Much of the lending has had to be done by such "in-and-outers" as commercial banks and Fannie Mae, or by life insurance companies and savings banks who would have preferred corporate bonds under conditions with slightly less yield differentials. My guess is that the most likely effect of foreseeable conditions in housebuilding will be a narrowing of spread between mortgage and bond yields, hence a better opportunity for savings and loan associations to increase their proportion of the mortgage business.

Notice also that investment powers of savings and loan associations have been and are being broadened, to permit mortgages on multi-family housing and commercial building; to provide for land development loans; to permit lending at greater distances from the home office, both directly and through loan participations; and to relax down payment requirements. A savings and loan association today can compete with conventional loans against the FHA and VA financing that its competitors used so effectively in the boom years for housebuilding of 1950, 1955 and 1959. And it has alternative investment that it never had before. While these new powers may be used unwisely in some instances, they nevertheless will make it possible for associations to continue to grow during the interim between housebuilding booms.

Taxes

The enactment of a withholding tax on interest and dividends could slow down the growth of the savings and loan industry. Many savers do not touch their

savings accounts to pay taxes on the accumulated interest or dividends—some may not ever report it—hence payment of the tax by savings institutions may reduce the accumulations in savers accounts. As some have expressed it, interest will not be compounded at the full rate, but only at 80% of the full rate.

Fears have also been expressed that many savers will convert their savings accounts to other types of investment to avoid having their interest or dividends reported. This of course reflects a lack of understanding of withholding. The reporting of interest and dividends is essential with or without withholding, but as a practical matter, there may be less emphasis on reporting under withholding than there would be if withholding is defeated.

As to the effects of withholding on savings and loan growth, I know of no way to estimate or predict what they will be. I have tended to doubt whether withholding will make any difference at all, and in fact I have suggested to some of my friends in the business that they not only not oppose it but actually work for its passage. I should report, however, that none of them has accepted my suggestion.

Corporate taxes, of course, are a different matter since they divert earnings to the U. S. Treasury that otherwise might be available for reserves or, in the case of stock companies, for the owners, either as dividends or as retained earnings. Note that I do not expect the corporate tax to have any effect on dividend rates that will be paid to savers, but only on allocations to reserves and return to equity owners. This is contrary to the views expressed by spokesmen for the savings and loan business, and for the home building industry, and I don't want to get into any argument with them on this point at this time. But I just cannot believe that very many associations will be unable or unwilling to meet their new tax expense in some other way than cutting dividend rates. In fact it is my fear that taxes will come out of reserves that makes me believe the proposed change is unwise.

The most important tax effect probably will be the reduced earnings for stockholders of stock companies. Even here, however, it is my opinion that much of the tax can be covered by steadily but slowly rising yields on loan portfolios, and increased economies of operation.

Thus I conclude that the unfavorable elements generally cited—high costs of money, increased competition from commercial banks, poor home building year, and taxes—do not hold up very well on careful analysis. That's why I confidently expect 1962 to be another year of great growth, possibly not \$10 billion, but close to it.

Longer Run Problems

Now my favorable outlook for this year does not mean that the business has no problems, nor that it can reach without difficulty the \$165 billion we estimated at Indiana University to be reached by 1970. I have maintained for many years that the business pays too much for its money, has too high operating expenses, and hence, cannot provide the home mortgage lending services that the public wants and deserves. But these are long-run problems, capable of solution, and for that reason provide the opportunities for continued growth.

What worries me about the business is that some associations will continue to rely solely on

dividend rate increases to obtain growth and will either move into higher yielding and more risky loans or fail to build adequate reserves, or both. Such policies are the opposite of those required to secure the long-run growth of the business. I hope that supervisory authorities have the courage and the authority to deal effectively with any such associations before they do too much damage to the business as a whole. There are too many solid, capably managed institutions, serving their communities well, to allow a few self-dealing or poorly managed associations to discredit the savings and loan idea.

Leverage

I have been especially worried about the tremendous leverage that exists in many stock company and holding company situations. I invite members of the investment community to compare the ratios of savings capital to stockholders equity in stock company savings and loan associations with deposit-to-capital ratios in banks. Many years ago I told a president of one of our large banks that commercial banking was the biggest shoe-string business in the world. He nodded his head for a moment and then said: "No; life insurance is the biggest shoe-string business." We were both wrong, for we didn't realize then what was beginning to happen in the savings and loan field. Here a few thousand dollars of initial investment can support millions of dollars of "borrowed" money.

The leverage question has been confused by a lot of double-talk. Association owners claim to their supervisory authorities, and to investors, that reserves for losses are really capital and should be included with capital stock and surplus in determining "book value." But they insist to Congress and to the Treasury that their reserves for losses are really valuation reserves, and as such non-taxable. The truth undoubtedly falls somewhere in between, but even if most of the reserves are capital, the leverage still is great.

Security analysts and other members of the investment world, should be on guard not only to classify reserves properly as between "valuation reserves" and "capital or retained earnings." They should also find out whether they actually represent either, or merely reflect the bad accounting practice of putting assets on the books at more than their cost. Some associations have adopted the practice of charging substantial loan fees and taking these fees into current income rather than spreading them over the life of the loan. Thus when you analyze the financial statement of any stock company, I suggest first determining the extent to which asset values reflect unearned income, then reduce accordingly the asset values and the reserve or capital accounts to which this income was credited. Next, determine as best as one can how much of the remaining reserve or capital accounts is "valuation" reserve, and how much is "net sound capital."

Now one is ready to adjust annual earnings by eliminating current fees and adding back the appropriate annual credit to income from fees taken in prior years. With a corrected earnings figure and a proper "book" value of capital, one can begin to compute earnings per share, price-earnings ratios, market price to book value, and the like. One will find, I am sure, that earnings for most companies are quite satisfactory, that leverage is great if not actually terrific, and that prospects for the stock of well-managed associations are very rosy indeed. But one will also find that a few are meeting required allocations to reserves out of unearned income, hence have no current

earnings but only tremendous leverage.

Misuse of Tax-Free Capital

As a believer in the profit system, I have a preference for the ordinary corporate form as business enterprise as against a mutual, but only where the owners of the corporation have made a substantial investment of their own capital in the enterprise. Too many stock companies today represent a very small investment by their owners, plus a windfall accumulation of tax-free capital they have mislabeled "reserves for losses." I hope that with a new tax law either the investing public or the supervisory authorities, or both, will insist on a proper accounting of earnings, and a proportionate build up of capital and surplus accounts to match growth in assets.

Until stock companies have a capital base, over and above reserves for losses, approximating that of commercial banks, I would be inclined to put more real confidence in the mutual association. But as an investor or an investment counsellor, I would not overlook the tremendous leverage inherent in the stock of a stock company or its holding company, nor would I be surprised to find out after a few years that savings and loan associations' stocks outperformed anything else on the board. After all, where there is a great leverage but also some actual capital there is great inducement to operate efficiently and hence to profit to the fullest extent from the leverage. That's why some of the stock companies and their holding companies are among

the best managed of all associations. That's why, in my opinion, we should have an appropriate law for the Federal chartering of stock companies.

Notice, however, that if stock companies are required to maintain a substantial capital base, they will have an important competitive disadvantage as against mutuals, which can pay out all of their earnings to their savers. Thus if equity stockholders are to receive more on their investment than the savers in their institutions, the stock company must either operate more efficiently than the mutual, or pay less for savings.

All of which sums up, I believe, in the prediction that, for the short run, associations will continue to grow rapidly, but that in the long run continued growth will depend on being able to get money cheaper, to operate at lower costs, and hence to serve borrowers more effectively. In this long-run competition, stock companies because of their profit objective may come out ahead, but unless the tremendous leverage they now have is reduced to a more reasonable ratio, some of them may misbehave and get into trouble. In the meantime, there is abundant opportunity for rapidly appreciating investment through careful selection of stock company and holding company stocks. Also, there is unlimited opportunity for investors to earn 4% or better on a United States government insured, demand obligation.

*An address by Professor Edwards before the Chicago Investment Analysts Society's Midwest Forum, April 4, 1962.

STATE OF TRADE AND INDUSTRY

Continued from page 7

crease of 36,158 cars or 21.5% above the corresponding period of 1961, and 38,715 cars or 23.3% above the corresponding period in 1960. There were 58 class I U. S. railroad systems originating this type traffic in this year's week compared with 58 one year ago and 52 in the corresponding week in 1960.

Truck Tonnage Gains 3.7% Over 1961 Week's Volume

Inter-city truck tonnage in the week ended April 23, was 3.7% ahead of the volume in the corresponding week of 1961, the American Trucking Associations announced. Truck tonnage was 1.2% ahead of the volume for the previous week of this year. The week-to-week gain was influenced by religious observances during the preceding week. The week's year-to-year change was diminished from that reflected during other recent reports by a pick-up in volume at this time a year ago.

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

Lumber Shipments Drop 3% Below 1961 Level

Lumber production in the United States in the week ended April 23 totaled 230,592,000 board feet, compared with 241,810,000 in the prior week, according to reports from regional associations. A year ago the figure was 237,832,000 board feet.

Compared with 1961 levels, output fell 3%, shipments were 3.9% less, and orders gained by 1.2%.

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

	April 23, 1962	April 21, 1962	April 29, 1961
Production	230,592	241,810	237,832
Shipments	253,195	272,512	243,704
Orders	47,671	269,451	244,618

Wholesale Commodity Price Index Moves Up Slightly

There was a mild rise in the general wholesale commodity price level last week, reports Dun & Bradstreet, Inc., but it remained below its month-ago level. Substantially higher in wholesale cost were wheat, corn and oats, while prices for flour, lard, sugar, steers and hides edged up fractionally. This combination of increases offset the strong declines registered in tin, steel scrap and rye.

On Monday, May 7, the Daily Wholesale Commodity Price Index inched up to 272.04 from 271.71 a week earlier although continuing slightly lower than in the previous month when it stood at 272.78. In every week so far in 1962, however, a mild upward trend from last year's level has persisted—the current index compared with the 268.37 on the similar date of 1961.

Wholesale Food Price Index at Lowest Level in Two Years

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., dropped to \$5.77 on May 8, hitting the lowest level since Feb. 16, 1960. It was off 1.4% from \$5.85 in the preceding week and was down 2.5% from \$5.92 on the corresponding day a year ago.

Substantial declines in the wholesale cost of hams, bellies and eggs, were largely responsible for the week's downturn. As well, there were slight dips in the prices quoted for beef and potatoes. Actually more foodstuffs increased in price than declined during the week, but the rises were of fractional size. Edging slightly higher in cost were wheat, oats, lard, sugar, cocoa, beans, steers and hogs.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general

trend of food prices at the wholesale level.

Business Failures Lowest in Nine Weeks

Continuing to fall for the second week, commercial and industrial failures declined to 314 in the week ended May 3 from 335 in the preceding week, reports Dun & Bradstreet, Inc. At the lowest level since March 1, casualties dropped considerably from the 399 occurring in the comparable week a year ago and were off slightly from the 327 in 1960. However, the toll remained 12% above the pre-war level of 281 in the similar week of 1939.

Failures involving liabilities of \$100,000 or more took an upturn to 42 from 37 last week but did not reach the 50 of this size a year ago. The week's decline was concentrated among casualties with losses under \$100,000, which fell to 272 from 298 a week earlier and 349 in the corresponding week of 1961.

The toll among retailers, down to 152 from 173, accounted for most of the week's dip, while milder decreases pushed the wholesaling toll to 31 from 40, and commercial service to 16 from 22. In contrast, manufacturing casualties rose to 56 from 49 and construction to 59 from 51. Fewer concerns failed than last year in all industry and trade groups.

Post-Easter Purchases Surprisingly Strong

The expected post-Easter lull in consumer buying did not materialize in the week ended this Wednesday. High temperatures coupled with traditional clearance sales boosted total retail volume appreciably above the comparable week a year ago. Hot weather gave a strong impetus to purchases of women's sportswear and men's lightweight clothing. Hardware, garden equipment, building materials and autos all continued to move at a strong pace. But, home furnishings fared poorly.

The total dollar volume of retail trade in the week ended this Wednesday ranged from 4 to 8% higher than last year, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1961 levels by the following percentages: New England -4 to 0; Middle Atlantic and East South Central -2 to +2; West South Central and Mountain +1 to +5; South Atlantic +2 to +6; West North Central +3 to +7; East North Central +10 to +14; Pacific +16 to +20.

Nationwide Department Store Sales Up 12%* From 1961 10r Week Ending April 28

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported a 12% increase for the week ended April 28, 1962, compared with the like period in 1961. For the week ended April 21, sales were up 1%* compared with the corresponding 1961 week. In the four-week period ended April 28, 1962, sales were 6%* above the corresponding period in 1961.

According to the Federal Reserve System department store sales in New York City for the week ended April 28 were 4%* less than in the corresponding 1961 week. For the week ended April 21, sales gained 19%* when compared with the same week in 1961. For the four weeks ending April 28, 1962, an increase of 6%* was reported as against sales in the comparable period in 1961.

*According to the Federal Reserve Board, "Interpretation of the weekly percentage changes during the Easter season is affected by the shifting date of the holiday (this year, April 22 and last year, April 2). Adjustment factors have been developed for this calendar irregularity. For the week ending April 21 the factor is +14%; this yields an 'adjusted' year-to-year change for the United States of 1%."

BANK AND INSURANCE STOCKS This Week — Bank Stocks

CITIZENS AND SOUTHERN NATIONAL BANK

The Atlanta Federal Reserve District had a population increase of approximately 21% in the decade 1950-1960. This increase was exceeded only by the San Francisco and Dallas Federal Reserve Districts. Looking at total deposits of all reporting member banks in the Federal Reserve System, those in the Atlanta District had an increase of 70% during the same decade. The only district with a greater increase was San Francisco with an increase of 80%. The third greatest increase was enjoyed by the Dallas District.

One may naturally assume that there must be some correlation between population increase and deposit growth, and with loans at an historically high rate relative to deposits and no increase in interest rates in prospect, those banks with the greatest deposit growth, over the long run, should turn in the best earnings performance. The recent Kiplinger Study on population indicates that greatest growth in the period 1960-1975 will occur in the West, Southwest, and Southeast. The Atlanta District is expected to show an increase in population of 33% in this period. Assuming that deposits will continue to follow population, the banks in the Atlanta District may be classified as growth banks.

The Citizens and Southern National Bank was incorporated in 1887 and has acquired through merger many banks. There are currently 27 offices in Georgia. Ten are located in Atlanta, six in Savannah, four in Macon, three in Augusta, and two each in Athens and Valdosta. In addition, the bank holds beneficially the stock of the Citizens and Southern Holding Company, which in turn has a majority interest in nine other banks. With the holding company banks there are a total of 48 offices—giving the bank broad geographic representation in a state where state-wide branching is not permitted. In addition, offices are maintained in New York and Chicago.

With combined deposits of \$645 million at the year-end 1961, Citizens and Southern is the largest bank in the sixth Federal Reserve District which also encompasses Florida. Although earnings of the bank (excluding holding company earnings) were off approximately 5% in the first quarter, it is not anticipated that consolidated earnings for the year 1962 will be lower. Total time deposits are estimated at 17%—which is a low ratio and does not imply the same unfavorable impact on earnings as elsewhere resulting from the change in Regulation Q. Although earnings growth on a per share basis has not been favorable over the past few years this is due to the necessity for additional capital which has brought about dilution in earnings. As is shown below, the figures (nonconsolidated) indicate a growth in capital funds to the point where further caution is not expected.

Generally, consolidated earnings are not shown, but if included, the bank shares are now selling at a reasonable multiple of earnings. In addition to this, the stock sells well below its recent high. Currently, loans are 49% of deposits—a ratio that can increase. Shown below are loans of all Federal Reserve Districts, showing a relatively low loan to deposit ratio for Atlanta. With an increase in demand for loans, the banks in this area have the capacity to expand appreciably. Although payout is reasonable at 47.3%, this does not take into account the consolidated earnings. On the basis of consolidated earnings, dividend treatment over the long run should be favorable. In addition to the quantitative factors mentioned, the qualitative factor of management is generally regarded as an asset of the bank.

Price	Range 1961-62	Dividend	Yield	Est. & Cons. Earnings	P/E Ratio
\$76	91-50	\$1.70	2.24%	\$4.60	16.5x

Citizens and Southern National Bank (Excluding affiliates)

Year End—	Capital Funds—		Net Oper. Earnings (Millions of Dollars)	Cash Dividends Declared (Millions of Dollars)	Dividends as % of Earnings (Payout)
	Deposits (Millions of Dollars)	Excluding Reserves as % of Deposits			
1961	\$522,250	\$46,750	\$5,072	\$2,400	47.3%
1960	504,246	46,226	5,018	2,310	46.0
1959	486,613	42,052	4,040	2,025	50.1
1958	470,052	33,838	3,558	1,650	46.4
1957	433,416	31,792	3,731	1,500	40.2
1956	435,321	31,405	2,971	1,500	50.5

Fed. Reserve District	Loans as a % of Gross Deposits	Fed. Reserve District	Loans as a % of Gross Deposits
	Dec. 31, 1961		Dec. 31, 1961
Boston	60.7%	Chicago	49.2
New York	57.9	St. Louis	30.0
Philadelphia	58.5	Minneapolis	51.3
Cleveland	52.5	Kansas City	48.9
Richmond	53.0	Dallas	49.2
Atlanta	49.1	San Francisco	58.5

Rice Opens N. Y. C. Branch

Irving J. Rice & Company, Incorporated, of St. Paul, Minn., has opened a branch office at 165 Broadway, Room 2508, New York City.

Form Partnership

Jay Bacharier & Co., a partnership, has been formed with offices at 50 Broad Street, New York City, to engage in a securities business. Jay Bacharier is general partner and George Blau, limited partner in the firm.

Comparison & Analysis (1961)

Leading Fire-Casualty Insurance Stocks

Bulletin on Request

LAIRD, BISSELL & MEEDS

Members New York Stock Exchange
Members American Stock Exchange
120 BROADWAY, NEW YORK 5, N. Y.
Telephone: Barclay 7-3750
Bell Teletype NY 1-1248-49
Specialists in Bank Stocks

Dir. of Chase International

Robert C. Hills has been elected a director of Chase International Investment Corporation, it has been announced by David Rockefeller, Chairman. Chase International is a wholly-owned foreign-financing subsidiary of the Chase Manhattan Bank.

Mr. Hill, who is President of Freeport Sulphur Company, fills the position on the Chase International board formerly occupied by the late Charles R. Cox, who was a director of Kennecott Copper Corporation.

Syndication Investors

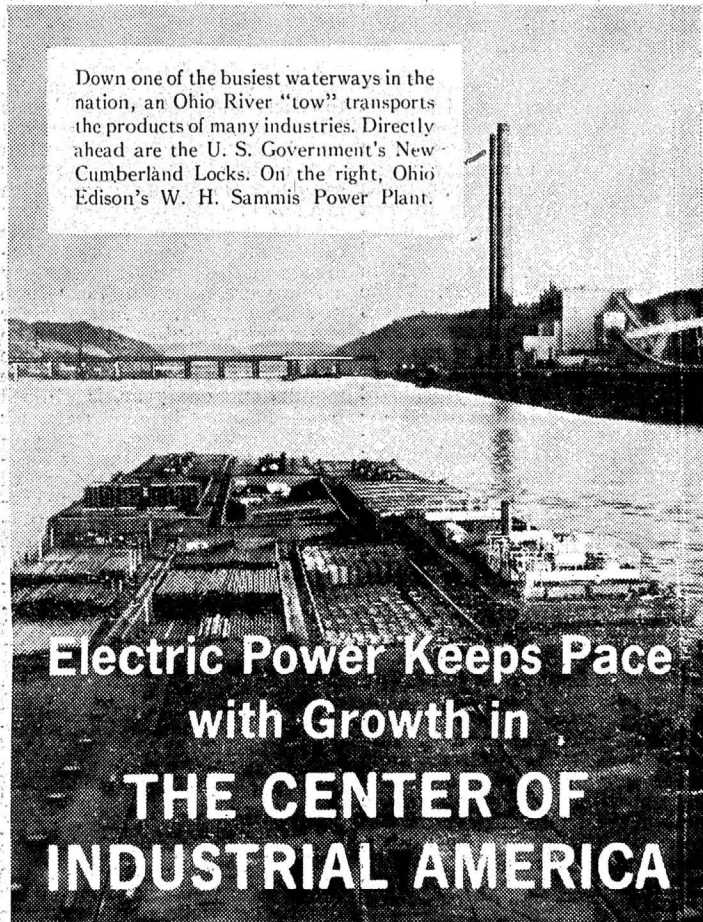
Syndication Investors Management Co., Inc., is engaging in a securities business from offices at 527 Madison Avenue, New York City.

John A. Toennessen With Marshall Co.

(Special to THE FINANCIAL CHRONICLE)
MILWAUKEE, Wis.—John A. Toennessen has become associated with The Marshall Company, 765 North Water Street. Mr. Toennessen for many years conducted his own investment business in Milwaukee under the firm name of John A. Toennessen & Co.

Now Corporation

MINNEAPOLIS, Minn.—Vernon J. Rockler & Co., Soo Line Building, is now doing business as a corporation. Officers are Vernon J. Rockler, President and Treasurer; M. G. Rockler, Vice-President; and William M. Goldman, Secretary.



Down one of the busiest waterways in the nation, an Ohio River "tow" transports the products of many industries. Directly ahead are the U. S. Government's New Cumberland Locks. On the right, Ohio Edison's W. H. Sammis Power Plant.

Electric Power Keeps Pace with Growth in THE CENTER OF INDUSTRIAL AMERICA

The area served by the Ohio Edison System continues to attract new industry. During the year of 1961, as pointed out in the Company's annual report to stockholders, 16 industrial enterprises announced plans to establish new plants, or materially expand existing facilities, involving expenditures of approximately \$120,500,000 and contemplating the employment of about 3,100 workers. These brought the total of such developments in the past seven years to 107, involving expenditures of approximately \$918,705,000 and offering employment to about 35,500 additional workers when in full production. Only plants with capital expenditures of \$1,000,000 or more are included in this total.

To keep ahead of the growing requirements for electricity, the Ohio Edison System continues to add substantially to its facilities each year. A third 173,000-kilowatt steam-electric generating unit was placed in service at the W. H. Sammis Plant at Stratton, Ohio, on the Ohio River in 1961. A fourth unit of the same size will go into operation in the summer of 1962. For Ohio Edison's subsidiary, Pennsylvania Power Company, ground will be broken for a 120,000-kilowatt addition to the New Castle Plant in June, 1962. Thus . . . electric power keeps pace with growth, here in The Center of Industrial America.

Ohio Edison Co.

General Offices • Akron 8, Ohio

For a copy of the annual report, write L. I. Wells, Secretary of the Company.

New Market Instrument: Bankers' Certificates

Continued from page 3

major New York banks reversed a policy in force since the 1920's of paying no interest on time deposits of domestic corporations.

Motivation for establishment of the new market sprung from the declining share of the nation's total commercial bank deposits in New York City banks during and since the Second World War. At the end of 1941 their share was 25%, but by the end of 1960 it was only 15%. In part this decline was a consequence of the lower rate of economic growth in the New York trading area than in the rest of the country. But in larger measure it was the result of a marked change in administration of liquid assets of large corporations.

Financial officers became highly sophisticated in regard to realization of maximum income from liquid assets, and their efforts in this direction were spurred by the uptrend of interest rates. Deposit balances which paid no interest were pared to a working minimum, and the remainder of needed liquidity was kept in short-term earning assets. At the end of 1961 estimates of holdings of such assets by business corporations were in the neighborhood of \$30 billion—\$19 billion in short term United States Government securities, \$1.5 billion in short-term state and municipal obligations, \$1 billion in Federal agency securities, the rest in commercial and finance company paper, bankers' acceptances, short-term corporate obligations, and loans to government bond dealers and others under repurchase agreements.

Indeed, these extensive lending operations of nonfinancial corporations were popularly known as the "second banking system." The major banks of New York City, as chief depositories of large nation-wide corporations, suffered most severely from these developments. In addition to being unwilling participants in the general reduction of deposits that accompanied these operations, New York banks also lost deposits to other banks throughout the country. Thus, the principal motivation for initiating the new bankers' certificates was to stem and reverse the drain on deposits and reserves that had been operative for two decades in New York City banks. In this way it was hoped that their lending capacity and their earning power might be materially improved.

Investors in bankers' certificates during the first year were mainly domestic business corporations. Major banks persuaded many of their large customers to purchase certificates for liquidity purposes instead of short-term Treasury securities, commercial and finance company paper, and other alternative investments. A wide variety of others held certificates, including states and political subdivisions, pension funds, insurance companies, and endowed institutions. Foreign commercial and central banks also owned them but they generally preferred to keep time deposits in the form of open accounts.

Features of New Bankers' Certificates

A more tangible understanding of the form of the new bankers' certificate may be gained by reference to the accompanying specimen. In essence it is a receipt for deposit of a stated sum in the bank on a given date, together with a promise to redeem this sum plus interest at the indicated rate on a designated date. The instrument is negotiable since it is payable either to bearer or to the order of the depositor. The

most common denomination is \$1,000,000. In fact, this is the minimum denomination of leading banks in New York City where multiples of \$5,000,000 and \$10,000,000 are not uncommon. A high minimum is set there since the certificates are designed to appeal to large corporations that would not be interested in smaller amounts. Also, the high minimum provides some protection against an undesired shift from demand deposits, on which no interest can be paid, to time certificates. Smaller banks outside New York occasionally issue certificates in units of \$100,000 and multiples thereof, but these are rare and are regarded as odd lots on which the rate is somewhat higher.

The typical original maturity of bankers' certificates is six months. In early 1962 about two-thirds fell in the range of six to seven months, inclusive, and one-fifth in the eight months to one year category. None was issued with maturity of less than three months, owing to the 1% rate ceiling set by the Board of Governors in this classification. Only a few were issued in the "three to six months" and in the "over one year" maturities. It should be emphasized that the entire scale of maturities between three months and one year, is utilized freely in order to meet customer requirements as precisely as possible. In fact, the feature of carefully tailored maturities is one of the significant advantages of certificates to investors in comparison with short-term Government securities.

Rates quoted on original issues of certificates change rather flexibly with general money market conditions; however, like rates on finance company paper, they sometimes remain unchanged for several weeks at a time. Rates are limited by the rate ceiling set by Regulation Q of the Board of Governors, but below that limit they are set competitively with other instruments in the money market. When the ceiling is inoperative, rates are usually about 1/4 percentage point above the yield on Treasury bills, and slightly below the yield on finance company paper. Different yields are quoted for different maturities in rough correspondence with the yield-maturity curve of the money market. The yield structure and maximum rates permitted by Regulation Q in early March, 1962 were as follows:

Days to Maturity	Current Rates	Maximum Rates, Reg. Q
30-89	*	1 %
90-179	2 1/2 %	2 1/2 %
180-269	3 1/8 %	3 1/2 %
270-359	3 1/4 %	3 1/2 %
360-and over	3 1/2 %	4 %

The Secondary Market

One of the essential elements in successful development of bankers' certificates is a healthy secondary market. Since a bank is prohibited from redeeming certificates before maturity, quick liquidity depends on re-sale to dealers. Such a market was initiated by Discount Corporation of New York, and by March, 1962 five additional security dealers had entered the field—C. J. Devine & Co., First Boston Corporation, Aubrey G. Lanston & Co., New York Hanseatic Corporation, and Salomon Bros. & Hutzler. These dealers stand ready to quote "bid" and "asked" rates on various maturities, and they maintain inventories (though small as yet) to meet investor requirements. The dealers' spread is between five and ten basis points. That is, when the bid rate is 3.10%, the asked rate may be 3.05 to 3.00%. Rates are quoted on a regular yield basis, but on a

NEGOTIABLE TIME
CERTIFICATE OF DEPOSIT \$1,000,000

NTD "X" BANK, New York, N. Y. March 1, 1962
THIS CERTIFIES that there has been deposited in this bank One Million Dollars

Payable to the order of "Y" Corporation
On September 1, 1962 at the above office of this bank upon presentation and surrender of this certificate properly endorsed with interest at 3% per annum (computed on basis of 360 days and actual days elapsed). No payment before and no interest after said date.

"X" BANK
New York, N. Y.
John Doe, Vice-President
Authorized Signature

360-day year. Hence, adjustment of quoted rates must be made when comparing them with rates on Treasury bills, bankers' acceptances, and commercial paper which are quoted on a discount basis and a 360-day year.

The level of rates is basically determined by general conditions of supply and demand for loanable funds. But in this setting dealers adjust quotations to those in competing sections of the money market. More specifically, rates are kept in proper relation to those on Treasury bills, finance company paper, commercial paper, repurchase agreements on Government securities, and to rates offered by banks on original certificates. As indicated, quoted rates are about 1/4 percentage point above Treasury bill rates, and somewhat below those on finance company paper of comparable maturity. Also, rates usually rise directly with maturities. For example, in early March, 1962 rates on certificates in the 90 to 179-day and the 360-day categories were 2 1/2% and 3 1/2%, respectively, and they rose by gradations within this range. However, the yield-maturity relationship must be kept in step with that of the money market in general. Consequently, in periods of tighter money the yield curve may be flat or even downward sloping.

Rates quoted by dealers also vary somewhat depending on a number of factors that deserve mention. For one thing, quoted rates apply to certificates of major banks; rates on smaller bank names are up to 1/4 percentage point higher. For another, quoted rates apply to standard units of \$1,000,000; they are somewhat higher on smaller denominations (odd lots) which are occasionally traded. Last, certificates purchased from dealers usually yield a shade more than original certificates. This arises from the fact that the maturity of original issues can be precisely matched with investor needs.

Dealers estimate that aggregate volume of trading was in the vicinity of \$2 billion during the new markets' first year, and that

Maximum rates on time deposits on open account, and on time certificates of deposit payable in:	Jan. 1, '36 to Dec. 31, '56	Jan. 1, '57 to Dec. 31, '61	Effective Jan. 1, '62
Less than 90 days	1%	1%	1%
90 to 179 days	2	2 1/2	2 1/2
180 to 364 days	2 1/2	3	3 1/2
1 year or more	2 1/2	3	4

Comparison of the foregoing ceilings with yields on Treasury bills and commercial paper reveals that certificates could not have competed with these alternative investments between mid-1955 and mid-1960, with the exception of a few months during the recession of 1958. Upward adjustment of the ceiling in January, 1962, opened the way for competition in the maturity range of six months and over, but precluded issuance of certificates in less than six months since yields on Treasury bills and other competing instruments were well above 2 1/2%. Moreover, with existing ceilings the new market would die if a cyclical rise in money rates comparable to that of 1959 should develop. In that event, yields of competing instruments with ma-

activity was materially higher during the first quarter of 1962. The bulk of trading took place in certificates of some 25 leading banks, the rest in certificates of about 25 others. The typical transaction was for \$2 to \$3 million in units of \$1 million, although many large corporations would not trade for less than \$5 million. The supply of certificates in the market came in large part from investors who needed funds before maturity date, but also from owners who sold for speculative motives. For example, an investor who bought an original one-year 3 1/2% certificate for \$1,000,000 could sell it in six months for about \$1,004,900 and accrued interest, when the yield on six-month certificates was 2 1/2%. He could then reinvest the proceeds in a new one-year 3 1/2% certificate, or in some other attractive alternative investment. In addition to transactions of these types, there was a moderate amount of inter-dealer trading.

Dealers usually make delivery of certificates sold on the next business day. Clearing of certificates is largely handled by Manufacturers Hanover Trust Company, but one large dealer does its own clearing. Payment for certificates purchased by dealers is made in Federal funds, and it is also customary for banks to redeem maturing certificates in Federal funds rather than in clearing house funds.

The Rate Ceiling: Regulation Q

The most threatening obstacle to development of the new market has been, and continues to be, the regulatory ceiling on rates. The Banking Act of 1933 directed the Board of Governors to set limits on interest payable on time deposits, and the Board has done so under Regulation Q. No change was made in the schedule of maximum rates during the 20 years preceding 1957 when rates actually paid were almost universally below the ceiling. But in 1957 and again in 1962, upward adjustments were made in line with the general rise of interest rates as follows:

How, in fact, can a viable environment for the new certificate market be created? The most straightforward solution is repeal of legal provisions for rate regulation. Many advocate this approach, and indeed there is much to recommend it as a step in the direction of freer markets. But if repeal is not deemed wise or politically feasible, the problem can be solved by a change in regulatory policy. It would doubtless be sufficient if the Board of Governors would adopt and implement a new policy of keeping rate ceilings on time deposits in all maturity classes sufficiently high to permit relatively free bank competition for money market funds. Space precludes discussion of methods of administration, but this should present no serious difficulties. The prime requisite is a change in regulatory policy along indicated lines.

Effects on Money Market

Growth of the new certificate market may have significant effects on the money market, on Federal Reserve operations, and on management policies of large city banks. The actual effects cannot be accurately anticipated since they depend on amount and character of asset shifting to certificates. Nevertheless, it is of interest to analyze possibilities and to estimate the most likely course of events. First, insofar as growth of certificates represents a shift from other forms of commercial bank time deposits there should be no significant repercussions. It is unlikely that regular savings accounts would lose to certificates, since the former belong principally to small individual savers. However, there might be some shift from time deposits on open account to certificates, since a large part of such accounts belongs to business corporations and other institutions.

Second, if growth of time certificates comes from demand deposits, several results of importance may follow. The initial effect would be a reduction in demand deposits, an equivalent increase of time deposits, and release of required legal reserves, owing to lower reserve requirements against time deposits. Assuming that the banking system subsequently utilizes the released reserves to support expansion of credit, the ultimate result would be an increase in total deposits but a reduction in demand deposits. Whether such a change, involving a decrease in the active money supply, would tend to reduce spending for output is indeterminable although many economists would expect this result. In such an event, levels of employment, income, and prices would be depressed unless countered by expansionary monetary and fiscal policies.

As a safeguard against direct shifts from demand deposits to certificates, major banks have set the minimum denomination of certificates very high—\$1 million in New York City. In this way they expect to confine the problem to large customers who understand the need for compensating demand balances, and who have already reduced such balances to a minimum working level. Of course, the growth of certificates on which interest is paid, at the expense of demand deposits on which no interest is paid, would be a most unwelcome development to the banks.

While direct shifting of demand deposits to certificates may not be a serious hazard, there is reason to believe that such a shift may indirectly occur in the banking system. For example, Bank A would welcome the decision of its customer, Corporation X, to convert \$10 million of Treasury bills into time certificates. But if the bills are purchased by a nonbank investor, it is likely that he will pay by drawing down demand deposits in other banks. That is,

2 Source: Federal Reserve Bulletin, February, 1962, p. 180.

the consolidated balance sheet of the banking system would in this case show a decrease of demand deposits and an increase of time certificates. The release of reserve requirements would in part save the day provided attractive loan and investment opportunities existed. But even after full utilization of released reserve, demand deposits would remain well below their former amount, and their ratio to time deposits would decline.

Moreover, while Bank A might not shed tears over loss of demand deposits by other banks, it could not, as a member of the system, avoid for long the impact of a pervasive development such as this. Its tears might come later when another of its large customers, Corporation Y, drew down demand deposits to purchase Treasury Bills which were being converted to time certificates of Bank B. Thus, since the largest potentiality for growth of certificates appears to be through shifts from Treasury securities and other short-term investments, it is likely that development of the certificate market would be in some degree at the expense of demand deposits. This conclusion assumes, however, that the total amount of member bank legal reserves was just sufficient to meet requirements before the shift to certificates occurred, and also that Federal Reserve authorities would not permit additions to bank reserves. Of course, if the Federal Reserve should respond by releasing a new increment of legal reserves, bank credit expansion could replace the extinguished demand deposits. In fact, such action would be most likely if the monetary authorities interpreted the shift from demand deposits to certificates as undeniably deflationary.

Other Possible Developments

Consideration should also be given to another possible development. Assume in the foregoing example that Corporation X sold the \$10 million of Treasury bills to commercial banks who paid by checks drawn on their balances at Reserve Banks. For the banking system the net effect would be an increase of Treasury bill holdings and of time certificates of deposit. In the event that excess reserves existed, their amount would be decreased by the added reserve requirement of \$500,000. But if legal reserves were just sufficient at the outset, a reserve deficiency would develop. This in turn would initiate a multiple contraction of bank credit to repair the deficiency unless new reserves were released by the Federal Reserve or became available from other sources.

Third, while the banking system as a whole would be affected along the foregoing lines, what of the distribution of deposits and reserves? The probabilities are high that successful growth of the certificate market would move deposits and reserves toward large banks in money centers—particularly toward New York City—and away from smaller banks that do not issue the new certificates. However, this movement would not be likely to take the form of direct shifts of deposits. Instead, the process would probably be an indirect one, growing out of sale of Treasury securities and other investments to nonbank investors and placement of the proceeds in certificates. After the initial stage, the process might most often involve decisions of large customers initially to buy certificates rather than Treasury bills.

But regardless of the process, the effects on smaller banks throughout the country would be inconsequential. This follows from the small proportion of total deposits likely to be represented by certificates, and from the na-

tionwide distribution of the impact. In fact, since the rest of the country has been growing depositwise more rapidly than New York City, the practical result would be no more than a slight change in relative rates of growth.

Last, development of a sizable new certificate market may have some effects on the money rate structure. Since certificates compete most directly with Treasury bills, commercial paper, and finance company paper, the relative demand for these instruments by corporations and others should be somewhat less than before. Hence, there should be a tendency for these rates to rise slightly in relation to other rates in the market. However, Treasury debt management operations might offset this tendency with respect to bills. The influence of major banks in committing funds gained from certificates is less clear. Almost certainly a part would be invested in tax-exempt municipals, thereby causing a relative decline in tax-exempt yields. Beyond this, visibility is too poor to justify even a guess. Presumably the new funds would find their way into all forms of loans and investments with the possible exception of real estate loans.

Summary and Conclusions

(1) A new money market instrument, the negotiable time certificate of deposit, was offered by major banks beginning in February, 1961. Within one year this new division of the New York money market was comparable in size and activity to the commercial paper market and the bankers' acceptance market.

(2) Most of these bankers' certificates were issued in denominations of \$1 million or more by large banks in New York City and other leading cities and with maturities ranging between six months and one year.

(3) Investors in the certificates were principally large business corporations, but they were also held by a wide variety of other investors.

(4) Six large bond dealers in New York City undertook to make a market in certificates by quoting "bid" and "asked" rates at which they stood ready to buy and sell.

(5) The rate level on certificates stood at about 1/4 percentage point above the rate on Treasury bills, and somewhat below the rate on finance company paper.

(6) The principal obstacle to substantial further development of the new market is regulation of maximum interest rates payable on time deposits by the Board of Governors of the Federal Reserve System. Repeal of rate regulation, or a policy of setting the ceiling sufficiently high to permit bank competition with alternative investments, is a prime requisite to growth, or even survival, of the market.

(7) If the barrier of rate ceilings is removed, a promising further development of the new market appears to lie ahead. When allowed to compete freely for money market funds the major banks are able to issue certificates that provide many investors with an attractive combination of liquidity, safety, and yield.³

³In preparation of this article I am particularly indebted to Mr. Joseph Fleiss, First National City Bank of New York and to Mr. John Lawson, Vice-President, Discount Corporation of New York, both of whom generously provided current information by interviews. I have also utilized information from two excellent earlier articles on the certificate market:

- (1) Robert B. Brown, "Certificates of Deposit — Their Market and Future," *The Commercial and Financial Chronicle*, November 23, 1961, p. 12.
- (2) Roy L. Reiersen, "A New Money Market Instrument," *Bankers Trust Company, Economically Speaking*, March 24, 1961, pp. 1-9.

Bond Club of N. Y. Field Day June 1

The Annual Field Day of the Bond Club of New York will be held this year on Friday, June 1, it was announced by W. Scott Cluett of Harriman Ripley & Co., President of the club. This year will mark the 38th outing for the Bond Club. It will take place at the Sleepy Hollow Country Club, Scarborough, New York.



W. Scott Cluett



Robert A. Powers



John W. Dayton, Jr.



Avery Rockefeller, Jr.



H. Virgil Sherrill

Robert A. Powers of Smith, Barney & Co. has been named Field Day Chairman this year. Assisting him will be four General Chairmen: John W. Dayton, Jr. of Clark, Dodge & Co., Inc.; Sydney G. Duffy of Blyth & Co., Inc.; Avery Rockefeller, Jr. of Dominick & Dominick, and H. Virgil Sherrill of Shields & Co.

Heading the 13 committees appointed to supervise sports, entertainment and other activities at the outing are the following chairmen: Attendance—Fred L. Heyes of Dillon, Read & Co. Inc.; Arrangements—Andrew F. Peck of Clark, Dodge & Co., Inc.; Stock Exchange—John M. Callaghan of Goldman, Sachs & Co.; Entertainment—James M. King, Jr. of Francis I. du Pont & Co.; Special Features—Richard E. Boesel, Jr. of Hayden, Stone & Co.; Golf—William S. Goedecke of Smith, Barney & Co.; Food and Beverage—Harold D. Barnard of Dean Witter & Co.; Bawl Street Journal—Walker W. Stevenson, Jr. of Hemphill, Noyes & Co.; Bawl Street Journal (circulation)—Rollin C. Bush of The First National City Bank of New York; Trophy—H. Lawrence Parker of Morgan Stanley & Co.; Publicity—William H. Long, Jr. of Doremus & Company; Tennis—John Wasserman of Asiel & Co.; Trap Shooting—Nelson R. Jesup of Clark, Dodge & Co., Inc.

Arrangements for the outing were completed at a dinner for committee chairmen at the Racquet and Tennis Club, Thursday evening.

International Brokerage Co. Opens in N. Y. City

Announcement is made of the formation of the firm of International Brokerage Company with offices at 170 Broadway, New York City, which will conduct a general investment banking business, as underwriter, originator and participating dealer, and also do a brokerage business in United States and foreign securities, particularly those of Italy, Germany and Switzerland, specializing in banking, railroad and steel shares. Proprietor of the firm is Dr. Leopold von Grun.

Elected a Director

KANSAS CITY, Mo. — Thomas J. Herbert has been elected a director of Waddell & Reed, Inc., national underwriter of United Funds, Inc., United International Fund, Ltd., and United Funds Canada Ltd., according to an announcement by Chauncey L. Waddell, Chairman.

Mr. Herbert was recently elected Chairman of the Board of Continental Research Corporation, investment manager for United Funds, Inc. Before that he had been President of Hugh W. Long and Company, Incorporated (which recently changed its name to Anchor Corporation). Prior to 1951 he was a Vice-President of the American National Bank and Trust Company of Chicago.

Government of New Zealand Bonds Offered

Kidder, Peabody & Co., New York City, is head of an underwriting group which is offering publicly \$25,000,000 Government of New Zealand 5 1/4% bonds due May 1, 1977, at 97.50% and accrued interest to yield approximately 5.50% to maturity.

Principal and interest on the bonds are payable in United States currency. The bonds are entitled to semi-annual sinking fund payments of \$850,000, commencing Nov. 1, 1964, and calculated to retire 85% of the issue prior to maturity.

The bonds will be redeemable at the option of New Zealand on May 1, 1972, at 101% and thereafter at prices decreasing to the principal amount on or after May 1, 1976.

It is the present intention of New Zealand to apply the proceeds of the sale toward the government's program of capital works and expenditures. This program for fiscal year 1963 provides for electric development, land development, housing construction, public and education buildings, rolling stock and capital improvements for railways and other projects.

The New Zealand economy is based essentially upon pastoral, dairying and agricultural activi-

ties which are of particular importance to the export trade. About 98% of wool produced is exported, accounting for an average of 34% of total exports. Next in terms of importance come meat, butter and cheese. Currently New Zealand is the world's largest exporter of butter and cheese and the second largest exporter of meat and wool.

The economy of New Zealand has expanded steadily throughout the post-war period. The estimated gross national product increased by 88% during the 10 year period ended March 31, 1961. In fiscal 1961 gross capital formation amounted to 289 million New Zealand pounds or 22.1% of the gross national product.

New Zealand has agreed to make application to list the new bonds on the New York Stock Exchange.

IBA Favors Local Aid to Mass Transit Systems

WASHINGTON, D. C.—Local aid for city mass transit systems, rather than Federal aid, is recommended as fairer and more efficient by investment bankers. At hearings before the Subcommittee Number 3 of the House Committee on Banking and Currency on the proposed "Urban Mass Transportation Act," which would provide \$500 million in Federal grants for city mass transit facilities, the Investment Bankers Association of America pointed out that if a city mass transit system is not self-supporting and must be subsidized it would be fairer and more efficient to provide the subsidy locally so that the beneficiaries of the system would assume the financial responsibility for its support along with the users of the transit system. Also, the public debt of the Federal Government has increased 490% in the last 20 years to \$289 billion, while the total bonded state and municipal debt during the same period increased only 258% to \$71.7 billion; and that the proposed program would require taxpayers in rural areas and small towns to pay for city mass transit facilities through the Federal funds obtained from Federal income taxes.

If the proposed Federal grant program to aid city mass transit is to be adopted, the Investment Bankers Association urged certain changes to make it more effective and avoid certain difficulties, as follows:

- (1) If a subsidy is needed for mass transit, local government can provide it better than the Federal Government.
- (2) The proposed program would require taxpayers in rural areas and small towns to pay for mass transit facilities in urban areas.
- (3) If the proposed Federal grant program is to be adopted:
 - (a) Federal participation should not exceed 50% of net project cost to assure maximum local participation.
 - (b) Federal grants should not be used to finance acquisition of private company facilities or equipment by public bodies.
 - (c) No Federal loan program should be provided.
 - (d) The portion of project cost payable from revenues should be determined by the applicant, supported by expert independent engineering opinions, rather than by the administrator.

C. H. Kahler Co. Formed

SAYVILLE, N. Y.—C. H. Kahler is engaging in a securities business from offices on Broadway Avenue under the firm name of The C. H. Kahler Co. Mr. Kahler was formerly with Butler, Herrick & Marshall.

As We See It

Continued from page 1

used. Not only is it unsuitable, but its application in the way proposed could hardly fail to bring results all of us—including the Administration itself—must in the end deeply regret. Let it be observed that the formula proposed by Administration economists relates wage increases to changes in "productivity," not in the industry or trade where wage settlements are to be effected but in the economy as a whole. The Chairman of the President's Council of Economic Advisors has been at pains to explain in some detail why it is thought that the figure must be that for the economy as a whole rather than that for any particular industry. The fact is, though, that in most popular discussions of the subject and in most arguments about it, this qualification of the Administration is largely overlooked or ignored leaving the argument to turn on changes in productivity in the particular industry concerned.

In either case, however, the proposed measure is beset with many shortcomings, and as a matter of cold fact is in any event not suitable for the purposes suggested. In the first place, no discerning statistician or economist who has cut his eyeteeth is able to summon much faith in any of the indexes of "productivity," or to devise ways and means of preparing indexes that can be regarded as falling within the range of accuracy and objectivity obviously required for any such use as is now suggested by the Administration. But before going into this tragic weakness of this figure—particularly though not exclusively of measures that purport to apply to the economy as a whole—let it be said after the manner of the English in straight-flung words and few that the figure even though one could be devised which satisfied critical statistical standards would be quite unsuited for the purposes in hand.

What Is "Productivity"?

For the uninitiated let it be explained that "productivity" as currently employed means simply the average output per man working one hour. Now, it should be obvious, first of all, that the amount a wage earner gets done in an hour depends upon many things other than the worker himself. Some of these factors are, of course, quite obvious. Introduction of better equipment at the expense of the owner—certainly not as a rule at the expense of the wage earner—is one of them. In this day and time this is a vital factor. But there are many others that the rank and file probably never think

of. In a note appended to one of its tables in the current issue of its *Economic Almanac*. The National Industrial Conference Board which has given as much unbiased study to these questions as any one, has this to say:

"Changes in the ratio between output and manhours of work show the joint effect of a large number of separate, though interrelated, influences. The long-term upward trend of output per manhour is due mainly to technical improvements in industrial organization and processes. At any time, however, output per manhour also depends upon such factors as the rate of operations, the relative contributions to production by plants at different levels of efficiency, the types of resources and materials available, the flow of materials, the skill and effort of the work force, the efficiency of management and the state of labor relations."

Now, obviously many of these other factors involve costs. What is saved in direct labor costs per hour may well be eaten up or largely offset by costs necessary to reduce direct labor costs. And these things must be paid for if they are to be had. What warrant is there, then, in assuming out of hand that the wage earner is due all the credit for increasing output per hour that he works—and, of course, all the reward?

Conceptual Absurdities

These conceptual absurdities are plain enough in and of themselves to condemn the use of this measure as proposed by the Administration and as employed all too often in any event in private settlements of labor controversies. But there are other equally compelling reasons for abandoning this blind worship of "productivity" as a measure of additional wages which may be paid without introducing inflationary factors into the economy. That reason is that no one has been able to compile a series of figures which in any realistic way measures the changes in the output of the economy per manhour. There are to be sure certain figures prepared by venturesome statisticians or a statistician under official pressure to come up with such ratios. Unfortunately, too, the great rank and file have little or no conception of the difficulties, or really the barriers, to the preparation of such figures.

We have all become too accustomed to GNP which is presented as total output of the economy, and to "adjusted" figures which have had the effect of price changes removed. So familiar with these key figures have

most of us become that the rather extensive range of inevitable error in this or any other such guestimate is mostly overlooked. Difficulties of the same order of magnitude face the statistician who attempts to estimate the number of manhours that have entered into the production of any year's output. We in this country need a much greater degree of skepticism regarding the results of elaborate statistical estimates which defy scientific confirmation.

Kogel, Inc. Stock Sold

Globus, Inc., 660 Madison Avenue, New York City, is offering publicly 100,000 common shares of Kogel, Inc., at \$1 per share. Net proceeds, will be used by the company for product development, advertising and sales promotion, and working capital.

The company of 26-32 Second Street, Long Island City, N. Y., is engaged in the development, manufacture, sale, licensing and application of wall and floor coatings and finishes in the building industry. The most widely known of these coatings and finishes is "Vitricon," a cold glazed concrete wall surfacing material, used primarily as a substitute for tile.

King Louie Bowling Corp. Stock Offered

George K. Baum & Co., 1016 Baltimore Avenue, Kansas City, Mo., is offering 330,000 common shares of King Louie Bowling Corp., at \$2 per share. Net proceeds will be used by the company for the repayment of debt, and other corporate purposes including possible acquisitions.

The company, of 8788 Metcalfe Road, Overland Park, Kan., is engaged in the operation of four bowling establishments in the Kansas City area, the first of which was opened in 1940. These centers are modern and air-conditioned, and have an aggregate of 112 fully automatic lanes for ten-pin bowling.

Join Eastman Dillon

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Paul B. Butler, Jr., Edwin Mir, Richard E. Spahr and Walter E. Wilson have been added to the staff of Eastman Dillon, Union Securities & Co., 601 California Street. Mr. Butler was formerly with Walston & Co. Inc.; Mr. Mir with Reynolds & Co., and Mr. Wilson with Cruttenden, Podesta & Miller.

Unified Business Services

SAN CLEMENTE, Calif.—Donald J. Atkinson is engaging in a securities business from offices at 158 Avenida de la Paz, under the firm name of Unified Business Services of Southern California.

Turnbull, Deter

CHARLOTTESVILLE, Va.—Turnbull, Deter and Sullivan, Incorporated, is engaging in a securities business from offices at 1438 Jefferson Park Ave. Officers are Knox Turnbull, Chairman of the Board; James W. Deter, President, and Richard P. Sullivan, Vice-President, Secretary and Treas.

A. M. Whitmer Opens

SARASOTA, Fla.—Arnold M. Whitmer has opened offices at 1734 Main Street to conduct a securities business.

N. Y. Municipal Bond Club Slate

R. George Le Vind, Vice-President of Blyth & Co., Inc., has been nominated President of The Municipal Bond Club of New York for the fiscal year 1962-63. He will succeed Alfred S. Mante,



R. George LeVind L. A. Hauptfleisch Henry Milner Daniel P. Whitlock

Manager of the municipal bond department of Smith, Barney & Co.

The annual meeting and election of officers will be held on Friday, June 8, at the Westchester Country Club, Rye, N. Y., in conjunction with the Club's 29th Annual Field Day.

Other nominations are Henry Milner, Vice-President of R. S. Dickson & Co., Inc. for Vice-President of the Club; Louis A. Hauptfleisch, Manager municipal department, Goldman, Sachs & Co., Secretary; and Daniel P. Whitlock, Partner of Ladenburg, Thalmann & Co., Treasurer.

Donald C. Patterson, Vice-President, Chemical Bank New York Trust Company and John N. Mitchell, of Caldwell, Marshall, Trimble & Mitchell have been nominated to serve on the Board of Governors for three-year terms.

NSTA



NOTES

MEMPHIS SECURITY DEALERS' ASSOCIATION



Norman Blake

The Memphis Security Dealers' Association has elected the following officers for 1962:

President: Norman Blake, Merrill Lynch, Pierce, Fenner & Smith Incorporated.

Vice-President: Fred Griffith, Goodbody & Co.

Secretary: William J. Chase, M. A. Saunders & Co., Inc.

Treasurer: Jeff Newbill, Jr., Wilder, Hansbrough, Finch & Co.

KANSAS CITY SECURITY TRADERS ASSOCIATION

The Kansas City Security Traders will hold their summer party June 14th and 15th. Fee for the entire party is \$25.

A Calcutta cocktail party will be held at the Hotel Continental on June 14th.

A Calcutta Golf Tournament will be held at the Meadowbrook Country Club, Friday, June 15th.

Reservations (together with your golf handicap and request for hotel room reservations) should be sent to Myron D. Mesler, George K. Baum & Company.

Form Wolf & Cohen

WASHINGTON, D. C.—Wolf & Cohen, Incorporated, is engaging in a securities business from offices at 601 Thirteenth Street, N. W. Officers are Samuel S. Kaufman, President; Henry E. King, Executive Vice-President and Treasurer; James V. Castiglia, Vice-President; Bernard I. Nordlinger, Secretary; E. J. O'Meara, M. L. Rampendahl and D. L. Darnall, Assistant Secretaries, and Frederic R. Wohl, Assistant Treasurer.

Named Director

Robert C. Youngberg, chief analyst of Boenning & Co., Philadelphia, and a director of C. F. C. Funding, Inc., financing and management consulting firm, has been appointed a director of the Heath Manufacturing Co., Seattle, Wash., maker of plastic products and assemblies for military and commercial use.

Jack Moyer Opens

(Special to THE FINANCIAL CHRONICLE)

SHERMAN OAKS, Calif.—Jack L. Moyer is engaging in a securities business from offices at 13805 Ventura Boulevard.

Sterling Associates Formed

Stanley A. Spano is conducting a securities business from offices at 799 Broadway, New York City under the firm name of Sterling Associates.

C. R. Wolven Opens

(Special to THE FINANCIAL CHRONICLE)

GARDEN GROVE, Calif.—C. R. Wolven is conducting a securities business from offices at 12505 Brookhurst Street.

With California Investors

LOS ANGELES, Calif.—Frank R. Dawson has been added to the staff of California Investors, 3644 Olympic Boulevard, members of the Pacific Coast Stock Exchange.

Securities Now in Registration

★ INDICATES ADDITIONS
SINCE PREVIOUS ISSUE
● ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

A. E. C. Electronics, Inc. (5/31)

Feb. 28, 1962 ("Reg. A") 100,000 common. Price—\$1.25. **Business**—Design, development and sale of transistorized ignition systems for engines. **Proceeds**—For equipment, leasehold improvements, advertising and working capital. **Office**—80 Wall St., N. Y. **Underwriter**—Bertner Bros., N. Y.

A. L. S. Steel Corp.

March 29, 1962 filed 100,000 common. Price—\$4.50. **Business**—Sale of processed flat rolled strip steel. **Proceeds**—For debt repayment, equipment, and working capital. **Office**—126-02 Northern Blvd., Corona, N. Y. **Underwriter**—Bernard L. Madoff, N. Y. **Offering**—In July.

Accurate Instrument Co. Inc.

April 24, 1962 ("Reg. A") 80,000 common. Price—\$2.50. **Business**—Manufacture of electronic test instruments and component parts. **Proceeds**—For new products, debt repayment and other corporate purposes. **Office**—2435 White Plains Rd., N. Y. **Underwriter**—Paisley & Co., Inc., 15 W. 44th St., N. Y.

Accurate Packaging Corp. (5/28-31)

Feb. 28, 1962 filed 80,000 common. Price—By amendment, (max. \$3). **Business**—Design and manufacture of folding paperboard cartons. **Proceeds**—For debt repayment, advertising and other corporate purposes. **Office**—651 Third St., Newark, N. J. **Underwriter**—Baruch Bros. & Co., Inc., N. Y.

Accurate Parts, Inc.

March 30, 1962 filed 100,000 common. Price—By amendment (max. \$13). **Business**—Rebuilding and sale of starter drive devices for automobiles. **Proceeds**—For selling stockholders. **Office**—1313 S. Jay St., Kokomo, Ind. **Underwriters**—McDonnell & Co., N. Y. and Rafterperger, Hughes & Co., Indianapolis. **Offering**—June.

Adelphi Research & Mfg. Co. (6/25-29)

Mar. 22, 1962 ("Reg. A") 53,300 common. Price—\$3.75. **Business**—Manufacture and distribution of diazo, brown, and blue print paper. **Proceeds**—For debt repayment, expansion & working capital. **Office**—3745 N. 2nd St., Philadelphia. **Underwriter**—Fred F. Sessler & Co., Inc., New York.

Admiral Automotive Products, Inc. (5/21-25)

Jan. 11, 1962 filed 100,000 common. Price—\$4. **Business**—A warehouse distributor of automobile equipment accessories and supplies. **Proceeds**—For expansion and working capital. **Office**—3294 Steinway St., Astoria, N. Y. **Underwriter**—Baruch Brothers & Co., Inc., N. Y.

Admiral Benbow Inn, Inc.

March 23, 1962 filed 101,578 common to be offered for subscription by stockholders on a 1-for-5 basis. Price—By amendment (max. \$18). **Business**—Operation of a chain of restaurants and a motor hotel. **Proceeds**—For expansion, debt repayment and equipment. **Office**—29 S. Bellevue Blvd., Memphis. **Underwriter**—James N. Reddoch & Co., Memphis.

Admiral Business Systems, Inc.

Feb. 28, 1962 filed 70,000 common. Price—\$3. **Business**—Designs and produces printed business forms. **Proceeds**

—For additional sales personnel, moving expenses and other corporate purposes. **Office**—233 W. 42nd St., N. Y. **Underwriter**—Fabrikant Securities Corp., N. Y. **Offering**—Expected in June.

Advance Mortgage Corp.

April 27, 1962 filed 100,000 common. Price—By amendment. **Business**—The making and servicing of real estate first mortgage loans. **Proceeds**—For debt repayment. **Office**—First National Bank Bldg., Detroit. **Underwriter**—Shields & Co., N. Y.

Aerodyne Controls Corp. (5/28-6/1)

Jan. 29, 1962 ("Reg. A") 90,000 common. Price—\$2. **Business**—Design, manufacture and sale of systems, controls and assemblies for the missile, rockets and aircraft industries. **Proceeds**—For equipment, debt repayment, expansion and working capital. **Office**—90 Gazza Blvd., Farmingdale, N. Y. **Underwriter**—Robbins, Clark & Co., N. Y.

Aeroscience Electronics, Inc.

March 16, 1962 ("Reg. A") 92,000 common. Price—\$3.25. **Business**—Design and fabrication of instrumentation and telemetry systems. **Proceeds**—For equipment, inventory and working capital. **Office**—3181 Roswell Rd., N. E., Atlanta. **Underwriter**—Robert M. Harris & Co., Inc., Philadelphia.

Aerosystems Technology Corp.

April 11, 1962 filed 165,000 common. Price—\$3. **Business**—Development, manufacture and marketing of certain proprietary products and defense contracting. **Proceeds**—For new products, inventory and working capital. **Address**—Route 15, Sparta, N. J. **Underwriter**—Chase Securities Corp., N. Y.

Agency Tile Industries, Inc. (5/21-25)

Sept. 6, 1961 ("Reg. A") 120,000 common. Price—\$2.50. **Business**—Importing, marketing and distributing ceramic tiles. **Proceeds**—Debt payment, new products, sales promotion and advertising, new office and warehouse and working capital. **Office**—522 W. 29th St., N. Y. **Underwriters**—International Services Corp., 1126 Clifton Ave., Clifton, N. J., and Market Values, Inc., N. Y.

Air Master Corp.

May 26, 1961 filed 200,000 shares of class A common stock, of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. **Business**—The manufacture and sale of aluminum storm windows and doors, and other aluminum products. **Proceeds**—For working capital, and other corporate purposes. **Office**—20th Street, and Allegheny Avenue, Philadelphia, Pa. **Underwriter**—Francis I. du Pont & Co., N. Y. **Note**—This offering has been indefinitely postponed.

Air Reduction Co., Inc. (6/5)

April 27, 1962 filed \$44,546,300 of conv. subord. debentures due 1987 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 10 shares held of record June 5, 1962. Price—By amendment. **Business**—Production of oxygen, acetylene and other gases, welding tools and related equipment. **Proceeds**—For debt repayment and expansion. **Office**—150 E. 42nd St., N. Y. **Underwriters**—Kidder, Peabody & Co. and Dean Witter & Co., N. Y.

Air-Tech Industries, Inc. (6/15)

Mar. 23, 1962 ("Reg. A") 73,500 common. Price—\$3. **Business**—Manufacture and distribution of a variety of air-supported structures, radar antennae, and solar reflectors. **Proceeds**—For expansion and working capital. **Office**—30 Garden St., New Rochelle, N. Y. **Underwriter**—Fred F. Sessler & Co., Inc., N. Y.

Alan-Randal Co., Inc.

Oct. 27, 1961 ("Reg. A") 120,000 common. Price—\$2.50. **Business**—Distributor of pens and other advertising material. **Proceeds**—For working capital. **Office**—11608 Ventura Blvd., Studio City, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif. **Offering**—Imminent.

★ Alabama Power Co. (5/31)

May 4, 1962 filed \$17,000,000 of first mortgage bonds due 1992. **Office**—600 N. 18th St., Birmingham, Ala. **Underwriters**—(Competitive). Probable bidders: Blyth & Co. Inc.-Kidder, Peabody & Co. (jointly); Morgan Stanley & Co.; First Boston Corp.; Eastman Dillon, Union Securities & Co.-Equitable Securities Corp.-Drexel & Co. (jointly); Lehman Brothers; Halsey, Stuart & Co. Inc. **Bids**—May 31 (11:30 a.m. EDT) in Room 1600, 250 Park Ave., N. Y. **Information Meeting**—May 28, 1962 (2:30 p.m. EDT) at 20 Pine St., (Room 905), N. Y.

Alaska All American Petroleum Corp.

Feb. 15, 1962 filed 2,000,000 common. Price—\$1. **Business**—Acquiring, exploring and developing oil and gas properties. **Proceeds**—For debt repayment and other corporate purposes. **Office**—715 Midland Savings Bldg., Denver. **Underwriter**—None.

Alaska Pacific Lumber Co.

Nov. 17, 1961 filed 250,000 common. Price—\$5.75. **Business**—A lumber company. **Proceeds**—For construction and working capital. **Office**—614 Equitable Bldg., Portland, Ore. **Underwriter**—Dempsey-Tegeler & Co., Inc., St. Louis. **Note**—This registration was temporarily postponed.

Albee Homes, Inc.

March 14, 1962 filed \$5,000,000 of conv. subord. debentures due 1982, also 150,000 outstanding common. Price—By amendment (max. \$30 for common) **Business**—Sale of pre-cut, packaged home building materials for

construction of "shell" homes. **Proceeds**—For expansion of credit sales. **Office**—931 Summit St., Niles, Ohio. **Underwriter**—G. H. Walker & Co., N. Y. **Offering**—Imminent.

● Alcolac Chemical Corp. (5/28-6/1)

March 23, 1962 filed 50,000 common. Price—By amendment (max. \$6). **Business**—Manufacture of specialty chemical products. **Proceeds**—For general corporate purposes. **Office**—3440 Fairfield Rd., Baltimore. **Underwriter**—Robert Garrett & Sons, Baltimore.

● Alison Ayres, Inc.

Feb. 28, 1962 filed 100,000 common. Price—\$5. **Business**—Design and manufacture of women's dresses. **Proceeds**—For debt repayment, equipment, inventories and advertising. **Office**—1400 Broadway, N. Y. **Underwriter**—J. R. Williston & Beane, N. Y. **Offering**—Imminent.

Allegheny Aluminum Industries, Inc.

Dec. 21, 1961 filed 100,000 common. Price—\$4.25. **Business**—Manufacture of aluminum and fiberglass awnings and aluminum combination storm-screen windows and doors. **Proceeds**—For an acquisition, debt repayment and general corporate purposes. **Office**—5007 Lytle St., Pittsburgh, Pa. **Underwriter**—First Madison Corp., N. Y.

● Allegheny Pepsi-Cola Bottling Co. (6/4-8)

March 5, 1962 filed \$1,250,000 of 6¼% subordinated sinking fund debentures due 1977 (with attached warrants) and 312,500 common. Price—By amendment (\$8 max. for common). **Business**—Manufacturing and distributing Pepsi Cola and Pepsi Cola syrup. **Proceeds**—For an acquisition. **Office**—1601 Guilford Ave., Baltimore. **Underwriter**—Suplee, Yeatman, Mosley Co., Inc., Philadelphia.

● Allied Capital Corp.

Oct. 20, 1961 filed 213,427 common, of which 200,000 will be offered to the public and 13,427 to stockholders on a 1-for-10 basis. Price—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—7720 Wisconsin Ave., Bethesda, Md. **Underwriter**—Allen & Co., N. Y. **Note**—This registration was withdrawn.

● Allied Doll & Toy Corp.

Feb. 27, 1962 filed 133,333 common. Price—\$3. **Business**—Manufacture and sale of dolls. **Proceeds**—For equipment, advertising, and working capital. **Office**—4116 First Ave., Brooklyn, N. Y. **Underwriter**—Theodore Arrin & Co., Inc., N. Y. **Offering**—In July.

Allied Graphic Arts, Inc.

Mar. 27, 1962 filed 180,000 common, of which 60,000 will be sold for the company and 120,000 for a stockholder. Price—By amendment. **Business**—Publication of mass circulation catalogues (for department stores and mail order firms), a semi-annual magazine and stamp collectors' books. **Proceeds**—For debt repayment and working capital. **Office**—551 Fifth Ave., N. Y. **Underwriter**—Bache & Co., N. Y. **Offering**—Expected in June.

All-Star Insurance Corp.

Mar. 30, 1962 filed 1,000,000 common. Price—\$3. **Business**—insuring of buildings against fire, lightning and other perils. **Proceeds**—For working capital. **Office**—3882 N. Teutonia Ave., Milwaukee. **Underwriter**—None.

All-State Properties, Inc.

April 24, 1962 filed \$5,000,000 of conv. subord. debentures due 1977. Price—At par. **Business**—Company and subsidiaries conduct a general real estate business with emphasis on land development and home construction in Fla., Md., N. Y., and Ky. **Proceeds**—For repayment of debt. **Office**—230 Park Ave., N. Y. **Underwriters**—Bear, Stearns & Co., and Allen & Co., N. Y.

● Also Electronics, Inc. (6/4-8)

March 28, 1962 ("Reg. A") 100,000 class A common. Price—\$3. **Business**—Wholesaling and distributing of electronic parts, kits, components, etc. **Proceeds**—For inventory and working capital. **Office**—2520 N. Broad St., Philadelphia. **Underwriters**—Albert Teller & Co., Inc., and H. A. Riecke & Co., Inc., Philadelphia.

Alumatron International, Inc.

Nov. 13, 1961 filed 73,000 common. Price—\$7. **Business**—Company plans to construct special type homes, and engage in the general contracting business. **Proceeds**—For general corporate purposes. **Office**—St. Petersburg, Fla. **Underwriter**—B. C. Malloy, Inc., St. Petersburg. **Offering**—Imminent.

Ameana Properties Trust

Feb. 28, 1962 filed 112,000 shares of beneficial interest. Price—\$10. **Business**—A real estate investment trust. **Proceeds**—For acquisition of a shopping center. **Office**—6363 Wilshire Blvd., Los Angeles. **Underwriter**—Real Estate Underwriters, Inc., (same address). **Note**—This company formerly was named Amerada Properties Trust. **Offering**—Imminent.

Amerel Mining Co. Ltd.

July 31, 1961 filed 400,000 common shares. Price—50 cents. **Business**—The company is engaged in exploration, development and mining. **Proceeds**—For diamond drilling, construction, exploration and general corporate expenses. **Office**—80 Richmond St., W., Toronto. **Underwriter**—E. A. Manning, Ltd., Toronto.

● American Bilrite Rubber Co., Inc.

March 29, 1962 filed 200,000 common, of which 100,000 are to be offered by company and 100,000 by stockholders. Price—By amendment (max. \$25). **Business**—Production of rubber and vinyl soling materials and heels for footwear, floor coverings and industrial rubber products. **Proceeds**—For equipment, plant expansion and working capital. **Office**—22 Willow St., Chelsea, Mass.

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Underwriter—Goldman, Sachs & Co., N. Y. Note—This registration is being withdrawn.

American Bolt & Screw Mfg. Corp. (5/21-25)
Dec. 15, 1961 filed 150,000 common. Price—By amendment. **Business**—Manufacture of standard and special industrial aircraft and missile fasteners. **Proceeds**—For debt repayment, equipment and other corporate purposes. **Office**—Lawson Blvd., Oceanside, L. I., N. Y. **Underwriter**—S. D. Fuller & Co., N. Y.

American Cardboard & Packaging Corp. (5/21-25)
Jan. 5, 1962 filed 150,000 common. Price—\$3.50. **Business**—Manufacture and sale of cardboard boxes, display boards, etc. **Proceeds**—For general corporate purposes. **Office**—1101 W. Cambria St., Philadelphia. **Underwriters**—Milton D. Blauner & Co., Inc., M. L. Lee & Co., Inc., N. Y., and Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia.

American Diversified, Inc. (5/21-25)
Dec. 21, 1961 filed 110,000 common. Price—\$7.50. **Business**—A holding company whose three subsidiaries are a life insurance company, a broker-dealer-underwriter, and a loan and finance company. **Proceeds**—For general corporate purposes. **Office**—930 Grant St., Denver. **Underwriter**—Nation-Wide Underwriters, Inc., Denver (a subsidiary).

★ **American Flag & Banner Co. of New Jersey**
May 1, 1962 filed 100,000 common. Price—\$3.25. **Business**—Production of flags, banners and accessories. **Proceeds**—For taxes, debt repayment and working capital. **Office**—1000 Main Ave., Clifton, N. J. **Underwriter**—K-Pac Securities Corp., N. Y.

● **American Gas Co. (6/11-15)**
March 26, 1962 filed 548,532 common to be offered for subscription by stockholders on the basis of 3.6 new shares for each share held. Price—By amendment (max. \$5). **Business**—Transportation, distribution and sale of gas. **Proceeds**—For debt repayment and expansion. **Office**—546 S. 24th Ave., Omaha. **Underwriter**—Crutten, Podesta & Miller, Chicago.

American Laboratories, Inc. (6/18-22)
Feb. 28, 1962 filed 200,000 common. Price—By amendment (max. \$6). **Business**—Operation of hospitals and medical laboratories. **Proceeds**—For debt repayment and working capital. **Office**—660 S. Bonnie Brae, Los Angeles. **Underwriter**—California Investors, Los Angeles.

● **American Management & Investment Corp.**
Dec. 20, 1961 filed 500,000 7% non-cumulative convertible preferred. Price—\$10. **Business**—A management investment company which plans to acquire firms in the insurance and finance fields. **Proceeds**—For general corporate purposes. **Office**—Warner Bldg., Washington, D. C. **Underwriter**—None. Note—This registration was withdrawn.

● **American Modular Manufacturing Corp. (5/14-18)**
Nov. 27, 1961 filed 200,000 common. Price—\$2.50. **Business**—Manufacture of a type of component constructed home. **Proceeds**—For debt repayment, equipment, and working capital. **Office**—4950 71st Ave., North, Pinellas Park, Fla. **Underwriter**—Equity Securities Co., N. Y.

American Mortgage Investors (6/4-8)
Feb. 8, 1962 filed 1,300,000 shares of beneficial interest. Price—\$15. **Business**—A newly-formed business trust which plans to invest in first mortgages. **Proceeds**—For investment. **Office**—305 S. County Rd., Palm Beach, Fla. **Underwriter**—Hayden, Stone & Co., N. Y. Note—This company was formerly named American First Mortgage Investors.

American Options Corp.
April 11, 1962 ("Reg. A") 60,000 common. Price—\$5. **Business**—Company plans to sell "puts and calls" and may act as a broker-dealer. **Proceeds**—For general corporate purposes. **Office**—120 Broadway, N. Y. **Underwriter**—Provest Securities, Inc., N. Y.

American Phoenix Corp.
Jan. 24, 1962 filed 315,000 class A shares. Price—\$10. **Business**—General real estate. **Proceeds**—For corporate purposes. **Office**—320 Park Ave., N. Y. **Underwriter**—Interamerica Securities Corp., N. Y.

American Plan Corp.
March 30, 1962 filed \$2,480,000 of convertible debentures due 1982 and 248,000 common shares (of which 218,000 will be sold for the company and 30,000 for stockholders). The securities will be offered in units of one \$10 debenture and one share. Price—By amendment (max. \$22.50 per unit). **Business**—Production and servicing of physical damage insurance on automobiles, trucks and mobile homes. **Proceeds**—To purchase American Fidelity Fire Insurance Co. **Office**—American Plan Bldg., Westbury, N. Y. **Underwriter**—Bear, Stearns & Co., N. Y.

American Southwest Realty Trust (5/28-6/1)
Feb. 12, 1962 filed 1,000,000 common. Price—\$11. **Business**—A real estate investment company. **Proceeds**—For investment. **Office**—800 Hartford Bldg., Dallas. **Underwriters**—Kidder, Peabody & Co., N. Y. and Rauscher, Pierce & Co., Inc., Dallas.

American States Life Insurance Co. (6/11-15)
March 22, 1962 filed 300,000 common to be offered initially for a 30-day period to its stockholders and those of its parent, American States Insurance Co. The remaining shares will then be offered to the public. Price—By amendment (max. \$5). **Business**—Writing of ordinary and group life insurance. **Proceeds**—For general corporate purposes. **Office**—532 N. Meridian St., Indianapolis. **Underwriter**—City Securities Corp., Indianapolis.

Ames Department Stores, Inc.
April 27, 1962 filed 100,000 common. Price—By amendment (max. \$5). **Business**—Operation of self-service

discount department stores. **Proceeds**—For debt repayment, expansion and working capital. **Office**—Mill St., Southbridge, Mass. **Underwriter**—Kahn & Peck, Cohn & Co., N. Y.

Ampoules, Inc.
March 28, 1962 filed 5,900 common. Price—At-the-market. **Business**—Design and development of sterile disposable hypodermic ampoules. **Proceeds**—For selling stockholders. **Office**—34 N. Main St., Hudson, Ohio. **Underwriter**—None.

● **Anchor Industries Corp. (6/4-8)**
Nov. 24, 1961 filed 38,500 common. Price—\$8. **Business**—Design and fabrication of precision sheet metal products. **Proceeds**—For machinery research, sales promotion, and working capital. **Office**—26 Essex St., Hackensack, N. J. **Underwriter**—Amber, Burstein & Co., Inc., New York.

Apache Corp.
March 21, 1962 filed \$3,750,000 of participating units in Apache Canadian Gas & Oil Program 1962. Price—\$7,500 per unit. **Proceeds**—Exploration and drilling for oil and gas in Canada. **Office**—523 Marquette Ave., Minneapolis. **Underwriters**—The company and APA, Inc., Minneapolis (a subsidiary).

Arde Inc.
March 30, 1962 filed 100,000 common, of which 80,000 are to be sold by the company and 20,000 by stockholders. Price—By amendment (max. \$8.50). **Business**—Research, development and engineering under defense contracts. **Proceeds**—Repayment of bank loans, equipment, plant expansion and working capital. **Office**—Paramus, N. J. **Underwriter**—McDonnell & Co., N. Y. **Offering**—Sometime in June.

Argus Financial Fund, Inc.
Feb. 12, 1962 filed 800,000 capital shares to be offered in exchange for certain securities acceptable to the Fund. Price—Net asset value (expected at \$12.50 per share). **Business**—A diversified open-end investment company which plans to participate in the long-term progress of savings and loan associations, and allied financial businesses. **Proceeds**—For investment. **Office**—1118 Torrey Pines Road, La Jolla, Calif. **Dealer-Manager**—Argus Financial Sales Corp. (same address).

Arlan's Department Stores, Inc. (5/15)
April 19, 1962 filed \$3,000,000 conv. subord debentures to be sold by the company, and 250,000 common shares by stockholders. Price—By amendment. **Business**—Operation of a chain of self-service discount stores. **Proceeds**—For working capital. **Office**—225 W. 34th St., N. Y. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

Arnav Industries, Inc. (6/11-15)
Dec. 29, 1961 filed \$600,000 of 6% convertible subordinated debentures and 36,000 common stock purchase warrants to be offered for sale in units of one \$1,000 debenture and 60 warrants. Price—By amendment. **Business**—Manufacture of hydraulic system devices and parts for the aircraft and missile industries, etc. **Proceeds**—For debt repayment and the purchase of additional equipment. **Office**—32 Industrial Ave., Little Ferry, N. J. **Underwriter**—Gianis & Co., Inc., N. Y.

Artlin Mills, Inc. (5/28-6/1)
Sept. 28, 1961 filed 135,000 class A common shares. Price—\$5. **Business**—The purchase, conversion, decoration, gift packaging and distribution of terrycloth towels and cotton pillow cases. **Proceeds**—For inventory, repayment of loans and working capital. **Office**—1030 Pearl St., Long Branch, N. J. **Underwriter**—Mortimer B. Burnside & Co., Inc., N. Y.

Ascot Publishing Co., Inc.
Jan. 29, 1962 ("Reg. A") 103,000 common. Price—\$2. **Business**—Publishing of a bowling magazine. **Proceeds**—For general corporate purposes. **Office**—14 W. 55th St., N. Y. **Underwriter**—Dana Securities Co., Inc., 80 Wall St., N. Y. Note—This offering has been temporarily postponed.

Ascot Textile Corp.
Feb. 23, 1962 filed 100,000 common. Price—By amendment (max. \$7.50). **Business**—Converter of linings and interfacings used in the manufacture of clothing. **Proceeds**—For expansion, debt repayment and working capital. **Office**—335 W. 35th St., N. Y. **Underwriter**—To be named.

Assembly Products, Inc. (6/11-15)
March 29, 1962 filed \$1,250,000 of 5½% conv. subord. debentures due 1972. Price—At par. **Business**—Manufacture of electromechanical and electronic devices. **Proceeds**—For debt repayment, equipment and working capital. **Office**—Wilson Mills Rd., Chesterland, Ohio. **Underwriters**—Prescott & Co. and William T. Robbins & Co., Inc., Cleveland.

Atlantic Capital Corp.
Aug. 29, 1961 filed 500,000 common. Price—\$12.50. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—744 Broad St., Newark, N. J. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y. C. Note—This offering was indefinitely postponed.

Atlantic Mid-Continent Corp.
March 30, 1962 filed 600,000 common. Price—By amendment (max. \$6). **Business**—A holding company. Primarily for insurance concerns. **Proceeds**—For acquisitions. **Office**—8469 E. Jefferson Ave., Detroit. **Underwriter**—F. J. Winckler Co., Detroit.

● **Atlantic Utilities Corp. (5/14-18)**
Jan. 26, 1962 filed 200,000 common. Price—\$6. **Business**—Construction and operation of water-treatment and sewage-disposal plants. **Proceeds**—For construction, plant expansion, and a loan to a subsidiary. **Office**—17850 N. 29th Court, Opa Locka, Fla. **Underwriter**—Hardy & Co., N. Y.

Atmospheric Controls, Inc.
Aug. 22, 1961 ("Reg. A") 40,000 common. Price—\$3.50. **Proceeds**—For repayment of loans, acquisition and working capital. **Office**—715 N. Fayette St., Alexandria, Va. **Underwriter**—First Investment Planning Co., Washington, D. C. **Offering**—Indefinitely postponed.

● **Aubrey Manufacturing, Inc. (5/29)**
March 28, 1962 filed 140,004 common, of which 100,000 shares are to be offered by company and 40,004 by stockholders. Price—By amendment (max. \$7). **Business**—Design, manufacture and sale of kitchen range hoods, exhaust fans and kitchen cabinet hardware. **Proceeds**—For plant expansion, equipment, debt repayment and working capital. **Office**—South Main St., Union, Ill. **Underwriters**—Pierce, Carrison, Wulbern, Inc., Jacksonville, Fla. and A. M. Kidder & Co., Inc., N. Y.

Automatic Controls, Inc. (6/20)
Dec. 28, 1961 filed 50,000 common. Price—\$4. **Business**—Design, manufacture and installation of electrical, pneumatic, hydraulic and mechanical systems, controls and devices to control and automatically operate industrial machinery and processes. **Proceeds**—For general corporate purposes. **Office**—3601 Merrick Rd., Seaford, N. Y. **Underwriter**—S. Schramm & Co., Inc., N. Y.

Automatic Marker Photo Corp.
Dec. 1, 1961 filed 150,000 class A shares, of which 125,000 are to be offered by the company and 25,000 by stockholders. Price—By amendment. **Business**—Sale and distribution of a photocopy machine and supplies. **Proceeds**—For equipment, expansion, and working capital. **Office**—153 W. 36th St., N. Y. **Underwriter**—None.

Babs, Inc. (5/21-25)
Nov. 27, 1961 filed 150,000 common. Price—\$4. **Business**—Sale of dairy products, through "Dairy Drive-ins." **Proceeds**—For debt repayment and working capital. **Office**—32550 Pulaski Dr., Hayward, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Bacardi Corp. (5/15)
March 8, 1962 filed 35,000 common. Price—\$50. **Business**—Distilling and bottling of "Bacardi" rum. **Proceeds**—For a selling stockholder. **Address**—San Juan, Puerto Rico. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

Bank "Adanim" Mortgages & Loan Ltd.
Dec. 29, 1961 filed \$556,000 of 6% cumulative preference dividend participating dollar-linked shares. Price—By amendment. **Business**—A mortgage lending company. **Proceeds**—For general corporate purposes. **Address**—108 Achad Haam St., Tel-Aviv, Israel. **Underwriter**—Adanim American Israel Investment Co., Inc.

● **Barish Associates, Inc.**
Sept. 1, 1961 ("Reg. A") 50,000 common. Price—\$4. **Business**—Aeronautical research and development. **Proceeds**—For working capital. **Office**—224 E. 38th St., N. Y. **Underwriter**—Gianis & Co., N. Y. **Offering**—Indefinitely postponed.

● **Barker Bros. Corp. (6/4-8)**
March 15, 1962 filed 200,000 common. Price—By amendment (approx. \$12). **Business**—Merchandising of home, commercial and institutional furnishings. **Proceeds**—For expansion and debt repayment. **Office**—818 W. Seventh St., Los Angeles. **Underwriter**—William R. Staats & Co., Los Angeles.

Barogenics, Inc.
March 30, 1962 filed 100,000 common. Price—\$7.50. **Business**—Research and development in ultra high pressure technology and the design and sale of ultra high pressure equipment. **Proceeds**—For inventories, research, and sales promotion. **Office**—51 E. 42nd St., N. Y. **Underwriter**—Globus, Inc., N. Y. **Offering**—In July.

● **Barton Instrument Corp.**
March 5, 1962 filed 120,000 common, of which 50,000 are to be offered by the company and 70,000 by stockholders. Price—By amendment (max. \$11). **Business**—Design, development, and manufacture of differential pressure-measuring devices and related instruments. **Proceeds**—For working capital. **Office**—580 Monterey Pass Rd., Monterey Park, Calif. **Underwriter**—E. F. Hutten & Co., N. Y. **Offering**—Expected in July.

Bay State Electronics Corp.
Oct. 27, 1961 filed 160,000 common. Price—By amendment. **Business**—Development of products and techniques for use in the fields of oceanography, meteorology, seismology and ionospheric phenomena. **Proceeds**—For product development and working capital. **Office**—43 Leon St., Boston. **Underwriter**—S. D. Fuller & Co., New York. **Offering**—Indefinitely postponed.

Beacon Investing Corp.
Dec. 20, 1961 filed 300,000 shares of capital stock. Price—Net asset value. **Business**—A mutual fund. **Proceeds**—For investment. **Office**—22 The Fenway, Boston. **Underwriter**—None.

● **Beauty Industries, Inc. (5/21-6/1)**
April 19, 1962 ("Reg. A") 99,990 common. Price—\$3. **Business**—Ownership, operation and franchising of beauty salons. **Proceeds**—For debt repayment; equipment; an acquisition and working capital. **Office**—300 Chancellor Ave., Newark, N. J. **Underwriter**—Seymour Blauner Co., N. Y.

Bebell & Bebell Color Laboratories, Inc. (5/28-6/1)
Jan. 29, 1962 ("Reg. A") 75,000 common. Price—\$4. **Business**—Production of color photographic prints, slides, transparencies and photo-animations. **Proceeds**—For equipment, sales promotion, leasehold improvements, a new product, and working capital. **Office**—108 W. 24th St., N. Y. **Underwriter**—Stevens, Hickey & Co., N. Y.

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Bede Aircraft, Inc.

Feb. 14, 1962 ("Reg. A") 259,272 common. Price—\$1. Business—Design and development of an aircraft incorporating radical concepts in design and construction. Proceeds—For debt repayment and general corporate purposes. Office—201 N. Federal Highway, Deerfield Beach, Fla. Underwriter—Consolidated Securities Corp., Pompano Beach, Fla.

Bene Cosmetics, Inc.

March 2, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Importation, sale and distribution of Italian cosmetics. Proceeds—For advertising, inventory and working capital. Office—114 W. 13th St., N. Y. Underwriter—Granite Securities, Inc., N. Y.

Berkshire Gas Co.

Feb. 20, 1962 filed 27,432 common being offered for subscription by stockholders at the rate of one new share for each 5 held of record April 16 with rights to expire May 28, 1962. Price—\$22. Proceeds—For debt repayment. Office—20 Elm St., Pittsfield, Mass. Underwriter—Smith, Barney & Co., N. Y.

Bernalen, Inc. (6/4-8)

March 7, 1962 ("Reg. A") 70,000 common. Price—\$2.625. Business—Design, manufacture and installation of photographic processing and control equipment. Proceeds—For advertising, expansion and equipment. Office—9821 Foster Ave., Brooklyn, N. Y. Underwriter—Amber, Burstein & Co., Inc., N. Y.

Berne of California, Inc. (5/28-6/1)

Oct. 27, 1961 ("Reg. A") 85,000 common. Price—\$3. Business—Manufacture of handbags and related items. Proceeds—For debt repayment and working capital. Office—1621 S San Pedro St., Los Angeles. Underwriter—Adams & Co., Los Angeles.

Beryllium International, Inc.

Feb. 1, 1962 filed 1,000,000 common. Price—\$5. Business—Company plans to manufacture various type beryllium products. Proceeds—For land and buildings, equipment, and working capital. Office—528 Union Trust Bldg., Washington, D. C. Underwriter—None.

Bestform Foundations, Inc. (5/21)

Feb. 23, 1962 filed 185,000 common, of which 36,500 are to be offered by the company and 148,500 by stockholders. Price—By amendment (max. \$20). Business—Design and manufacture of popular priced foundation garments. Proceeds—For working capital. Office—38-01 47th Ave., L. I. C., N. Y. Underwriter—Smith, Barney & Co., N. Y.

Big Mart Discount Stores

March 30, 1962 ("Reg. A") 60,000 common. Price—\$5. Business—Operation of one discount merchandise center and four ladies' hosiery and lingerie stores. Proceeds—For expansion, inventories, working capital and other corporate purposes. Office—249 W. 34th St., N. Y. Underwriter—Amber, Burstein & Co., Inc., N. Y.

Big Top Storés, Inc.

April 30, 1962 filed 85,000 common. Price—\$4. Business—Operation of retail toy, stationery and variety stores. Proceeds—For expansion and working capital. Office—832 Scarsdale Ave., Scarsdale, N. Y. Underwriter—Irwin Karp & Co., Inc., N. Y.

Biologics International, Inc. (7/16)

March 30, 1962 filed 125,000 common. Price—\$3. Business—Company plans to breed and supply animals for biological research purposes. Proceeds—For equipment and general corporate purposes. Office—7520 Bergenline Ave., North Bergen, N. J. Underwriter—None.

Blanche (Ernest E.) & Associates, Inc. (5/16)

March 15, 1962 filed 80,000 class A common. Price—\$3. Business—Application of electronic and mechanical data processing techniques to solution of problems for government and industry. Proceeds—For equipment, sales promotion and expansion. Office—10419 Fawcett St., Kensington, Md. Underwriters—Jones, Kreeger & Co., and First Investment Planning Co., Washington, D. C.

Blane Chemical Corp.

Jan. 29, 1962 filed 120,000 common. Price—\$3. Business—The processing of plastic raw materials into compounds for extruding and moulding into plastic products. Proceeds—For debt repayment, equipment and working capital. Office—35 Pequit St., Camden, Mass. Underwriter—Godfrey, Hamilton, Taylor & Co., Inc., N. Y. Offering—Expected sometime in June.

Bloomfield Building Industries, Inc. (6/11-15)

Mar. 26, 1962 filed \$2,000,000 of conv. subord. debentures due 1977. Price—At par. Business—A holding company for 16 subsidiaries in the real estate and general contracting business. Proceeds—For general corporate purposes. Office—2600 Popular Ave., Memphis, Tenn. Underwriters—Lieberbaum & Co., and Morris Cohon & Co., N. Y.

Bridge Electronics Co., Inc.

Nov. 29, 1961 filed 225,000 common, of which 200,000 are to be offered by the company, and 25,000 by the stockholders. Price—\$4. Business—Design and manufacture of electronic equipment and communication systems. Proceeds—For general corporate purposes. Office—201 Laurel St., Beverly, N. J. Underwriter—To be named.

Brinkmann Instruments, Inc.

Mar. 26, 1962 filed 100,000 common, of which 77,420 shares are to be offered by the company and 22,580 shares by stockholders. Price—By amendment (max. \$7.75). Business—Importing and distribution of scientific instruments. Proceeds—For research and development, equipment, debt repayment and other corporate purposes. Office—115 Cutter Mill Rd., Great Neck, N. Y. Underwriter—D. B. Marron & Co., N. Y.

Bruce (Michael) Distributors, Inc.

March 29, 1962 filed 100,000 common. Price—\$5. Business—Operation of self-service discount department stores. Proceeds—To retire outstanding debentures, and for working capital. Office—1101 Albany Ave., Hartford, Conn. Underwriter—Gianis & Co., Inc., N. Y. Offering—Expected sometime in July.

Buddy L. Corp.

April 2, 1962 filed 225,000 common. Price—By amendment (max. \$10). Business—Design, manufacture and sale of various type toys. Proceeds—For a proposed acquisition of another toy company. Office—200 Fifth Ave., N. Y. Underwriter—Milton D. Blauener & Co., Inc., N. Y. Offering—Expected sometime in June.

Burton Mount Corp. (5/14-18)

Sept. 22, 1961 filed 100,000 common. Price—\$6. Business—Importation and distribution of copying machines and supplies. Proceeds—Repayment of debt, inventory, sales promotion and other corporate purposes. Office—2147 Jericho Turnpike, New Hyde Park, N. Y. Underwriter—Reiner, Linburn & Co., N. Y.

Caley Photolabs, Inc. (6/4-8)

Jan. 29, 1962 filed 93,000 common. Price—\$3.25. Business—Company processes black and white and color photographic film, and sells photographic supplies and equipment. Proceeds—For sales promotion, equipment and repayment of loans. Office—21-20 45th Rd., L. I. C., N. Y. Underwriter—Amber, Burstein & Co., Inc., N. Y.

Calvert Electronics, Inc.

March 30, 1962 filed 80,000 common, of which 40,000 are to be offered by company and 40,000 by stockholders. Price—By amendment (max. \$5). Business—Sale and distribution of electronic tubes. Proceeds—Inventory, working capital and other corporate purposes. Office—220E. 23rd St., N. Y. Underwriter—Philips, Rosen & Appel, N. Y.

Cambridge Fund of California, Inc.

Sept. 28, 1961 filed 280,000 common. Price—By amendment. Business—General real estate. Proceeds—Debt repayment and working capital. Office—324 E. Bixby Rd., Long Beach, Calif. Underwriter—To be named.

Cameo Lingerie, Inc. (6/4-8)

Feb. 12, 1962 filed 190,000 common, of which 120,000 are to be offered by the company and 70,000 by stockholders. Price—\$5. Business—Manufacturer of women's and children's tailored panties. Proceeds—For debt repayment, inventory and working capital. Office—Fajardo, Puerto Rico. Underwriter—Schweickart & Co., N. Y.

Capital Management Corp.

Dec. 27 1961 ("Reg. A") 60,000 common. Price—\$5. Business—An investment company which will hold mortgages, land contracts, etc. Proceeds—For investment. Office—44 E. Indian School Rd., Scottsdale, Ariz. Underwriter—Pacific Underwriters, Inc., Scottsdale, Ariz. Note—The SEC has issued an order temporarily suspending this issue.

Caribbean Capital Corp.

Feb. 28, 1962 filed 400,000 common. Price—\$3.60. Business—A small business investment company. Proceeds—For general corporate purposes. Office—23 Dronnings Gade, St. Thomas, Virgin Islands. Underwriter—Richard J. Buck & Co., N. Y.

Carrols, Inc.

Feb. 21, 1962 filed 709,271 common to be offered for subscription by stockholders of Tastee Freez Industries, Inc., parent company on the basis of one such share for each two shares of Tastee Freez held of record May 1, with rights to expire May 21. Price—\$6. Business—Franchising and supplying of stores and mobile units selling a soft ice product and certain selected food products. Proceeds—For expansion. Office—176 W. Adams St., Chicago. Underwriter—Bear, Stearns & Co., N. Y.

Casavan Industries, Inc.

Aug. 21, 1961 filed 350,000 capital shares. Price—\$7. Business—Production of plastics, marble and ceramics for the packaging and building industries. Proceeds—For expansion, leasehold improvements, repayment of loans and other corporate purposes. Office—250 Vreeland Ave., Paterson, N. J. Underwriter—Foundation Securities, Inc., N. Y.

Cascade Natural Gas Corp. (5/17)

April 18, 1962 filed \$6,000,000 of subordinated debentures due 1983, and warrants to purchase 90,000 common shares to be offered in units of one \$1,000 debenture and a warrant to purchase 15 shares. Price—By amendment. Proceeds—For debt repayment and construction. Office—222 Fairview Ave., N., Seattle. Underwriter—White, Weld & Co., Inc., N. Y.

Cedar Lake Public Service Corp.

March 20, 1962 filed 9,964 common. Price—\$100. Business—Company plans to qualify as a public utility and furnish water and sewage disposal services in and around Cedar Lake, Ind. Proceeds—To construct a sewage disposal system. Address—R.R. N. 3, Box 28, Cedar Lake, Ind. Underwriter—None.

Cemeteries of America, Inc. (6/4-8)

March 27, 1962 filed \$500,000 of 7% conv. subord. debentures due 1974 to be offered by the company and 65,000 common shares by stockholders. The securities will be offered in units consisting of \$100 of debentures and 13 shares. Price—\$178 per unit. Business—Operation of five cemeteries in Kansas. Proceeds—For construction of mausoleums and working capital. Office—3096 Hutchings St., Kansas City, Kan. Underwriter—Bernard M. Kahn & Co., Inc., N. Y.

Centco Industries Corp.

April 30, 1962 filed 120,000 common. Price—\$5. Business—Manufacture of plastic and rubber film laminates, a line of casting, laminating and embossing machinery. Proceeds—For new products, debt repayment, inventories and working capital. Office—11-17 Clintonville

St., Whitestone, N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y.

Center Star Gold Mines, Inc.

April 10, 1962 ("Reg. A") 1,200,000 common. Price—25 cents. Business—For exploration, development and production of mineral deposits. Proceeds—For mining expenses. Address—Box 469, Wallace, Idaho. Underwriters—Pennaluna & Co. and Standard Securities, Inc., Spokane, Wash.

Central Acceptance Corp. of Delaware

Nov. 29, 1961 filed 150,000 class A common. Price—\$5. Business—A sales finance company. Proceeds—For expansion. Office—526 North Ave. East, Westfield, N. J. Underwriter—To be named.

Central Investment & Mortgage Co. (5/21-25)

Jan. 26, 1962 filed 130,000 common, of which 100,000 are to be offered by the company and 30,000 by stockholders; also \$600,000 of 6½% convertible subordinated debentures due 1974. Price—For stock: \$5; for debentures: at par. Business—Company was formed to hold the stocks of a mortgage company, an insurance agency and a real estate development company. Proceeds—For debt repayment and working capital. Office—44 Forsyth St., N. W., Atlanta, Ga. Underwriters—Joseph Walker & Sons, N. Y. and Clark, Landstreet & Kirkpatrick, Inc., Nashville, Tenn. Note—This company formerly was named Continental Investment & Mortgage Co.

Champion Parts Rebuilders, Inc. (5/14-18)

Feb. 2, 1962 filed 150,000 common with warrants, of which 90,000 are to be offered by company and 60,000 by stockholders. The securities will be offered in units of one share and one warrant. Price—By amendment. Business—Rebuilding functional parts for motor vehicles. Proceeds—For equipment, working capital and other corporate purposes. Office—4301 W. 69th St., Chicago. Underwriter—Straus, Blosser & McDowell, Chicago.

Charter Credit Corp.

Feb. 28, 1962 ("Reg. A") 100,000 common. Price—\$2. Business—The construction and financing of motion picture theatres. Proceeds—For general corporate purposes. Office—234 W. 44th St., N. Y. Underwriter—M. R. Zeller Co., N. Y.

Chemical Coatings Corp.

Dec. 27, 1961 filed 75,000 common. Price—\$5. Business—Manufacture of paints particularly for use in tropical and semi-tropical climates. Proceeds—For equipment and working capital. Address—Santurce, Puerto Rico. Underwriter—To be named.

Chenango & Unadilla Telephone Corp. (5/14)

March 30, 1962 filed 52,363 common, to be offered for subscription by common stockholders at the rate of two new shares for each five held of record April 30, 1962. Price—By amendment (max. \$33). Proceeds—For construction and debt repayment. Office—Norwich, N. Y. Underwriters—W. E. Hutton & Co., N. Y., and Laird, Bissell & Meeds, Wilmington, Del.

Chestnut Hill Industries, Inc.

Nov. 29, 1961 filed 300,000 class A common, of which 225,000 are to be offered by the company and 75,000 by stockholders. Price—\$7.50. Business—Design and manufacture of women's, misses' and junior sportswear, coordinates, and dresses. Proceeds—For debt repayment, equipment and working capital. Office—2025 McKinley St., Hollywood, Fla. Underwriter—Clayton Securities Corp., Boston, Mass. Offering—Expected in August.

Church Builders, Inc.

Feb. 6, 1961 filed 50,000 shares of common stock, series 2. Price—\$5.50 per share. Business—A closed-end diversified management investment company. Proceeds—For investment. Office—501 Bailey Ave., Fort Worth, Tex. Distributor—Associates Management, Inc., Fort Worth.

Cincinnati Gas & Electric Co. (6/21)

May 7, 1962 filed \$25,000,000 of first mortgage bonds due 1992. Proceeds—To repay bank loans and finance construction. Office—139 East Fourth St., Cincinnati. Underwriters—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.-Lehman Brothers (jointly); Morgan Stanley & Co.-W. E. Hutton & Co. (jointly); Halsey Stuart & Co. Inc.; Blyth & Co., Inc.-First Boston Corp. (jointly); Eastman Dillon, Union Securities & Co.-White, Weld & Co. (jointly). Bids—Expected June 21. Information Meeting—June 18 (11 a.m. EDT) at Irving Trust Co. (47th floor), One Wall St., N. Y.

Cine-Dyne, Inc.

April 9, 1962 filed 100,000 common. Price—\$4. Business—Production of motion pictures and TV films. Proceeds—For production of a picture, equipment, debt repayment and working capital. Office—40 E. 49th St., N. Y. Underwriter—R. A. Holman & Co., Inc., N. Y.

Clark Cable Corp.

April 30, 1962 filed \$787,500 of 6½% conv. subord. debentures due 1972 to be offered for subscription by common stockholders on the basis of \$150 of debentures for each 100 shares held. Price—At par. Business—Manufacture of electrical, electronic and mechanical systems and components, and replacement parts for aircraft, missiles and naval vessels. Proceeds—For working capital. Office—3184 West 32nd St., Cleveland. Underwriter—Robert L. Ferman & Co., Miami, Fla.

Clark Equipment Co.

March 22, 1962 filed 125,000 common. Price—By amendment (max. \$34). Business—Manufacture of trucks, self-propelled construction machinery and highway trailers. Proceeds—For selling stockholders. Office—324 E. Dewey Ave., Buchanan, Mich. Underwriter—Blyth & Co., Inc., N. Y.

Coburn Credit Co., Inc.

April 27, 1962 filed \$5,000,000 of conv. subord. debentures, due 1982. Price—By amendment. Business—A consumer sales finance company. Proceeds—For work-

ing capital and general corporate purposes. Office—53 N. Park Ave., Rockville Centre, N. Y. Underwriter—Brand, Grumet & Seigel, Inc., N. Y.

● **Coleman Cable & Wire Co. (5/15)**

Jan. 18, 1962 filed 120,000 class A common. Price—\$6. Business—Distribution of special types of electric wire and cable, and the manufacture of insulated wire and cable for electronic and electrical use. Proceeds—For equipment, possible acquisitions and working capital. Office—1900 N. River Rd., River Grove, Ill. Underwriter—Divine & Fishman, Inc., N. Y.

● **College Publishing Corp. (6/4-8)**

March 16, 1962 ("Reg. A") 155,000 common. Price—\$1. Business—Composition, publication and distribution of study manuals for examination preparation. Proceeds—For equipment, expansion and other corporate purposes. Office—142 Livingston St., Brooklyn, N. Y. Underwriter—James Co., N. Y.

● **Colonial Board Co. (6/15)**

March 28, 1962 filed 164,000 common, of which 115,000 are to be offered by the company and 49,000 by stockholders. Price—By amendment (max. \$15). Business—Manufacture of shoeboard and boxboard. Proceeds—For expansion, equipment and debt repayment. Office—615 Parker St., Manchester, N. H. Underwriter—Putnam & Co., Hartford, Conn.

● **Columbia Bancorporation**

Feb. 23, 1962 filed \$30,000,000 of convertible subordinated debentures due 1987 and 1,500,000 common to be offered in units. Price—By amendment. Business—A bank holding company recently formed to acquire stock of First Western Bank & Trust Co., Los Angeles. Proceeds—For acquisition of First Western stock, and working capital. Office—1000 Vermont Ave., N. W., Washington, D. C. Underwriters—Bear, Stearns & Co. and Allen & Co., N. Y. Offering—Expected sometime in June.

● **Columbia Gas Systems, Inc. (6/7)**

April 26, 1962 filed \$25,000,000 of debentures due 1987. Proceeds—For construction. Office—120 E. 41st St., N. Y. Underwriters—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc., White, Weld & Co. (jointly); Morgan Stanley & Co.; Halsey, Stuart & Co. Inc. Bids—Expected June 7 (11 a.m. EDT) at the company's office.

● **Columbus & Southern Ohio Electric Co. (5/16)**

April 12, 1962 filed \$16,000,000 of first mortgage bonds due 1992. Proceeds—For debt repayment and construction. Office—215 North Front St., Columbus. Underwriters—(Competitive). Probable bidders: Lee Higginson Corp.—Salomon Brothers & Hutzler (jointly); Halsey, Stuart & Co. Inc.; Dillon, Read & Co.—The Ohio Co. (jointly); Lehman Brothers; White, Weld & Co.; Eastman Dillon, Union Securities & Co.—Glore, Forgan & Co. (jointly). Bids—Expected May 16, 1962 (11 a.m. EDT) at the First National City Trust Co., 6th floor, 55 Wall St., N. Y. Information Meeting—May 9 (2:30 p.m. EDT), at the same address (5th floor).

● **Commerce Drug Co., Inc.**

Feb. 9, 1962 filed 100,000 common. Price—By amendment (Max. 22). Business—Manufacture, packaging and distribution of proprietary drugs. Proceeds—For selling stockholders. Office—505 Court St., Brooklyn, N. Y. Underwriter—Shearson, Hammill & Co., N. Y. Offering—Indefinitely postponed.

● **Computer Applications Inc.**

March 23, 1962 filed 87,000 common. Price—By amendment (max. \$5). Business—Furnishing of services related to use of electronic data processing equipment. Proceeds—For expansion and working capital. Office—30 E. 42nd St., N. Y. Underwriter—L. M. Rosenthal & Co., Inc., N. Y.

● **Computer Components, Inc.**

Dec. 6, 1961 filed 120,000 common, of which 90,000 are to be offered by the company and 30,000 by stockholders. Price—\$3. Business—Manufacture of miniature coils for relays used in computers, aircraft, missiles and guidance systems. Proceeds—For general corporate purposes. Office—88-06 Van Wyck Expressway, Jamaica, N. Y. Underwriter—Jav W. Kaufmann & Co., N. Y.

● **Computer Concepts Inc. (5/29)**

Dec. 29, 1961 filed 100,000 class A common. Price—\$5. Business—Development and sale of advanced programming systems, for solution of business problems by the use of digital computers. Proceeds—For general corporate purposes. Office—1012 14th St., N. W., Washington, D. C. Underwriter—Doff & Co., N. Y.

● **Computer Control Co., Inc. (5/14-18)**

Jan. 24, 1962 filed 157,500 common, of which 62,500 are to be offered by the company and 95,000 by stockholders. Price—By amendment. Business—Design and manufacture of digital equipment. Proceeds—For debt repayment. Office—983 Concord St., Framingham, Mass. Underwriter—Kidder, Peabody & Co., N. Y.

● **Computer Oriented Research & Engineering, Inc. (5/15)**

Feb. 23, 1962 filed 135,000 common, of which 100,000 are to be offered by the company and 35,000 by a stockholder. Price—\$4. Business—Electronic data processing. Proceeds—For computer systems development, additional personnel, and working capital. Office—119 Federal St., Pittsburgh. Underwriter—Arthurs, Lestrangle & Co., Pittsburgh.

● **Computers, Inc.**

April 2, 1962 filed 10,000 common. Price—\$40. Business—Design, engineering, manufacture and sale of computing systems and process control equipment. Proceeds—For equipment, inventory and working capital. Office—5123 Glenmont Dr., Houston. Underwriter—To be named.

● **Concord Products, Inc. (5/28-30)**

Nov. 28, 1961 filed 120,000 common (with attached 3-year warrants to purchase an additional 60,000 shares

at \$2 per share) to be offered in units of one share and one-half warrant. Price—\$2 per unit. Business—Manufacture of cosmetics, toiletries, cleaning chemicals, jewelry, etc. Proceeds—For general corporate purposes. Office—525-535 E. 137th St., New York City. Underwriter—M. G. Davis, 150 Broadway, N. Y.

● **Concors Supply Co., Inc.**

Oct. 19, 1961 filed 125,000 class A common. Price—\$3. Business—Sale of food service and kitchen equipment. Proceeds—For equipment, debt repayment and other corporate purposes. Office—110 "A" St., Wilmington, Del. Underwriter—To be named.

● **Consolidated Leasing Corp. of America**

April 27, 1962 filed \$1,100,000 of 6½% subord. debentures due 1977 (with warrants); also 305,000 common shares, of which 285,000 will be sold by company and 20,000 by stockholders. Price—For debentures, at par; for stock, by amendment (max. \$9). Business—Renting of cars, trucks and equipment. Proceeds—For debt repayment, an acquisition and other corporate purposes. Office—1012 Baltimore Ave., Kansas City, Mo. Underwriter—Blair & Co., N. Y.

● **Consolidated Vending Corp.**

April 2, 1962 filed 70,000 common. Price—\$5.75. Business—Operation of vending machines. Proceeds—For debt repayment working capital and other corporate purposes. Office—129 S. State St., Dover, Del. Underwriter—Dana Securities Co., Inc., N. Y. Offering—Expected in July.

● **Consumers Mart of America, Inc. (6/4-8)**

Jan. 8, 1962 filed 72,000 common. Price—By amendment. Business—Operation of discount department stores. Proceeds—For expansion and working capital. Office—4701 N. Harlem Ave., Chicago. Underwriters—Rittmaster, Voisin & Co., N. Y. and Midland Securities Co., Inc., Kansas City, Mo.

● **Continental Industrial Electronics Corp.**

Nov. 21, 1961 filed 200,000 common. Price—\$2.50. Business—Development and manufacture of television picture tubes. Proceeds—For debt repayment and other corporate purposes. Office—2724 Leonis Blvd., Los Angeles. Underwriter—To be named.

● **Continental Investment Corp. (6/4-8)**

Dec. 29, 1961 filed 2,000,000 common. Price—By amendment (\$3 max.). Business—A mortgage and real estate investment company. Proceeds—For working capital. Office—Scottsdale Savings Bldg., Scottsdale, Ariz. Underwriter—Continental Securities Corp., Salt Lake City.

● **Continental Research, Inc.**

April 19, 1962 ("Reg. A") 50,000 common. Price—\$5.65. Business—Production and sale of oxygen dispensers. Proceeds—For general corporate purposes. Office—6500 Olson Memorial Highway, Golden Valley, Minneapolis. Underwriter—Harold E. Wood & Co., St. Paul.

● **Continental Telephone Co.**

March 30, 1962 filed 475,000 common. Price—By amendment (max. \$15). Business—A telephone holding company. Proceeds—For debt repayment. Office—111 S. Bemiston St., St. Louis. Underwriters—Allen & Co. and E. F. Hutton & Co., N. Y. Offering—Expected in June.

● **ControlDyne, Inc. (6/4-8)**

Oct. 24, 1961 filed 500,000 common. Price—\$1.15. Business—Development and production of electronic testing and training devices. Proceeds—For expansion and working capital. Office—9340 James Ave., S., Minneapolis. Underwriter—E. Bruce Co., Minneapolis. Note—This firm formerly was named Control Dynamics, Inc.

● **Cooke (F. J.), Inc. (6/4-8)**

Dec. 29, 1961 filed 125,000 common. Price—\$3.75. Business—Manufacture of high vacuum systems and electronic equipment. Proceeds—For debt repayment and general corporate purposes. Office—145 Water St., South Norwalk, Conn. Underwriters—John R. Maher Associates and Bull & Low, N. Y.

● **Copenhagen Telephone Co., Inc. (6/4-8)**

May 1, 1962 filed \$15,000,000 of s. f. dollar debentures due 1977. Price—By amendment. Business—Company, 50.65% owned by the Danish Government, is the sole supplier of telephone service to the major Danish islands of Zealand, Lolland-Falster and Bornholm. Proceeds—For construction. Office—Copenhagen Denmark. Underwriters—Smith, Barney & Co., Inc.; Kuhn, Loeb & Co. Inc.; Harriman Ripley & Co., Inc., and Lazard Freres & Company.

● **Copyation, Inc. (5/16)**

Dec. 28, 1961 filed 60,000 common. Price—by amendment (\$15 maximum) Business—manufacture of photo-copy machines and the distribution of office copy machines, photographic laboratory equipment, etc. Proceeds—For general corporate purposes. Office—5642-50 N. Western Ave., Chicago. Underwriter—Kenneth Kass, N. Y.

● **Corporate Funding Corp. (5/21)**

April 26, 1962 ("Reg. A") 75,000 class A common. Price—\$4. Business—A financial investment and holding company. Proceeds—For expansion and working capital. Office—39 Broadway, N. Y. Underwriter—R. F. Dowd & Co. Inc., N. Y.

● **Cosnat Corp. (5/21-25)**

May 26, 1961 filed 231,444 common, of which 165,000 are to be offered for public sale by the company and 66,444 outstanding by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and distribution of phonograph records. Proceeds—For the repayment of debt, and working capital. Office—315 W. 47th St., N. Y. Underwriter—Van Alstyne, Noel & Co., N. Y. Note—This firm was known formerly as the Cosnat Record Distributing Corp.

● **Country Set, Inc. (5/21-25)**

Mar. 2, 1962 filed 150,000 common. Price—By amendment (max. \$8). Business—Design and manufacture of sports and casual wear for girls and women. Proceeds

—For selling stockholders. Office—1136 Washington Ave., St. Louis. Underwriter—Goodbody & Co., N. Y.

● **Cousins Properties Inc.**

March 29, 1962 filed \$1,000,000 of 6½% subordinated debentures due 1972, 60,000 common shares, and warrants to purchase 20,000 common shares. The securities will be offered in units of one \$100 debenture, 6 shares and a warrant to purchase 2 shares. Price—By amendment (max. \$140). Business—Engaged in residential real estate development. Proceeds—For debt repayment and other corporate purposes. Office—905 Fifteen Peachtree Bldg., Atlanta, Ga. Underwriters—McDonnell & Co., Inc., N. Y., and Wyatt, Neal & Waggoner, Atlanta. Offering—Expected sometime in June.

● **Credit Department, Inc.**

Jan. 26, 1962 filed \$1,200,320 of 7% conv. subord. debentures due 1974 and 54,560 common shares to be offered in 2,728 units, each consisting of \$440 of debentures and 20 common shares. Price—\$550 per unit. Business—A consumer sales finance company. Proceeds—For debt repayment. Office—1775 Broadway, N. Y. Underwriter—Bernard M. Kahn & Co., Inc., N. Y.

● **Crownco**

Mar. 26, 1962 filed 115,000 common. Price—\$4. Business—Design, sale, fabrication and installation of acoustical ceilings. Proceeds—For debt repayment and expansion. Office—1925 Euclid Ave., San Diego. Underwriter—Holton, Henderson & Co., Los Angeles.

● **Curtis (S.) & Son, Inc.**

April 11, 1962 ("Reg. A") 13,000 common to be offered for subscription by stockholders of record May 11, 1962 on the basis of 13 new shares for each 53 shares held. Price—\$19. Business—Production of wooden handles and paper boxes. Proceeds—For building and equipment. Address—Sandy Hook, Conn. Underwriter—Smith, Ramsey & Co., Inc., Bridgeport, Conn.

● **Cut & Curl, Inc. (5/14-18)**

Dec. 20, 1961 filed 100,000 common. Price—\$4. Business—Operation of beauty salons. Proceeds—For expansion. Office—67-11 Main St., Flushing, N. Y. Underwriter—M. J. Merritt & Co., Inc., N. Y.

● **D. C. Transit Systems, Inc.**

April 30, 1962 filed \$3,150,000 of 6½% conv. subord. debentures due 1977 and five-year warrants to purchase an aggregate of 94,000 class A shares, to be offered for subscription by holders of class A and class B stock in units consisting of \$100 of debentures and three warrants. Price—\$100 per unit. Business—Operation of a public transit system in Washington, D. C.; a new subsidiary to construct housing projects in Washington, D. C. Proceeds—For construction and general corporate purposes. Office—3600 M St., N. W., Washington, D. C. Underwriter—None.

● **Data Systems Devices of Boston, Inc.**

April 26, 1962 filed 200,000 common. Price—\$5. Business—Company plans to design, develop and produce electronic and electro-mechanical devices, including printers for electronic computers. Proceeds—For product development, new plant and equipment and working capital. Office—342 Western Ave., Boston. Underwriter—Schmidt, Sharp, McCabe & Co., Inc., Denver.

● **Davis (H.) Toy Corp. (5/28-6/1)**

Nov. 27, 1961 filed 100,000 capital shares (with attached warrants to purchase an additional 100,000 shares), to be offered in units of one share and one warrant. Price—\$3.25 per unit. Business—Manufactures educational toys. Proceeds—To repay debt and increase working capital. Office—794 Union St., Brooklyn, N. Y. Underwriters—Hampstead Investing Corp., Aetna Securities Corp., and Atlas Securities Corp., N. Y.

● **Decorative Interiors, Inc.**

Feb. 26, 1962 ("Reg. A") 52,000 class A common. Price—\$2.50. Business—Manufacture of draperies, furniture and bed spreads for hotels and institutions. Proceeds—For expansion and other corporate purposes. Office—1191 N. W. 22nd St., Miami, Fla. Underwriter—Lancer Securities Co., 92 Liberty St., N. Y.

● **Decorel Corp. 5/28-6/1)**

Dec. 29, 1961 filed 120,000 common, of which 90,000 are to be offered by the public and 30,000 by a stockholder. Price—By amendment. Business—Production and sale of wood and metal framed pictures, wood utility frames, etc. Proceeds—For debt repayment, inventory, and working capital. Office—444 Courtland St., Mundelein, Ill. Underwriter—Clayton Securities Corp., Boston, Mass.

● **DeLuxe Homes, Inc. (5/16)**

Dec. 11, 1961 ("Reg. A") 60,000 common. Price—\$5. Business—Construction and financing of shell homes. Proceeds—For working capital. Address—Allendale, S. C. Underwriter—Alessandrini & Co., Inc., N. Y.

● **Deuterium Corp.**

Sept. 28, 1961 filed 140,000 common with attached warrants to purchase an additional 140,000 shares to be offered for subscription by stockholders in units (of one share and one warrant) on the basis of 3 units for each 5% preferred share held, 2 units for each 5% preferred A stock held and one unit for each 10 class B shares held. Price—\$20 per unit. Business—Company plans to manufacture and utilize all kinds of chemical materials. Proceeds—For start-up expenses for a laboratory and small plant. Office—360 Lexington Ave., New York. Underwriter—None.

● **Dextra Corp.**

Feb. 28, 1962 filed 300,000 common. Price—By amendment (max. \$6). Business—Manufacture and test marketing of a vitamin-enriched sugar. Proceeds—For debt repayment, expansion and general corporate purposes. Address—Drawer A-Kendall, Miami, Fla. Underwriter—To be named.

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- Diamond Dust Co., Inc.**
Feb. 27, 1962 filed 102,000 common. Price—\$3. Business—Production of graded diamond powder and compound. Proceeds—For debt repayment, additional personnel, advertising and working capital. Office—77 Searing Ave., Mineola, N. Y. Underwriter—Magnus & Co., N. Y. Offering—Expected sometime in June.
- Diamond Mills Corp.**
Jan. 23, 1962 filed 200,000 common, of which 120,000 are to be offered by the company and 80,000 by stockholders. Price—By amendment. Business—Manufacture of women's nylon hosiery. Proceeds—For debt repayment and working capital. Office—417 Fifth Ave., N. Y. Underwriter—Drexel & Co., Philadelphia. Offering—Imminent.
- Discount Sundry Sales, Inc.**
April 17, 1962 ("Reg. A") 50,000 common. Price—\$6. Business—Operation of a sundry department in a discount department store. Proceeds—For expansion and working capital. Office—2000 Oakdale Ave., San Francisco. Underwriter—Stewart, Eubanks, Meyerson & Co., San Francisco.
- Diversified Real Estate Trust**
March 8, 1962 filed 1,000,000 shares of beneficial interest. Price—\$10. Business—A real estate investment trust. Proceeds—For investment. Office—500 Fifth Ave., N. Y. Underwriter—Bacon, Johnson Realty Management Co., Inc., (same address). Offering—Expected in Aug.
- Doman Helicopters, Inc.**
April 19, 1962 filed 418,680 common to be offered for subscription by stockholders on the basis of two new shares for each three held. Price—By amendment (max. \$1.25). Business—Research, development and construction of experimental helicopters. Proceeds—To obtain certification of models, train service personnel, repay debt, etc. Address—Municipal Airport, Danbury, Conn. Underwriter—None.
- Donaldson Co., Inc. (5/21-25)**
Feb. 26, 1962 filed 80,000 common, of which 35,500 are to be offered by the company and 44,500 by stockholders. Price—By amendment (max. \$25). Business—Design, manufacture and sale of air cleaners. Proceeds—For working capital. Office—1400 W. 94th St., Minneapolis. Underwriter—Paine, Webber, Jackson & Curtis, N. Y.
- Donmoor-Isaacson, Inc.**
Feb. 26, 1962 filed 150,000 common, of which 50,000 are to be offered by the company and 100,000 by stockholders. Price—By amendment (max. \$12). Business—Design and manufacture of boys knit shirts, sweaters, and pajamas. Proceeds—For working capital. Office—1115 Broadway, N. Y. Underwriter—Goodbody & Co., N. Y. Note—This offering has been temporarily postponed.
- Drever Co. (5/17-18)**
March 9, 1962 filed 122,700 common, of which 42,500 are to be offered by company and 80,200 by stockholders. Price—By amendment (max. \$12). Business—Design and manufacture of industrial metallurgical furnaces. Proceeds—For debt repayment, equipment and general corporate purposes. Address—Red Lion Rd., and Philmont Ave., Bethayres, Pa. Underwriters—Janney, Battles & E. W. Clark, Inc. and Stroud & Co., Philadelphia.
- Drew Realty Corp.**
March 6, 1962 filed 163,000 class A. Price—\$10. Business—General real estate. Proceeds—For debt repayment. Office—50 Broad St., N. Y. Underwriter—Drew Securities Corp., (same address).
- Dulany Industries, Inc. (5/21-25)**
Feb. 26, 1962 filed 400,000 common. Price—By amendment (max. \$6.25). Business—The canning and freezing of foods. Proceeds—For debt repayment. Office—850 Third Ave., N. Y. Underwriter—Blair & Co., Inc., N. Y.
- Dunhill Food Equipment Corp. (5/21-24)**
Dec. 29, 1961 filed 100,000 common. Price—\$2.50. Business—Manufacture of food service equipment. Proceeds—For development and working capital. Office—79 Walworth St., Brooklyn, Underwriters—Carroll Co. and Paul Eisenberg Co., Inc., N. Y.
- Duro Pen Co., Inc. (5/28-6/1)**
Jan. 5, 1962 filed 125,000 common. Price—\$4. Business—Manufacture of inexpensive ball point pens. Proceeds—For debt repayment, equipment and working capital. Office—573 Broadway, N. Y. Underwriter—Godfrey, Hamilton, Taylor & Co., N. Y.
- Duro-Test Corp.**
April 6, 1962 filed \$1,750,000 of subordinated debentures due 1982 (with attached warrants) to be offered in units consisting of \$1,000 of debentures and a warrant to purchase 60 common shares. Price—By amendment (max. \$1,000 per unit). Business—Manufacture and sale of incandescent, fluorescent and mercury vapor lamps. Proceeds—For working capital. Office—2321 Hudson Blvd., North Bergen, N. J. Underwriter—Auchincloss, Parker & Redpath, N. Y. Offering—Expected in mid-June.
- Dyna Mfg. Co. (6/25-29)**
April 2, 1962 ("Reg. A") 60,000 common of which 40,000 will be sold by company and 20,000 by stockholders. Price—\$5. Business—Manufacture, installation and sale of kitchen ventilating hoods and exhaust fans. Proceeds—Expansion, new products and working capital. Office—4865 Exposition Blvd., Los Angeles. Underwriter—Raymond Moore & Co., Los Angeles.
- Dyna-Mod Electronics Corp. (5/31)**
Jan. 22, 1962 ("Reg. A") 143,000 common. Price—\$2. Business—Design, development and production of "packaged" electronic circuits and sub-systems. Proceeds—For new products and working capital. Office—317 Main St., East Rochester, N. Y. Underwriters—Gen-
ese Valley Securities Co., Inc., Rochester, and H. B. Vesey & Co., Inc., Glens Falls, N. Y.
- Eastern Camera & Photo Corp.**
March 28 1962 filed \$500,000 of 6% conv. subord. debentures due 1972 and 50,000 common shares (of which 25,000 will be sold by the company and 25,000 by stockholders). The securities are to be offered in units of one \$100 debenture and 10 shares. Price—By amendment. Business—Operation of retail camera stores and department store concessions. Company also processes black and white film and repairs photographic equipment. Proceeds—For debt repayment and working capital. Office—68 W. Columbia St., Hempstead, N. Y. Underwriters—Edwards & Hanley, Hempstead, L. I., and Street & Co., Inc., N. Y. Offering—Expected sometime in June.
- Eastern Investors, Inc. (6/4-8)**
Dec. 27, 1961 filed 10,000 common shares and \$625,000 of 6½% con. subord. debentures due 1972. Price—For stock, \$2.50; For debentures, at par. Business—A holding company for small loan and credit accident insurance subsidiaries. Proceeds—For investment in a subsidiary and working capital. Office—147 Northeast Main St., Rocky Mount, N. C. Underwriter—Arnold Malkan & Co., Inc., N. Y.
- Eastern Pennsylvania Investment Co.**
March 16, 1962 filed 450,000 common. Price—By amendment (max. \$16). Business—A small business investment company. Proceeds—For general corporate purposes. Office—3 Penn Center Plaza, Philadelphia. Underwriters—Drexel & Co., Philadelphia and Kidder, Peabody & Co., N. Y.
- Eastern Properties Improvement Corp.**
Aug. 22, 1961 filed \$1,500,000 of subordinated debentures due 1981 and 250,000 common shares. Price—For debentures, \$1,000; for stock, \$10. Business—General real estate. Proceeds—For the acquisition and development of real properties, repayment of debt and engineering, etc. Office—10 E. 40th St., New York. Underwriter—To be named.
- Econ-O-Pay, Inc.**
Oct. 26, 1961 filed 1,000,000 common. Price—\$3. Business—A dealer recourse finance business. Proceeds—General corporate purposes. Office—164 E. Main St., Valley City, N. D. Underwriter—Reserve Funds, Inc., Valley City, N. D.
- Edge Ltd. (5/28-6/1)**
Mar. 26, 1962 filed 125,000 common. Price—By amendment (max. \$4). Business—Merchandising and sale of phonograph records. Proceeds—For debt repayment, acquisitions, and working capital. Office—2235 Twenty-Fifth Pl., N. E., Washington, D. C. Underwriter—Rittmaster, Voisin & Co., N. Y.
- Ehrenreich Photo-Optical Industries, Inc. (5/16)**
Jan. 26, 1962 filed 150,000 common, of which 100,000 are to be offered by the company and 50,000 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—Lee Higginson Corp., N. Y.
- Eldre Components, Inc.**
Feb. 5, 1962 filed 100,000 common, of which 75,000 are to be offered by the company and 25,000 by a stockholder. Price—\$4. Business—Manufacture, assembling and processing of metal parts and products. Proceeds—For equipment, construction of a building, and working capital. Office—187 N. Water St., Rochester, N. Y. Underwriter—Charles Plohn & Co., N. Y.
- Electromagnetic Industries, Inc. (6/7)**
March 30, 1962 filed \$250,000 of 6½% conv. subord. debentures due 1987, also 70,000 common shares, of which 45,000 are to be offered by company and 25,000 by stockholders. Price—By amendment (max. \$1 per common share). Business—Design, production, assembly, distribution and sale of transformers, magnetic components and electronic instrumentation and control devices. Proceeds—For equipment, debt repayment, a new plant and working capital. Office—Sayville Industrial Park, Greeley Ave., Sayville, L. I., N. Y. Underwriter—Pierce, Carrison, Wulbern, Inc., Jacksonville, Fla.
- Electromagnetics Corp. (6/4-8)**
Nov. 17, 1961 filed 75,000 common. Price—\$5. Business—Design and manufacture of precision nuclear magnetic instrumentation. Proceeds—For general corporate purposes. Office—Sawyer Lane, Hudson, Mass. Underwriter—Glanis & Co., Inc., N. Y.
- Electronic Transmission Corp. (5/31)**
March 22, 1962 filed 125,000 common. Price—\$3. Business—Manufacture and distribution of components for background music; design, construction and installation of specialized closed circuit TV system. Proceeds—For debt repayment, expansion, sales promotion and working capital. Office—103 E. Hawthorne Ave., Valley Stream, N. Y. Underwriters—V. S. Wickett & Co., Inc., Thomas, Williams & Lee, Inc., and Crosse & Co., Inc., N. Y.
- Ellner & Pike, Inc. (5/15)**
Dec. 27, 1961 ("Reg. A") 30,000 common. Price—\$10. Business—Operation of supermarkets. Proceeds—For expansion and working capital. Office—896 Old Country Rd., Westbury, N. Y. Underwriter—Meadowbrook Securities, Inc. Hempstead, N. Y.
- Enviro-Dyne, Inc. (5/15)**
Feb. 13, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Research, development, manufacture and sale of environmental testing equipment. Proceeds—For equipment and other corporate purposes. Office—24447 Hawthorne Blvd., Torrance, Calif. Underwriter—Garat & Polonitz, Los Angeles.
- Epko Shoes, Inc.**
March 27, 1962 filed 150,000 common. Price—By amendment (max. \$12). Business—Operation of a chain of retail shoe stores. Proceeds—For selling stockholders. Office—237 Cherry St., Toledo, O. Underwriter—Shearson, Hammill & Co., N. Y.
- Equity Funding Corp. of America**
March 29, 1962 filed 240,000 common. Price—By amendment (max. \$6.50). Business—A holding company for firms selling life insurance and mutual funds. Proceeds—For new sales offices, advances to subsidiaries and working capital. Office—5150 Wilshire Blvd., Los Angeles. Underwriter—Wisconsin-Continental, Inc., Milwaukee.
- Esslinger's Industries of Philadelphia, Inc.**
March 28, 1962 filed \$850,000 of 6½% conv. subord. debentures due 1977 and 112,500 common shares. Price—Debentures, \$1,000; stock, \$8. Business—Brewing of malt beverages, the processing, cleaning and testing of metals, and the sale of galvanized iron and steel products. Proceeds—For debt repayment. Office—10th & Callowhill Sts., Philadelphia. Underwriter—Woodcock, Moyer, Fricke & French, Inc., Philadelphia. Offering—In July.
- European Coal & Steel Community (5/16)**
April 17, 1962 filed \$25,000,000 of sinking fund bonds due April 15, 1982. Price—By amendment. Proceeds—For expansion. Underwriters—Kuhn, Loeb & Co.; First Boston Corp.; and Lazard Freres & Co., N. Y.
- Evans, Inc.**
Jan. 23, 1962 filed 130,000 common, of which 20,000 are to be offered by the company and 110,000 by stockholders. Price—By amendment. Business—Retail sale of wearing apparel. Proceeds—For working capital. Office—36 S. State St., Chicago. Underwriter—Allen & Co., N. Y. Offering—Imminent.
- Everbest Engineering Corp.**
April 2, 1962 filed 100,000 class A shares. Price—\$2.40. Business—Manufacture and sale of long-lived electric lamps. Proceeds—New product development, inventories and working capital. Office—41 E. Twelfth St., N. Y. Underwriter—Planned Investing Corp., N. Y.
- Fairbanks Wire Co., Inc.**
Oct. 30, 1961 filed 54,000 common. Price—\$3. Business—Manufactures specialized machinery and equipment. Proceeds—For debt repayment and general corporate purposes. Office—Walnut St., M D 23, Newburg, N. Y. Underwriter—First Madison Corp., N. Y.
- Fairway Mart, Inc. (6/18-22)**
March 19, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Operation of five discount merchandise centers. Proceeds—For expansion, advertising, inventories, working capital and other corporate purposes. Office—301 Market St., Youngstown, Ohio. Underwriter—A. J. Carno Co., Inc., N. Y.
- Fashion Industries, Inc. (5/21-25)**
Feb. 26, 1962 ("Reg. A") 63,000 common. Price—\$4.75. Business—Manufacture of blouses. Proceeds—Debt repayment, equipment, inventory and working capital. Office—Gauthier St., Tuskegee, Ala. Underwriter—Wright, Myers & Bessel, Inc., Washington, D. C.
- Fastline Inc. (5/31)**
Sept. 28, 1961 filed 100,000 common and 50,000 warrants to be offered in units of 100 common and 50 warrants. Price—By amendment. Business—Manufacture of concealed zippers. Proceeds—Debt repayment, advertising and working capital. Office—8 Washington Place, N. Y. Underwriter—Jarco Securities Co., Inc., N. Y.
- Fastpak, Inc. (6/4-8)**
Nov. 30, 1961 filed 125,000 common. Price—\$5. Business—The distribution of nuts, bolts and other fastening devices manufactured by others. Proceeds—For debt repayment and general corporate purposes. Office—8 Benson Place, Freeport, N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y.
- Federal Fire & Marine Insurance Co.**
April 11, 1962 ("Reg. A") 125,000 common. Price—\$2. Business—Writing of special risk insurance. Proceeds—For reserves and general corporate purposes. Office—324 Guaranty Bldg., Denver. Underwriter—Amos C. Sudler & Co., Denver.
- Fidelity Mining Investments Ltd.**
Nov. 30, 1961 filed 800,000 common. Price—By amendment. Business—Exploration and testing of mining properties. Proceeds—For general corporate purposes. Office—62 Richmond St., Toronto. Underwriter—G. V. Kirby & Associates, Ltd., Toronto.
- Financial Corp. of Santa Barbara (6/4-8)**
March 16, 1962 filed 200,000 capital shares, of which 150,000 are to be offered by the company and 50,000 shares by stockholders. Price—By amendment (max. \$20). Business—Company plans to acquire a savings and loan association. Proceeds—For acquisition of stock and working capital. Office—1035 State St., Santa Barbara, Calif. Underwriter—Dean Witter & Co., Los Angeles.
- Financial Federation, Inc. (6/4)**
March 30, 1962 filed 75,000 capital shares. Price—By amendment (max. \$105). Business—Ownership of 11 California savings and loan associations. Proceeds—For selling stockholders. Office—615 S. Flower St., Los Angeles. Underwriters—Kidder, Peabody & Co. and McDonnell & Co., N. Y.
- First Connecticut Small Business Investment Co. (5/21-25)**
March 9, 1962 filed 200,000 common. Price—By amendment (max. \$15). Business—A small business investment company. Proceeds—For investment. Office—955 Main St., Bridgeport, Conn. Underwriter—P. W. Brooks & Co., N. Y.
- First Financial Corp. (5/22)**
March 6, 1962 ("Reg. A") 60,000 class A common. Price—\$5. Business—A small loan company. Proceeds—For

working capital. **Office** — 751 Minnesota Ave., Kansas City, Kan. **Underwriters**—Midland Securities Co., Inc., and Parker, Eisen, Waecckerle, Adams & Purcell, Inc., Kansas City, Mo.

First New York Capital Fund, Inc.
Oct. 27, 1961 filed 2,770,000 capital shares. **Price**—\$1. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—1295 Northern Blvd., Manhasset, N. Y. **Underwriter**—None.

First Real Estate Investment Trust of New Jersey
Jan. 4, 1962 filed 67,750 common. **Price**—\$10. **Business**—Real estate investment trust. **Proceeds**—For general corporate purposes. **Office**—477 Main St., Hackensack, N. J. **Underwriter**—None.

★ First Realty Co. of Boston
May 1, 1962 filed 150,000 common. **Price**—\$10. **Business**—Real estate management. **Proceeds**—For debt repayment. **Office**—7 Pemberton Sq., Boston. **Underwriter**—R. W. Pressprich & Co., Boston.

• Fleres (A. J.) Mfg. Corp.
Feb. 2, 1962 ("Reg. A") 80,000 common. **Price**—\$3. **Business**—Manufacture and sale of metal frames for ladies handbags. **Proceeds**—For debt repayment, equipment and working capital. **Office**—2024 Monticelli St., Brooklyn, N. Y. **Underwriter**—Professional & Executive Planning Corp., Long Beach, N. Y.

• Flex Electric Products, Inc. (6/4-8)
March 16, 1962 filed \$95,000 of 6% subord. debentures due 1972 and 47,500 common shares, of which 44,650 are to be offered by the company and 2,850 by selling stockholders. The securities will be offered in units consisting of one \$100 debenture and 50 common shares (with attached warrants). **Price** — \$350 per unit. **Business**—

Design, manufacture and sale, for amateur use, of camera lighting equipment and photographic accessories. **Proceeds** — For equipment, new product development, sales promotion and other corporate purposes. **Office**—39-08 24th St., Long Island City, N. Y. **Underwriter**—Bond, Richman & Co., N. Y.

Florida Bancgrowth, Inc. (5/21-25)
March 16, 1962 filed 200,000 common. **Price**—By amendment (max. \$15). **Business**—An investment company specializing in bank stocks. **Proceeds**—For investment. **Office**—3356 Atlantic Blvd., Pompano Beach, Fla. **Underwriter**—Dempsey-Tegeler & Co., Inc., St. Louis.

Florida Palm-Aire Corp.
Oct. 19, 1961 filed 310,000 common being offered for subscription by stockholders on a 1-for-3 basis. Record date for the offering is April 26 and the rights expiration date May 16. **Price**—\$2. **Business**—Purchase, development and sale of undeveloped real property and related activities. **Proceeds**—For debt repayment and general corporate purposes. **Office** — 1790 N. Federal Highway, Pompano Beach, Fla. **Underwriter**—Hardy & Co., N. Y.

Florida Power Co. (5/17)
April 12, 1962 filed \$25,000,000 of first mortgage bonds due May 1, 1992. **Proceeds**—For debt repayment, and construction. **Office**—101 Fifth St., South St. Petersburg, Fla. **Underwriters** — (Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Lehman Brothers-Blyth & Co. (jointly); Eastman Dillon, Union Securities & Co.-Harriman Ripley & Co. (jointly); First Boston Corp. **Bids**—Expected May 17 (11:30 a.m. EDST) at office of Shearman & Sterling, 20 Exchange Place, N. Y. **Information Meeting**—May 15 (11

a.m. EDST) at Morgan Guaranty Trust Co., 54 Liberty St., N.Y.

• Flower City Industries, Inc. (5/14-18)
Nov. 29, 1961 filed 100,000 common. **Price**—\$3.75. **Business**—Design and manufacture of plastic artificial foliage and flowers. **Proceeds** — For general corporate purposes. **Address**—St. Thomas, Virgin Islands. **Underwriter**—Seidman & Williams, N. Y.

• Folz Vending Co., Inc.
Sept. 26, 1961 filed 55,000 common. **Price**—\$6. **Business**—The distribution of novelties, candy, etc. through vending machines. **Proceeds**—To repay loans, purchase machines, and increase working capital. **Office**—990 Long Beach Rd., Oceanside, N. Y. **Underwriter**—None. **Note**—This offering is being withdrawn. It is expected to be refiled at a later date.

Forest Electronics Corp.
Dec. 21, 1961 ("Reg. A") 130,000 common. **Price**—\$2. **Business**—Research, design, manufacture, sale and distribution of precision electronic and mechanical components. **Proceeds**—For debt repayment, equipment and general corporate purposes. **Office** — 425 Las Vegas Blvd., S., Las Vegas, Nev. **Underwriter**—Elmer K. Aagaard, Salt Lake City.

Forst (Alex) & Sons, Inc.
March 23, 1962 filed 100,000 common. **Price**—By amendment (max. \$15). **Business**—Wholesale distribution of toys and games. **Proceeds**—For selling stockholders. **Office**—2885 Jerome Ave., Bronx, N. Y. **Underwriter**—McDonnell & Co., N. Y. **Offering**—Expected in early June.

"42" Products, Ltd., Inc.
April 18, 1962 ("Reg. A") 100,000 class A common. **Price**—\$3. **Business**—Manufacture and sale of cosmetics. **Pro-**

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NEW ISSUE CALENDAR

- May 10 (Thursday)**
Western Massachusetts Electric Co.-----Bonds
(Bids 11 a.m. EDST) \$8,000,000
- May 11 (Friday)**
Tucson Gas Electric Light & Power Co.-----Common
(Offering to stockholders—underwritten by Blyth & Co. Inc. and First Boston Corp.) 486,111 shares
- May 14 (Monday)**
American Modular Manufacturing Corp.-----Common
(Equity Securities Co.) \$500,000
- Atlantic Utilities Corp.-----Common
(Hardy & Co.) \$1,200,000
- Burton Mount Corp.-----Common
(Reiner, Linburn & Co.) \$600,000
- Champion Parts Rebuilders, Inc.-----Units
(Straus, Blosser & McDowell) 150,000 units
- Chenango & Unadilla Telephone Corp.-----Common
(Offering to stockholders—underwritten by W. E. Hutton & Co. and Laird, Bissell & Meeds) 52,363 shares
- Computer Control Co., Inc.-----Common
(Kidder, Peabody & Co.) 157,500 shares
- Cut & Curl, Inc.-----Common
(M. J. Merritt & Co., Inc.) \$400,000
- Flower City Industries, Inc.-----Common
(Seidman & Williams) \$375,000
- Geriatric Research, Inc.-----Common
(Bacon, Whipple & Co. and Freehling, Myerhoff & Co.) 162,500 shares
- Happy House, Inc.-----Common
(No underwriting) \$700,000
- Harrington & Richardson, Inc.-----Common
(Shearson, Hammill & Co.) 180,000 shares
- Hillside Metals Products, Inc.-----Common
(Milton D. Blauner & Co. and M. L. Lee & Co., Inc.) \$1,800,000
- La Maur Inc.-----Common
(Paine, Webber, Jackson & Curtis) 100,000 shares
- Livestock Financial Corp.-----Common
(Shearson, Hammill & Co.) \$2,450,000
- McWood Corp.-----Units
(Dempsey-Tegeler & Co., Inc.) 31,000 units
- Molecular Dielectrics, Inc.-----Common
(Street & Co., Inc. and Irving Weis & Co.) \$750,000
- Multronics, Inc.-----Capital
(Switzer & Co., Inc.) \$300,000
- Regal-Meadows, Inc.-----Common
(Hayden, Stone & Co.) 145,000 shares
- Roadcraft Corp.-----Common
(Vickers, MacPherson & Warwick, Inc.) 400,000 shares
- Rosenau Brothers, Inc.-----Common
(Burnham & Co. and Zuckerman, Smith & Co.) 300,000 shares
- Technical Animations, Inc.-----Units
(Offering to stockholders—underwritten by Bull & Low; John R. Maher Associates and R. Tropik & Co., Inc.) \$211,400
- Walston Aviation, Inc.-----Common
(White & Co., Inc.) \$562,500
- Western Pioneer Co.-----Capital
(Kidder, Peabody & Co.) 371,750 shares
- May 15 (Tuesday)**
Arlan's Department Stores, Inc.-----Common
(Eastman Dillon, Union Securities & Co.) 250,000 shares
- Arlan's Department Stores, Inc.-----Debentures
(Eastman Dillon, Union Securities & Co.) \$3,000,000
- Bacardi Corp.-----Common
(Eastman Dillon, Union Securities & Co.) \$1,750,000
- Coleman Cable & Wire Co.-----Class A
(Divine & Fishman, Inc.) \$720,000
- Computer Oriented Research & Engineering, Inc.-----Common
(Arthurs, Lestrangle & Co.) \$540,000
- Ellner & Pike, Inc.-----Common
(Meadowbrook Securities, Inc.) \$300,000
- Enviro-Dyne, Inc.-----Common
(Garat & Polonitza) \$300,000
- Futura Airlines-----Common
(Raymond Moore & Co., Inc. and Pacific Coast Securities Co.) \$300,000

- Gould Properties, Inc.-----Class A
(Stanley Heller & Co.) \$2,000,000
- Japan Development Bank-----Bonds
(First Boston Corp.; Dillon, Read & Co., Inc. and Smith, Barney & Co., Inc.) \$15,000,000
- Lily Lynn, Inc.-----Common
(J. R. Williston & Beane) 150,000 shares
- Little Ruffy Togs, Inc.-----Common
(Glass & Ross, Inc. and Samson, Graber & Co., Inc.) 165,000 shares
- Milwaukee Gas Light Co.-----Bonds
(Bids 10:30 a.m. EDST) \$15,000,000
- Molecular Systems Corp.-----Common
(Stone, Ackerman & Co., Inc. and Heritage Equity Corp.) \$420,000
- New World Laboratories, Inc.-----Common
(T. J. McDonald & Co., Inc.) \$300,000
- Puerto Rico Land & Development Corp.-----Units
(Lieberbaum & Co. and Morris Cohen & Co.) \$5,000,000
- Rising's, Inc.-----Common
(Adams & Co.) \$300,000
- Wade, Wenger ServiceMaster Co.-----Capital
(Laren Co.) 140,000 shares
- White Lighting Co.-----Common
(Costello, Russotto & Co.) \$300,000
- May 16 (Wednesday)**
Blanche (Ernest E.) & Associates, Inc.-----Common
(Jones, Kreeger & Co. and First Investment Planning Co.) \$240,000
- Columbus & Southern Ohio Electric Co.-----Bonds
(Bids 11 a.m. EDST) \$16,000,000
- Copymation, Inc.-----Common
(Kenneth Kass) 60,000 shares
- DeLuxe Homes, Inc.-----Common
(Alessandrini & Co., Inc.) \$300,000
- Ehrenreich Photo-Optical Industries, Inc.-----Common
(Lee Higginson Corp.) 150,000 shares
- European Coal & Steel Community-----Bonds
(Kuhn, Loeb & Co.; First Boston Corp.; Lazard Freres & Co.) \$25,000,000
- Jefferson Stores, Inc.-----Capital
(Bregman, Cummings & Co.) 110,000 shares
- Ridgewood Financial Corp.-----Common
(Fulton, Reid & Co., Inc.) 60,000 shares
- Signalite Inc.-----Common
(Milton D. Blauner) \$567,000
- May 17 (Thursday)**
Cascade Natural Gas Corp.-----Units
(White, Weld & Co., Inc.) 6,000 units
- Drever Co.-----Common
(Janney, Battles & E. W. Clark, Inc. and Stroud & Co.) 122,700 shares
- Florida Power Co.-----Bonds
(Bids 11:30 a.m. EDST) \$25,000,000
- Kohnstamm (H.) & Co., Inc.-----Common
(Kidder, Peabody & Co., Inc.) 160,000 shares
- May 18 (Friday)**
Radio Electric Service Co. of New Jersey, Inc.-----Common
(D. L. Greenbaum & Co.) \$300,000
- May 21 (Monday)**
Admiral Automotive Products, Inc.-----Common
(Baruch Brothers & Co., Inc.) \$400,000
- Agency Tile Industries, Inc.-----Common
(International Services Corp. and Market Values, Inc.) \$300,000
- American Bolt & Screw Mfg. Corp.-----Common
(S. D. Fuller & Co.) 150,000 shares
- American Cardboard & Packaging Corp.-----Common
(Milton D. Blauner & Co., Inc.; M. L. Lee & Co., Inc. and Hollowell, Sulzberger, Jenks, Kirkland & Co.) \$525,000
- American Diversified, Inc.-----Common
(Nation-Wide Underwriters, Inc.) \$825,000
- Babs, Inc.-----Common
(Pacific Coast Securities Co.) \$600,000
- Beauty Industries, Inc.-----Common
(Seymour Blauner Co.) \$299,970
- Bestform Foundations, Inc.-----Common
(Smith, Barney & Co.) 185,000 shares

- Central Investment & Mortgage Co.-----Common
(Joseph Walker & Sons and Clark, Landstreet & Kirkpatrick, Inc.) 130,000 shares
- Central Investment & Mortgage Co.-----Debentures
(Joseph Walker & Sons and Clark, Landstreet & Kirkpatrick, Inc.) \$600,000
- Corporate Funding Corp.-----Class A
(R. F. Dowd & Co., Inc.) \$300,000
- Cosnat Corp.-----Common
(Van Alstyne, Noel & Co.) 165,000 shares
- Country Set, Inc.-----Common
(Goodbody & Co.) 150,000 shares
- Donaldson Co., Inc.-----Common
(Paine, Webber, Jackson & Curtis) 80,000 shares
- Dulany Industries, Inc.-----Common
(Blair & Co., Inc.) 400,000 shares
- Dunhill Food Equipment Corp.-----Common
(Carroll Co. and Paul Eisenberg Co., Inc.) \$250,000
- Fashion Industries, Inc.-----Common
(Wright, Myers & Bessel, Inc.) \$299,250
- First Connecticut Small Business Investment Co.-----Common
(P. W. Brooks & Co.) 200,000 shares
- Florida Bancgrowth, Inc.-----Common
(Dempsey-Tegeler & Co., Inc.) 200,000 shares
- Frouge Corp.-----Common
(Van Alstyne, Noel & Co.) 700,000 shares
- Gaslight Club, Inc.-----Common
(Myron A. Lomasney & Co.) 100,000 shares
- General Devices, Inc.-----Common
(Offering to stockholders—underwritten by Hess, Grant & Remington, Inc.) 140,000 shares
- Gulf States Utilities Co.-----Bonds
(Bids 11 a.m. EDST) \$17,000,000
- Hanna-Barbara Productions, Inc.-----Capital
(Carl M. Loeb, Rhoades & Co., Inc.) 200,000 shares
- House of Vision, Inc.-----Common
(Hornblower & Weeks) 150,000 shares
- Ideal Toy Corp.-----Common
(White, Weld & Co., Inc.) 490,000 shares
- Jayark Films Corp.-----Common
(Pacific Coast Securities Corp.) 72,000 shares
- Jaylis Industries, Inc.-----Class A
(D. E. Liederman & Co., Inc.) \$1,200,000
- Kelley Realty Corp.-----Class A
(Fulton, Reid & Co., Inc. and Walston & Co.) 250,000 shares
- Maradel Products, Inc.-----Common
(Hornblower & Weeks) 335,000 shares
- Marks Polarized Corp.-----Common
(Ross, Lyon & Co., Inc.; Glass & Ross, Inc.; and Globus, Inc.) 95,000 shares
- Mercury Books, Inc.-----Common
(Meade & Co.) \$247,500
- National Equipment & Plastics Corp.-----Common
(Cortlandt Investing Corp.) \$525,000
- National Family Insurance Co.-----Common
(No underwriting) \$1,000,000
- New Hope Academy of the Arts, Inc.-----Common
(Mayo & Co.) \$1,500,000
- Paragon Pre-Cut Homes, Inc.-----Common
(A. L. Stamm & Co.) 112,500 shares
- Pearl Brewing Co.-----Common
(A. C. Allyn & Co. and Dewar, Robertson & Pancoast) 148,300 shares
- Pennsylvania Real Estate Inv. Trust-----Ben. Ints.
(Stroud & Co. and Walston & Co.) \$5,000,000
- Public Loan Co., Inc.-----Common
(A. G. Becker & Co., Inc.) 170,000 shares
- Regulators, Inc.-----Common
(Myron A. Lomasney & Co.) \$375,000
- Ridgerock of America, Inc.-----Common
(Baruch Brothers & Co., Inc.) \$250,000
- Roblin-Seaway Industries, Inc.-----Debentures
(Brand, Grumet & Seigel, Inc.) \$1,000,000
- Scripps-Howard Broadcasting Co.-----Common
(First Boston Corp.) 375,000 shares
- Skiers Service Corp.-----Common
(Pacific Coast Securities Co.) 550,000 shares
- Solid State Products, Inc.-----Common
(Tucker, Anthony & R. L. Day) 110,000 shares
- Stelber Cycle Corp.-----Common
(Lloyd Securities Inc. and Richard Bruce & Co., Inc.) \$600,000

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ceeds—For advertising, and equipment. Office—1634-18th St., Santa Monica, Calif. Underwriters—Rutner, Jackson & Gray, Inc., Los Angeles and Laird, Bissell & Meeds, N. Y.

★ Founders Financial Federation, Inc.

May 4, 1962 filed 135,000 common. Price—\$6. Business—Commercial financing, industrial time sales financing and factoring. Proceeds—For working capital. Office—440 W. 34th St., N. Y. Underwriter—Edward Lewis Co., Inc., N. Y.

● Four Star Television, Inc. (6/4-8)

March 27, 1962 filed 103,000 common. Price—\$3. Business—Design, manufacture and distribution of men's outerwear, sportswear and rainwear. Proceeds—For plant expansion, equipment and working capital. Office—665 Broadway, N. Y. Underwriter—Magnus & Co., Inc., N. Y. Offering—Expected sometime in August.

● Four Star Television (6/4-8)

March 16, 1962 filed 211,250 capital shares. Price—By amendment (max. \$25). Business—Production and marketing of television films. Proceeds—For selling stockholders. Office—4030 Redford Ave., North Hollywood, Calif. Underwriters—Paine, Webber, Jackson & Curtis, N. Y. and Dempsey-Tegele & Co., Inc., St. Louis.

Franklin Discount Co.

Feb. 9, 1962 filed \$500,000 of 8% subordinated debentures due serially 1969 to 1973 and \$500,000 of 8% subordinated capital notes due about 1970. Price—At par. Business—A consumer finance company. Proceeds—For debt repayment and expansion. Office—105 N. Sage St., Toccoa, Ga. Underwriter—None.

Franklin Manufacturing Co.

Dec. 22, 1961 filed 349,590 common. Price—By amendment. Business—Design, manufacture and sale of household freezers, refrigerators, automatic washers and driers. Proceeds—For a selling stockholder. Office—65-22nd Ave., N. E., Minneapolis. Underwriter—Lehman Brothers, N. Y. Offering—Imminent.

Frazier-Walker Aircraft Corp.

Jan. 26, 1962 filed 140,000 common. Price—By amendment. Business—Company plans to produce its Gyrojet FW-4, a four-passenger amphibious autogiro. Proceeds—To produce prototype models, and finance general overhead and operating expenses. Office—10 E. 52nd St., N. Y. Underwriter—None.

● Frederick's of Hollywood, Inc. (6/11-15)

March 26, 1962 filed 150,000 capital shares, of which 70,000 are to be offered by company and 80,000 by a stockholder. Price—\$5. Business—Operation of a mail order business and a chain of women's apparel stores. Proceeds—For expansion and other corporate purposes. Office—6608 Hollywood Blvd., Los Angeles. Underwriter—Garat & Polonitz, Inc., Los Angeles.

Frouge Corp. (5/21-25)

Jan. 26, 1962 filed 700,000 common. Price—By amendment. Business—Construction and operation of various type apartment, industrial and office buildings. Proceeds—For an acquisition, construction, and working capital. Office—141 North Ave., Bridgeport, Conn. Underwriter—Van Alstyne, Noel & Co., N. Y.

Futura Airlines (5/15)

Oct. 20, 1961 ("Reg. A") 60,000 common. Price—\$5. Business—Furnishing of scheduled air transportation service. Proceeds—For debt repayment and general corporate purposes. Office—8170 Beverly Rd., Los Angeles.

Underwriters—Raymond Moore & Co., Los Angeles and Pacific Coast Securities Co., San Francisco.

G. M. S. Stores Inc.

April 30, 1962 filed 140,000 common. Price—\$4. Business—Operation of discount centers. Proceeds—For expansion. Office—19 W. 34th St., N. Y. Underwriter—Preiss, Cinder & Hoffman, Inc., N. Y.

● Gabriel Industries, Inc.

March 30, 1962 filed 100,000 class A common shares. Price—By amendment (max. \$11). Business—Design, manufacture and distribution of toys and sporting goods. Proceeds—For debt repayment. Office—184 Fifth Ave., N. Y. Underwriter—Hemphill, Noyes & Co., N. Y.

Garden State Small Business Investment Co.

Oct. 27, 1961 filed 330,000 common. Price—\$3. Business—A small business investment company. Proceeds—For investment. Office—1189 Raymond Blvd., Newark, N. J. Underwriter—Godfrey, Hamilton, Taylor & Co., N. Y. Offering—Expected sometime in June.

Gaslight Club, Inc. (5/21-25)

Feb. 28, 1962 filed 100,000 common. Price—By amendment (max. \$7). Business—Company operates four "key clubs." Proceeds—For expansion, debt reduction, and working capital. Office—13 E. Huron St., Chicago. Underwriter—Myron A. Lomasney & Co., N. Y.

Gateway Chemicals, Inc.

Nov. 22, 1961 filed 100,000 common, of which 50,000 are to be offered by the company and 50,000 by a stockholder. Price—By amendment. Business—Compounding and packaging of chemical products, primarily detergents. Proceeds—For working capital. Office—8136 S. Dobson Ave., Chicago. Underwriter—Federman, Stonehill & Co., N. Y. Offering—Imminent.

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Tactair Fluid Controls Corp.-----Common
(Stroud & Co., Inc. and Penington, Colket & Co.) 90,000 shares
Tellite Corp.-----Common
(Magnus & Co.) \$375,000
Traid Corp.-----Common
(J. A. Hogle & Co.) 150,000 shares
United Markets, Inc.-----Common
(Moran & Co.) \$500,000
Vacco Valve Co.-----Common
(California Investors) \$500,000
Vapor Corp.-----Common
(William Blair & Co.) 156,762 shares
Voron Electronics Corp.-----Class A
(John Joshua & Co., Inc. and Reuben, Rose & Co., Inc.) \$300,000
World Scope Publishers, Inc.-----Common
(Standard Securities Corp.) \$600,000
World Scope Publishers, Inc.-----Debentures
(Standard Securities Corp.) \$350,000
Wynlit Pharmaceuticals, Inc.-----Common
(Andresen & Co.) 125,000 shares

May 22 (Tuesday)

First Financial Corp.-----Class A
(Midland Securities Co., Inc. and Parker, Eisen, Waechterle, Adams & Purcell, Inc.) \$300,000
Mosler Safe Co.-----Common
(Blyth & Co., Inc.) 250,000 shares
Northern Pacific Ry.-----Equip. Trust Cfts.
(Bids 12 noon EDT) \$4,035,000
Seaway Food Town, Inc.-----Common
(McDonald & Co.) 125,056 shares
Tyler Pipe & Foundry Co.-----Common
(First Southwest Co.) 120,000 shares
Utah Power & Light Co.-----Bonds
(Bids 11:30 a.m. EDT) \$22,000,000
Utah Power & Light Co.-----Preferred
(Bids 12:30 p.m. EDT) 480,000 shares

May 23 (Wednesday)

Louisiana Gas Service Co.-----Bonds
(Bids 11:30 a.m. EDT) \$10,000,000

May 24 (Thursday)

Hollingsworth Solderless Terminal Co.-----Common
(Harrison & Co.) \$300,000

May 28 (Monday)

Accurate Packaging Corp.-----Common
(Baruch Bros. & Co., Inc.) 80,000 shares
Aerodyne Controls Corp.-----Common
(Robbins, Clark & Co.) \$180,000
Alcolac Chemical Corp.-----Common
(Robert Garrett & Sons) 50,000 shares
American Southwest Realty Trust-----Common
(Kidder, Peabody & Co. and Rauscher, Pierce & Co., Inc.) \$11,000,000
Artlin Mills, Inc.-----Common
(Mortimer B. Burnside & Co., Inc.) \$675,000
Bebell & Bebell Color Laboratories, Inc.-----Common
(Stevens, Hickey & Co.) \$300,000
Berne of California, Inc.-----Common
(Adams & Co.) \$255,000
Concord Products, Inc.-----Units
(M. G. Davis) \$240,000
Davis (H.) Toy Corp.-----Units
(Hampstead Investing Corp., Aetna Securities Corp. and Atlas Securities Corp.) \$325,000
Decorel Corp.-----Common
(Clayton Securities Corp.) 120,000 shares
Duro Pen Co., Inc.-----Common
(Godfrey, Hamilton, Taylor & Co.) \$500,000
Edge Ltd.-----Common
(Rittmaster, Voisin & Co.) 125,000 shares
Gould Paper Co.-----Common
(Van Alstyne, Noel & Co.) \$1,540,000
Halo Lighting, Inc.-----Common
(E. W. Pressprich & Co.) 300,000 shares
International Protein Corp.-----Common
(Arnold Malkan & Co., Inc.) \$450,000

Iona Manufacturing Co.-----Common
(Richard Bruce & Co., Inc. and Reuben Rose & Co., Inc.) \$840,000
Kavanau Corp.-----Units
(Hayden, Stone & Co.) 50,000 units
Kiddie Rides, Inc.-----Units
(Paul C. Kimball & Co.) 1,000 units
Kinney Service Corp.-----Common
(Bear, Stearns & Co.) 262,500 shares
Lee Fashions, Inc.-----Common
(Godfrey, Hamilton, Taylor & Co. and Penzell & Co.) 166,666 shares
Lehigh Industries & Investing Corp.-----Common
(To be named) 2,000,000 shares
Mac-Allan Co., Inc.-----Common
(George K. Baum & Co.) \$651,300
Magazines for Industry, Inc.-----Common
(Arnold, Wilkens & Co., Inc.) \$500,000
Magellan Sounds Corp.-----Units
(Darius Inc.) \$240,000
Masury-Young Co.-----Common
(Chico, Whiteside & Winslow, Inc.) \$600,000
Met Food Corp.-----Common
(Brand, Grumet & Siegel, Inc.) 34,200 shares
Met Food Corp.-----Debentures
(Brand, Grumet & Siegel, Inc.) \$1,500,000
Microdot, Inc.-----Capital
(White, Weld & Co.) 170,960 shares
Morton's Shoe Stores, Inc.-----Common
(Dean Witter & Co.) 517,122 shares
National Security Life Insurance Co.-----Common
(Underwriter to be named) \$1,750,000
Pioneer Restaurants, Inc.-----Common
(Stewart, Eubanks, Myerson & Co.) 125,000
Product Research of Rhode Island, Inc.-----Common
(Fred F. Sessler & Co., Inc.) \$676,500
Rego Radio & Electronics Corp.-----Common
(General Securities Co., Inc.) \$300,000
Security Aluminum Corp.-----Common
(Vickers, MacPherson & Warwick, Inc.) 200,000 shares
Shelley Manufacturing Co.-----Common
(George, O'Neill & Co., Inc.) \$357,500
Sokol Brothers Furniture Co., Inc.-----Common
(Underwriters to be named) \$600,000
Sportsways, Inc.-----Common
(Troster, Singer & Co. and Federman, Stonehill & Co.) 175,000 shares
Sun City Dairy Products, Inc.-----Common
(Finkle & Co.) \$440,000
Tork Time Controls, Inc.-----Common
(Godfrey, Hamilton, Taylor & Co. and Magnus & Co.) 150,000 shares
Towers Marts International, Inc.-----Capital
(W. C. Langley & Co.) 550,000 shares
Transogram Co., Inc.-----Common
(Lehman Brothers) 156,000 shares
Unison Electronics Corp.-----Common
(Gateway Stock & Bond, Inc.) \$150,000
Universal Industries, Inc.-----Common
(Edward Lewis Co., Inc.) \$500,000
Welcome Baby, Inc.-----Common
(Globus, Inc. and First Philadelphia Corp.) \$150,000
Widmann (L. F.), Inc.-----Common
(Godfrey, Hamilton, Taylor & Co.) \$486,000
Wiggins Plastics, Inc.-----Common
(Investment, Planning Group, Inc.) \$300,000

May 29 (Tuesday)

Aubrey Manufacturing, Inc.-----Common
(Pierce, Carrison, Wulbern, Inc. and A. M. Kidder & Co., Inc.) 140,004 shares
Computer Concepts Inc.-----Common
(Doft & Co.) \$500,000
Gotham Investment Corp.-----Common
(Rouse, Brewer, Becker & Bryant, Inc.) \$600,000
Ipco Hospital Supply Corp.-----Common
(Shearson, Hammill & Co.) 290,000 shares
Lunar Films, Inc.-----Common
(Fred F. Sessler & Co., Inc.) \$718,750
New England Electric System-----Common
(Offering to stockholders—bids to be received) 872,876 shares
Philips N. V.-----Common
(Offering to stockholders—underwritten by Smith, Barney & Co.) 6,153,140 shares

May 31 (Thursday)

A. E. C. Electronics, Inc.-----Common
(Bertner Bros.) \$125,000
Alabama Power Co.-----Bonds
(Bids to be received) \$17,000,000
Dyna-Mod Electronics Corp.-----Common
(Genesee Valley Securities Co., Inc. and H. B. Vesey & Co., Inc.) \$286,000
Electronic Transmission Corp.-----Common
(V. S. Wickett & Co., Inc.; Thomas, Williams & Lee, Inc. and Crosse & Co., Inc.) \$375,000
Fastline Inc.-----Units
(Jarco Securities Co., Inc.) \$1,000
Giant Tiger Stores-----Common
(Prescott & Co.) \$1,400,000
Index & Retrieval Systems, Inc.-----Common
(Searight, Ahalt & O'Connor, Inc.) 125,000 shares
National Semiconductor Corp.-----Capital
(Lee Higginson Corp. and Piper, Jaffray & Hopwood) 75,000 shares
Research Products, Inc.-----Common
(Gross & Co. and Elmaleh & Co., Inc.) \$2,250,000
Rosenfeld (Henry), Inc.-----Common
(Robert A. Martin Associates, Inc.) 120,000 shares
Steel Plant Equipment Corp.-----Common
(Joseph W. Hurley & Co.) \$208,980
Stephens (M.) Mfg., Inc.-----Capital
(Thomas Jay, Winston & Co., Inc.) \$300,000
Superior Bakers, Inc.-----Common
(Balogh & Co.) \$975,000

June 1 (Friday)

West Falls Shopping Center Limited Partnership-----Units
(Hodgdon & Co., Inc.) \$444,000

June 4 (Monday)

Allegheny Pepsi-Cola Bottling Co.-----Common
(Suplee, Yeatman, Mosley Co., Inc.) 312,500 shares
Allegheny Pepsi-Cola Bottling Co.-----Debentures
(Suplee, Yeatman, Mosley Co., Inc.) \$1,250,000
Also Electronics, Inc.-----Class A
(Albert Teller & Co., Inc. and H. A. Riecke & Co., Inc.) \$300,000
American Mortgage Investors-----Ben. Int.
(Hayden, Stone & Co.) \$19,500,000
Anchor Industries Corp.-----Common
(Amber, Burstein & Co., Inc.) \$308,000
Barker Bros. Corp.-----Common
(William R. Staats & Co.) 200,000 shares
Bernalen, Inc.-----Common
(Amber, Burstein & Co., Inc.) \$183,750
Calev Photolabs, Inc.-----Common
(Amber, Burstein & Co., Inc.) \$302,250
Cameo Lingerie, Inc.-----Common
(Schweickart & Co.) \$950,000
Cemeteries of America, Inc.-----Units
(Bernard M. Kahn & Co., Inc.) \$893,000
College Publishing Corp.-----Common
(James Co.) \$155,000
Consumers Mart of America, Inc.-----Common
(Rittmaster, Voisin & Co. and Midland Securities Co., Inc.) 72,000 shares
Continental Investment Corp.-----Common
(Continental Securities Corp.) 2,000,000 shares
ControlDyne, Inc.-----Common
(E. Bruce Co.) \$175,000
Cooke (F. J.), Inc.-----Common
(John R. Maher Associates and Bull & Low) \$468,750
Copenhagen Telephone Co.-----Debentures
(Smith, Barney & Co., Inc.; Kuhn, Leeb & Co., Inc.; Harriman Ripley & Co., Inc. and Lazard Freres & Co.) \$15,000,000
Eastern Investors, Inc.-----Common
(Arnold Malkan & Co., Inc.) \$25,000
Eastern Investors, Inc.-----Debentures
(Arnold Malkan & Co., Inc.) \$625,000
Electromagnetics Corp.-----Common
(Gianis & Co., Inc.) \$375,000
Fastpak, Inc.-----Common
(Arnold Malkan & Co., Inc.) \$625,000
Financial Corp. of Santa Barbara-----Capital
(Dean Witter & Co.) 200,000 shares

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Gemco-Ware Corp. (6/4-8)
March 9, 1962 filed 146,000 common. Price—By amendment (max. \$8). **Business**—A holding company for a restaurant equipment manufacturer, a wholesale distributor of houseware products and a company operating leased discount departments dealing in hard goods. **Proceeds**—For debt repayment, expansion and working capital. **Office**—134-01 Atlantic Ave., Jamaica, N. Y. **Underwriter**—J. R. Williston & Beane, N. Y.

General Classics Inc. (6/4-8)
March 23, 1962 filed 105,000 common. Price—\$3. **Business**—Design, assembly and distribution of trophies, plaques and awards. **Proceeds**—For debt repayment, new products, expansion and working capital. **Office**—2555 W. Diversey Ave., Chicago. **Underwriter**—Michael G. Kletz & Co., N. Y.

General Design Corp.
April 25, 1962 ("Reg. A") 65,000 common. Price—\$3. **Business**—Design and development of new products for various industries. **Proceeds**—For debt repayment, equipment and working capital. **Office**—2740 Apple Valley Rd., N. E., Atlanta, Ga. **Underwriter**—Robert M. Harris & Co., Inc., Philadelphia.

General Devices, Inc. (5/21-25)
Jan. 29, 1962 filed 140,000 common, to be offered for subscription by common stockholders. Price—By amendment. **Business**—Development and manufacture of electronic and electromechanical components and systems for multiple telemetering. **Proceeds**—For inventory, debt repayment, sales promotion, and working capital. **Office**—Ridge Rd., Monmouth Junction, N. J. **Underwriter**—Hess, Grant & Remington, Inc., Philadelphia.

General Economics Syndicate, Inc.
April 11, 1962 filed 400,000 class A common. Price—\$10. **Business**—An insurance holding company. **Proceeds**—For investment in subsidiaries, and working capital. **Office**—625 Madison Ave., N. Y. **Underwriter**—G. E. C. Securities, Inc., (same address).

General Investment Co. of Connecticut, Inc. (7/16-20)
Mar. 14, 1962 filed 200,000 common. Price—\$7.50. **Business**—A small business investment company. **Proceeds**—For debt repayment and investment. **Office**—348 Orange St., New Haven, Conn. **Underwriters**—Ingram, Lambert & Stephen, Inc., and Reuben Rose & Co., Inc., N. Y.

General Realty Income Trust
April 27, 1962 filed 1,000,000 shares. Price—A maximum of \$10. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—111 Broadway, N. Y. **Underwriter**—King Merritt & Co., Inc., N. Y.

General Vitamin & Drug Corp.
April 3, 1962 ("Reg. A") 78,000 common. Price—\$2.75. **Business**—Sale of vitamins through department stores and mail order. **Proceeds**—For debt repayment, new products, sales promotion and working capital. **Office**—88 Cutter Mill Rd., Great Neck, L. I., N. Y. **Underwriter**—J. J. Krieger & Co., Inc., N. Y.

Geriatric Research, Inc. (5/14-18)
Feb. 12, 1962 filed 162,500 common, of which 12,500 are to be offered by the company and 150,000 by stockholders. Price—By amendment (max. \$3.50). **Business**—Direct mail selling of vitamin mineral products to elderly customers. **Proceeds**—For working capital. **Office**—179 N. Michigan Ave., Chicago. **Underwriters**—Bacon, Whipple & Co. and Freehling, Myerhoff & Co., Chicago.

Giant Tiger Stores, Inc. (5/31)
Mar. 2, 1962 filed 140,000 common. Price—\$10. **Business**—Company operates a discount department store chain. **Proceeds**—For expansion and working capital. **Office**—1407 E. 40th St., Cleveland, Ohio. **Underwriter**—Prescott & Co., Cleveland.

Gilfillan Corp.
April 4, 1962 filed 254,000 common. Price—By amendment (max. \$18). **Business**—Development and production of radar and other specialized electronic systems. **Proceeds**—For selling stockholders. **Office**—1815 Venice Blvd., Los Angeles. **Underwriter**—Blyth & Co., Inc., Los Angeles. **Offering**—Expected in June.

Girard Industries Corp.
March 28, 1962 filed \$250,000 of 6% conv. subord. debentures due 1972 and 90,000 common shares to be sold by certain stockholders. The securities are to be offered in units consisting of a \$100 debenture and 36 shares. Price—By amendment. **Business**—Manufacture of restaurant and other type furniture which it sells principally to dealers in Puerto Rico. **Proceeds**—For equipment and general corporate purposes. **Address**—San Juan, Puerto Rico. **Underwriter**—Edwards & Hanley, Hempstead, N. Y. **Offering**—Expected sometime in June.

Glass-Tite Industries, Inc.
Sept. 27, 1961 filed 185,000 common, of which 135,000 are to be offered by the company and 50,000 by a stockholder. Price—By amendment. **Business**—Manufacture of glass-to-metal hermetic seals. **Proceeds**—For purchase of equipment, investment in a subsidiary, research and development, moving expenses, and working capital. **Office**—725 Branch Ave., Providence, R. I. **Underwriter**—Hemphill, Noyes & Co., N. Y. **Offering**—Postponed.

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Financial Federation, Inc. (Kidder, Peabody & Co. and McDonnell & Co.) 75,000 shares	Capital
Flex Electric Products, Inc. (Bond, Richman & Co.) \$332,500	Units
Four Star Television (Paine, Webber, Jackson & Curtis and Dempsey-Tegeler & Co., Inc.) 211,250 shares	Capital
Gemco-Ware Corp. (J. R. Williston & Beane) 146,000 shares	Common
General Classics, Inc. (Michael G. Kletz & Co.) \$315,000	Common
Grayson-Robinson Stores, Inc. (Bear, Stearns & Co.) \$10,000,000	Debentures
Greater Pittsburgh Capital Corp. (Moore, Leonard & Lynch and Singer, Dean & Scribner) \$2,750,000	Common
Hargrove Enterprises, Inc. (Switzer & Co., Inc.) \$800,000	Common
Jackson's/Byrons Enterprises, Inc. (Clayton Securities Corp.) \$750,000	Debentures
Jamoco Air Conditioning Corp. (Martin-Warren Co., Ltd.) \$120,000	Common
Kingsbury Homes Corp. (Robinson-Humphrey Co., Inc. and J. C. Bradford & Co.) 149,000 shares	Capital
Mandrel Industries, Inc. (Dominick & Dominick) 303,900 shares	Common
Midwestern Mortgage Investors (Boettcher & Co.) \$5,000,000	Ben. Ints.
Multi State Industries, Inc. (G. K. Scott & Co., Inc.) \$240,000	Common
Oceana International, Inc. (Baruch Brothers & Co., Inc.) \$825,000	Common
Perfect Photo, Inc. (Bear, Stearns & Co.) 154,800 shares	Common
Publishers Co., Inc. (Roth & Co., Inc.) 541,000 shares	Common
RF Interonics, Inc. (Arnold Malkan & Co.) \$200,000	Common
Salant & Salant, Inc. (Kidder, Peabody & Co. and Jessup & Lamont) 150,000 shares	Class A
Salro Manufacturing Corp. (I. R. E. Investors Corp.) \$316,000	Units
Sampson Enterprises, Inc. (Straus, Blosser & McDowell and Dempsey-Tegeler & Co., Inc.) 450,000 shares	Common
Santa Fe Drilling Co. (Dean Witter & Co.) 160,000 shares	Common
Sawyer's Inc. (Straus, Blosser & McDowell and Hill, Darlington & Grimm) 240,000 shares	Capital
Schaevitz Engineering (Bear, Stearns & Co.) 150,000 shares	Common
School Pictures, Inc. (Equitable Securities Corp. and Kroeze, McLarty & Duddleston) 40,000 shares	Class A
School Pictures, Inc. (Equitable Securities Corp. and Kroeze, McLarty & Duddleston) 60,000 shares	Common
Site-Fab, Inc. (H. P. Black & Co., Inc.) 135,000 shares	Common
Thompson Manufacturing Co., Inc. (Packer-Wilbur Co., Inc.) \$360,000	Common
United Camera Exchange, Inc. (M. G. Davis & Co., Inc.) \$315,000	Common
U. S. Scientific Corp. (Edward Lewis Co., Inc.) \$340,000	Common
Zayre Corp. (Lehman Brothers) 475,000 shares	Common
Zeckendorf Properties Corp. (Harriman Ripley & Co., Inc.) 100,000 shares	Class B
June 5 (Tuesday)	
Air Reduction Co., Inc. (Offering to stockholders—underwritten by Kidder, Peabody & Co. and Dean Witter & Co.) \$44,546,300	Debentures
Mountain States Tel. & Tel. Co. (Bids to be received) \$50,000,000	Debentures
Wolverine Aluminum Corp. (F. J. Winckler & Co.) 100,000 shares	Common

June 6 (Wednesday)	
Southern Pacific Co. (Bids 12 noon EDT) \$8,100,000	Equip. Trust Cfts.
June 7 (Thursday)	
Columbia Gas Systems, Inc. (Bids 11 a.m. EDT) \$25,000,000	Debentures
Electromagnetic Industries, Inc. (Pierce, Carrison, Wulburn, Inc.) 70,000 shares	Common
Electromagnetic Industries, Inc. (Pierce, Carrison, Wulburn, Inc.) \$250,000	Conv. Debentures
June 8 (Friday)	
New Brunswick Scientific Co., Inc. (John Schuss & Co.) \$300,000	Common
June 11 (Monday)	
American Gas Co. (Offering to stockholders—underwritten by Crutenden, Podesta & Miller) 548,532 shares	Common
American States Life Insurance Co. (Offering to stockholders—underwritten by City Securities Corp.) 300,000 shares	Common
Arnav Industries, Inc. (Glanis & Co., Inc.) 600 units	Units
Assembly Products, Inc. (Prescott & Co. and William F. Robbins & Co., Inc.) \$1,250,000	Conv. Debentures
Bloomfield Building Industries, Inc. (Lieberbaum & Co. and Morris Cohen & Co.) \$2,000,000	Debentures
Frederick's of Hollywood, Inc. (Garat & Polonitza, Inc.) \$750,000	Capital
Golden State Properties, Inc. (Adams & Co.) \$300,000	Common
Honora, Ltd. (Sunshine Securities, Inc.) \$286,875	Common
Interworld Film Distributors, Inc. (General Securities Co., Inc. and S. Kasdan & Co., Inc.) \$425,000	Common
Joanell Laboratories, Inc. (Searight, Ahalt & O'Connor, Inc.) 114,500 shares	Common
Lenox, Inc. (Hemphill, Noyes & Co.) 172,500 shares	Common
Lewiston-Gorham Raceways, Inc. (P. W. Brooks & Co.) \$1,000,000	Units
Metropolitan Realty Trust (Eisele & King, Libraire, Stout & Co.) \$6,500,000	Ben. Int.
Micro-Dine Corp. (Irving J. Rice & Co., Inc.) \$700,000	Common
Orion Electronics Corp. (A. D. Gilhart & Co., Inc.) \$350,000	Common
Peerless Radio Corp. (Kordan & Co., Inc.) \$480,000	Common
Primex Equities Corp. (D. H. Blair & Co.) 360,000 shares	Class A
Seg Electronics Co., Inc. (Searight, Ahalt & O'Connor, Inc.) 110,000 shares	Common
Ten-Tex Corp. (Irving J. Rice & Co., Inc.) \$276,000	Common
Thom-Tex Paper Converting Corp. (Meade & Co.) \$280,000	Common
Trans-Alaska Telephone Co. (Milton D. Blauner & Co., Inc.) \$1,590,000	Common
Worth Financial Corp. (D. A. Bruce & Co.) \$305,000	Common
June 12 (Tuesday)	
Northern States Power Co. (Minn.) (Bids to be received) \$15,000,000	Bonds
June 13 (Wednesday)	
Jaap Penratt Associates, Inc. (R. F. Dowd & Co., Inc.) \$300,000	Common
June 14 (Thursday)	
Boston Edison Co. (Bids to be received) \$15,000,000	Bonds
June 15 (Friday)	
Air-Tech Industries, Inc. (Fred F. Sessler & Co., Inc.) \$220,500	Common
Colonial Board Co. (Putnam & Co.) 164,000 shares	Common

Martin (L. P.) Maintenance Corp. (Johnson, Lane Space Corp.) \$500,000	Common
Tabach Industries, Inc. (Costello, Russotto & Co.) \$300,000	Common
June 18 (Monday)	
American Laboratories, Inc. (California Investors) 200,000 shares	Common
Fairway Mart, Inc. (A. J. Carno Co., Inc.) \$300,000	Common
International Drug & Surgical Corp. (Seymour Blauner Co. and Wm. Six Wasserman & Co., Inc.) \$600,000	Class A
Morse Electro Products Corp. (Standard Securities Corp.) \$1,250,000	Debentures
Sixty Realty Trust (G. H. Walker & Co. and Blair & Co.) \$350,000	Common
June 19 (Tuesday)	
Consolidated Edison Co. of New York, Inc. (Bids 11 a.m. EDT) \$100,000,000	Bonds
June 20 (Wednesday)	
Automatic Controls, Inc. (S. Schramm & Co., Inc.) \$200,000	Common
United Gas Corp. (Bids 11:30 a.m. EDT) \$40,000,000	Bonds
Wisconsin Power & Light Co. (Bids to be received) \$12,000,000	Bonds
June 21 (Thursday)	
Cincinnati Gas & Electric Co. (Bids to be received) \$25,000,000	Bonds
June 25 (Monday)	
Adelphi Research & Mfg. Co. (Fred F. Sessler & Co., Inc.) \$199,875	Common
Dyna Mfg. Co. (Raymond Moore & Co.) \$300,000	Common
Glensder Corp. (Sprayregen, Haft & Co.) 150,000 shares	Common
Hi-Press Air-Conditioning of America, Inc. (Pistell, Inc.) 13,400 units	Units
June 26 (Tuesday)	
Sierra Pacific Power Co. (Bids to be received) \$5,000,000	Bonds
June 27 (Wednesday)	
Puget Sound Power & Light Co. (Underwriter to be named) \$15,000,000	Preferred
July 2 (Monday)	
Saw Mill River Industries, Inc. (Arnold Malkan & Co., Inc.) \$500,000	Common
Spears (L. B.), Inc. (Arnold Malkan & Co., Inc.) \$325,000	Common
July 16 (Monday)	
Biologics International, Inc. (No underwriting) \$375,000	Common
General Investment Co. of Connecticut, Inc. (Ingram, Lambert & Stephen, Inc. and Reuben Rose & Co., Inc.) \$1,500,000	Com.
August 13 (Monday)	
Hydro-Swarf, Inc. (Raymond Moore & Co.) \$485,000	Common
November 7 (Wednesday)	
Georgia Power Co. (Bids to be received) \$23,000,000	Bonds
Georgia Power Co. (Bids to be received) \$7,000,000	Preferred
November 28 (Wednesday)	
Southern Electric Generating Co. (Bids to be received) \$6,500,000	Bonds

Hoffman House Sauce Co., Inc.

Feb. 28, 1962 filed \$250,000 of 6½% subordinated sinking fund convertible debentures due 1977 and 25,650 common shares to be offered in units consisting of one \$500 debenture and 50 common shares. Price—\$1,000 per unit. Business—Manufacture of liquid and semi-solid salad dressings and specialty sauces. Proceeds—For debt repayment and expansion. Office—109 S. Webster St., Madison, Wis. Underwriter—Milwaukee Co., Milwaukee, Wis. Offering—Sometime in May.

Holiday Mobile Home Resorts, Inc.

Jan. 31, 1962 filed 3,500,000 common and 5-year warrants to purchase 700,000 shares, to be offered in units of 5 shares and one warrant. Price—\$50 per unit. Business—Development and operation of mobile home resorts. Proceeds—For debt repayment, expansion and working capital. Office—4344 E. Indian School Road, Phoenix. Underwriter—None.

Hollingsworth Solderless Terminal Co. (5/24)

Feb. 27, 1962 ("Reg. A") 75,000 common. Price—\$4. Business—Manufacture, sale and development of solderless terminals and other wire terminating products. Proceeds—For debt repayment, equipment, advertising and working capital. Address—P. O. Box 430, Phoenixville, Pa. Underwriter—Harrison & Co., Philadelphia.

Honora, Ltd. (6/11-15)

Nov. 29, 1961 ("Reg. A") 76,500 common. Price—\$3.75. Business—Purchase of cultured pearls in Japan and their distribution in the U. S. Proceeds—For general corporate purposes. Office—42 W. 48th St., N. Y. Underwriter—Sunshine Securities, Inc., Rego Park, N. Y.

House of Koshu, Inc.

March 29, 1962 filed 75,000 class A common. Price—\$5. Business—Importing of Japanese liquors. Proceeds—For debt repayment, advertising, inventory and working capital. Office—129 S. State St., Dover, Del. Underwriter—P. J. Gruber & Co., Inc., New York.

House of Vision, Inc. (5/21-25)

March 29, 1962 filed 150,000 common. Price—By amendment (max. \$17). Business—A dispensing optician and a manufacturer and distributor of optical equipment. Proceeds—For selling stockholders. Office—137 N. Wabash Ave., Chicago. Underwriter—Hornblower & Weeks, Chicago.

Hunsaker Corp.

March 30, 1962 filed \$1,600,000 of convertible subordinated debentures due 1977 and 250,000 common shares. Price—By amendment (max. \$6 per common share). Business—Construction of homes and apartments on land which company has acquired in Southern Calif. Proceeds—For debt repayment and other corporate purposes. Office—15855 Edna Pl., Irwindale, Calif. Underwriter—Bateman, Eichler & Co., Los Angeles.

Hutton (E. L.) Associates, Inc.

March 29, 1962 filed 50,000 common. Price—Net asset value per share plus 2%. Business—A closed-end investment company. Proceeds—For investment. Office—375 Park Ave., N. Y. Underwriter—None.

Hydra-Loc, Inc.

Oct. 10, 1961 ("Reg. A") 60,000 common. Price—\$2. Business—Design, development and manufacture of a brake control. Proceeds—For debt repayment and general corporate purposes. Office—101 Park Ave., Hudson, N. Y. Underwriter—McLaughlin, Kaufman & Co., N. Y. Offering—Imminent.

Hydro-Swarf, Inc. (8/13)

March 30, 1962 filed 97,000 common, of which 80,000 will be sold by company and 17,000 by certain stockholders. Price—\$5. Business—Manufacture, assembly and sale of aircraft and missile components on a sub-contract basis. Proceeds—For debt repayment and working capital. Office—7050 Valley View St., Buena Park, Calif. Underwriter—Raymond Moore & Co., Los Angeles.

Ideal Toy Corp. (5/21-25)

May 1, 1962 filed 490,000 common, of which 250,000 will be offered by company and 240,000 by stockholders. Price—By amendment (max. \$20). Business—Manufacture of toys and related products. Proceeds—For debt repayment and general corporate purposes. Office—184-10 Jamaica Ave., Hollis, Long Island, N. Y. Underwriter—White, Weld & Co., Inc., N. Y.

Index & Retrieval Systems, Inc. (5/31)

Jan. 29, 1962 filed 125,000 common. Price—By amendment. Business—Publishes "The Financial Index" and other indexes and abstracts. Proceeds—For equipment, promotion, office relocation, and working capital. Office—19 River St., Woodstock, Vt. Underwriter—Searight, Ahalt & O'Connor, Inc., N. Y.

Industrial Finance & Thrift Corp.

Oct. 30, 1961 filed 2,000,000 of 6% subordinated debentures due 1974. Price—At par. Business—A consumer finance firm. Proceeds—For repayment of debt and expansion. Office—339 Carondelet St., New Orleans, La. Underwriter—None.

Industrial Growth Fund of North America, Inc.

April 20, 1962 filed 100,000 common. Price—Net asset value (max. \$11.50). Business—A closed-end investment company which plans to become open-end in 1963. Proceeds—For investment. Office—505 Fifth Ave., N. Y. Distributor—Industrial Incomes Inc. (same address).

Industry Capital Corp.

Dec. 26, 1961 filed 500,000 common. Price—\$15. Business—A small business investment company. Proceeds—For general corporate purposes. Office—208 S. La Salle St., Chicago. Underwriter—A. C. Allyn & Co., Chicago. Offering—Indefinite.

Instromech Industries, Inc.

March 30, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—A contract manufacturer of precision products. Proceeds—For acquisition of land and building, equip-

ment, inventory and other corporate purposes. Office—4 Broadway Plaza, Huntington Station, N. Y. Underwriter—Price Investing Co., N. Y.

Instron Engineering Corp.

March 26, 1962 filed 120,000 common. Price—By amendment (max. \$14). Business—Development and production of equipment for use in testing the physical characteristics of various materials. Proceeds—For selling stockholders. Office—2500 Washington St., Canton, Mass. Underwriter—None.

International Drug & Surgical Corp. (6/18-22)

March 23, 1962 filed 150,000 class A shares. Price—\$4. Business—Importing, licensing, and manufacturing of pharmaceutical and medical instruments. Proceeds—For working capital and other corporate purposes. Office—375 Park Ave., N. Y. Underwriters—Seymour Blauner Co., and Wm. Stix Wasserman & Co., Inc., N. Y.

International Electronics Corp.

April 30, 1962 ("Reg. A") 75,000 class A common. Price—\$4. Business—Importing, processing and marketing of electron tubes. Proceeds—For debt repayment and general corporate purposes. Office—81 Spring St., N. Y. Underwriter—Brand, Grumet & Seigel, Inc., N. Y.

International Plastic Container Corp.

March 26, 1962 filed 200,000 common. Price—\$2.50. Business—Manufacture of plastic products produced by extrusion and thermoforming. Proceeds—For equipment, rent, salaries and working capital. Office—818-17th St., Denver. Underwriter—Amos C. Sudler & Co., Denver.

International Protein Corp. (5/28-6/1)

Jan. 26, 1962 filed 90,000 common. Price—\$5. Business—Distributes fishmeal and animal by-product proteins. Proceeds—For expansion, machinery, and working capital. Office—233 Broadway, N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y. Note—This firm formerly was named Marine & Animal By-Products Corp.

International Realty Corp.

April 27, 1962 filed \$18,000,000 of s. f. debentures due 1977, 360,000 common shares and five year warrants to purchase 540,000 common shares to be offered in 180,000 units, each unit consisting of \$100 of debentures, two common shares and warrants to purchase three additional shares. Price—By amendment (max. \$110 per unit). Business—Real estate investment. Proceeds—For debt repayment, construction, and other corporate purposes. Office—919 N. Michigan Ave., Chicago. Underwriter—Kidder, Peabody & Co., N. Y.

International Systems Research Corp.

March 30, 1962 filed 110,000 class A common and 9-month warrants to purchase 110,000 class A shares at \$4 per share, to be offered in units, each consisting of one share and one warrant. Price—\$4 per unit. Business—Design, development and manufacture of mechanical, electro-mechanical and electronic equipment for government agencies and the military. Proceeds—For equipment, debt repayment and working capital. Office—Engineer's Hill, Plainview, L. I., N. Y. Underwriter—International Services Corp., Clifton, N. J.

Interstate Equity

March 30, 1962 filed 1,605,100 shares of beneficial interest. Price—(max. \$10). Business—A real estate investment company. Proceeds—For investment. Office—450 Seventh Ave., N. Y. Underwriter—Van Alstyne, Noel & Co., N. Y. Offering—Expected in June.

Interworld Film Distributors, Inc. (6/11-15)

Sept. 29, 1961 filed 106,250 common. Price—\$4. Business—Theatrical distribution and co-production of foreign and domestic feature films. Proceeds—For acquisition, co-production, dubbing, adaptation and distribution of films, and working capital. Office—1776 B'way, N. Y. Underwriters—General Securities Co., Inc., and S. Kasdan & Co., Inc., N. Y.

Investment Securities Co.

March 16, 1962 filed 250,000 common, of which 125,000 are to be offered by the company and 125,000 by a stockholder. Price—By amendment (max. \$20). Business—A management investment company specializing in the insurance field. Proceeds—For debt repayment, working capital and possible expansion. Office—901 Washington Ave., St. Louis. Underwriters—Scherck, Richter Co., and Dempsey-Tegeler & Co., Inc., St. Louis.

Iona Manufacturing Co. (5/28-6/1)

Jan. 26, 1962 filed 140,000 common, of which 125,000 are to be offered by the company and 15,000 shares by a stockholder. Price—\$6. Business—Manufacture of household electric appliances and electric motors. Proceeds—For new products and working capital. Office—Regent St., Manchester, Conn. Underwriters—Richard Bruce & Co., Inc., and Reuben Rose & Co., Inc., N. Y.

Ipcos Hospital Supply Corp. (5/29)

March 16, 1962 filed 290,000 common, of which 200,000 will be offered by company and 90,000 by stockholders. Price—By amendment (max. \$12). Business—Distribution of surgical and hospital supplies and equipment. Proceeds—For debt repayment, working capital and other corporate purposes. Office—161 Avenue of Americas, N. Y. Underwriter—Shearson, Hammill & Co., N. Y.

Israel Hotels International, Inc.

Feb. 28, 1962 filed \$4,036,000 of 6½% sinking fund debentures due 1980-86 and 40,360 common shares (with warrants) to be offered for sale in units of one \$1,000 debenture and 10 common shares (with warrants). Also registered were \$2,760,000 of 6½% dollar debentures due 1980. Price—For units, \$1,050 each; for debentures, par. Business—Company was formed to construct the luxury hotel "Tel Aviv Hilton" at Tel Aviv, Israel. Proceeds—For general corporate purposes. Office—229 South State St., Dover, Del. Underwriter—American Israel Basic Economy Corp., New York City.

Jaap Penraat Associates, Inc. (6/13)

Jan. 30, 1962 filed 100,000 common. Price—\$3. Business—Industrial designing, the design of teaching machines and the production of teaching programs. Proceeds—For expansion, new facilities and working capital. Office—315 Central Park W., N. Y. Underwriter—R. F. Dowd & Co., Inc., N. Y.

Jackson's/Byrons Enterprises Inc. (6/4-8)

March 13, 1962 filed \$750,000 convertible subordinated debentures due 1977; also 120,000 class A common, of which 66,666 shares are to be offered by the company and 53,334 by stockholders. Price—By amendment (max. \$12.50 for common). Business—Operation of a chain of retail department stores. Proceeds—For debt repayment and working capital. Office—29 N. W. 10th St., Miami, Fla. Underwriter—Clayton Securities Corp., Boston.

Jamaica Public Service Ltd.

March 30, 1962 filed 215,000 common, of which 100,000 shares are to be offered by company and 115,000 shares by stockholders. Price—By amendment (max. \$25). Business—A holding company for a Jamaican Electric utility. Proceeds—For acquisition of additional stock in subsidiary. Office—507 Place D'Armes, Montreal, Canada. Underwriters—Stone & Webster Securities Corp. and Greenshields & Co., Inc., N. Y.

Jamoco Air Conditioning Corp. (6/4-8)

Feb. 28, 1962 ("Reg. A") 40,000 common. Price—\$3. Business—Design, installation and maintenance of heating, plumbing and air conditioning systems. Proceeds—For inventory, equipment and other corporate purposes. Office—954 Jamaica Ave., Brooklyn, N. Y. Underwriter—Martin-Warren Co., Ltd., N. Y.

Japan Development Bank (5/15)

April 24, 1962 filed \$15,000,000 of 6% guaranteed external loan bonds due May 15, 1977. Price—By amendment. Business—The bank was incorporated in 1951 as a Japanese Government financial institution to supply long-term funds to Japanese industry for the promotion of economic reconstruction and industrial development. Proceeds—To be converted into Japanese currency and advanced to leading private electric power companies for construction of thermal electric power facilities. Office—Tokyo, Japan. Underwriters—First Boston Corp.; Dillon, Read & Co., Inc., and Smith, Barney & Co., Inc., New York.

Jarcho Bros., Inc.

March 23, 1962 filed 240,000 common. Price—By amendment (max. \$12). Business—Installation of plumbing, heating, ventilation and air-conditioning systems. Proceeds—For selling stockholders. Office—38-18 33rd St., Long Island City, N. Y. Underwriter—Shearson, Hammill & Co., N. Y. Note—This offering was temporarily postponed.

Jayark Films Corp. (5/21-25)

Aug. 24, 1961 filed 72,000 common, of which 50,000 are to be offered by the company and 22,000 by stockholders. Price—By amendment. Business—The distribution of motion picture and television films. Proceeds—For production of films and working capital. Office—15 E. 48th St., N. Y. Underwriter—Pacific Coast Securities Co., San Francisco.

Jaylis Industries, Inc. (5/21-25)

Oct. 18, 1961 filed 150,000 class A common. Price—\$8. Business—Manufactures patented traversing screens for use as window coverings, room dividers, folding doors, etc. Proceeds—For debt repayment and general corporate purposes. Office—514 W. Olympic Blvd., Los Angeles. Underwriter—D. E. Liederman & Co., Inc., N. Y.

Jays Creations, Inc.

March 30, 1962 filed 80,000 common. Price—\$4. Business—Design, manufacture and sale of young women's wear. Proceeds—For working capital and possible acquisitions. Office—254 W. 35th St., N. Y. Underwriters—Seymour Blauner Co., and Wm. Stix Wasserman & Co., N. Y. Offering—Expected in mid-July.

Jefferson Stores, Inc. (5/16)

Jan. 25, 1962 filed 110,000 capital shares. Price—By amendment. Business—Operation of discount appliance stores. Proceeds—For expansion. Office—3700 N. W. 62nd St., Miami, Fla. Underwriter—Bregman, Cummings & Co., N. Y.

Jerlee Products Corp.

May 1, 1962 filed 75,000 common. Price—\$4.25. Business—Processing and distribution of vinyl roll plastic fabric and vinyl tablecloths, and various foam rubber items. Proceeds—For equipment, raw materials, debt repayment and working capital. Office—596-612 Berriman St., Brooklyn, N. Y. Underwriter—R. P. Raymond & Co., Inc., Ozone Park, N. Y.

Jiffy Steak Co.

Feb. 5, 1962 filed 65,000 common. Price—By amendment. Business—Processing, packaging and sale of frozen meat and meat products. Proceeds—For redemption of 2,910 \$50 par preferred shares, expansion, and working capital. Address—Route 286, Saltsburg, Pa. Underwriter—Arthurs, Lestrangle & Co., Pittsburgh.

Joanell Laboratories, Inc. (6/11)

Dec. 21, 1961 filed 114,500 common, of which 82,500 are to be offered by the company and 32,000 by stockholders. Price—By amendment. Business—Development of simulated weapons training devices for U. S. Armed Forces and the manufacture of electronic control equipment. Proceeds—For general corporate purposes. Office—102 Dorsa Ave., Livingston, N. J. Underwriter—Searight, Ahalt & O'Connor, Inc., N. Y.

Kaiser-Nelson Corp.

March 29, 1962 filed 140,000 common, of which 70,000 are to be offered by company and 70,000 by stockholders. Price—By amendment (max. \$10). Business—Reclamation of metallics from steel slag; mining of sand

For debt repayment and working capital. Office—48 High St., Brockport, N. Y. Underwriter—None.

Mac-Allan Co., Inc. (5/28-31)
Feb. 23, 1962 filed 130,260 of class A common, of which 65,130 are to be offered by the company and 65,130 by stockholders. Price—\$5. Business—Sale and distribution of costume jewelry, ladies' handbags, and accessories. Proceeds—For working capital. Office—1650 Broadway, Kansas City, Mo. Underwriter—George K. Baum & Co., Kansas City.

Magazines For Industry, Inc. (5/28-6/1)
Aug. 2, 1961 filed 100,000 common, of which 80,000 will be offered by the company and 20,000 by stockholders. Price—\$5. Business—The publishing of business periodicals. Proceeds—For promotion, a new publication and working capital. Office—660 Madison Ave., New York. Underwriter—Arnold, Wilkens & Co., Inc., N. Y.

Magellan Sounds Corp. (5/28-6/1)
Feb. 28, 1962 filed 60,000 common (with attached one-year class A warrants to purchase 60,000 common shares at \$4 per share and two-year class B warrants to purchase 60,000 shares at \$4.50 per share) to be offered in units (each consisting of one share, one class A warrant and one class B warrant). Price—\$4 per unit. Business—Production of educational and recreational devices and games. Proceeds—For general corporate purposes. Office—130 E. 40th St., N. Y. Underwriter—Darius Inc., N. Y.

Magic Fingers, Inc.
Dec. 29, 1961 filed 75,000 common. Price—\$4. Business—Production of a new electrically powered device for massaging a person in bed. Proceeds—For general corporate purposes. Office—Route 17, Rochelle Park, N. J. Underwriter—Stanley R. Ketcham & Co., Inc., N. Y.

Magnetics Research Co. Inc.
April 30, 1962 filed 100,000 common. Price—\$3. Business—Design and marketing of magnetic memory units. Company also plans to market transistor logic units and subsystems for use in computers, business machines and data handling systems. Proceeds—Expansion of sales and engineering, new product development and equipment. Office—179 Westmoreland Ave., White Plains, N. Y. Underwriter—T. W. Lewis & Co., Inc., N. Y.

Mail Assembly Service, Inc.
April 27, 1962 filed 100,000 common. Price—\$2.25. Business—Assembling of packages for shipment to post offices. Proceeds—For general corporate purposes. Office—145 Ave. of the Americas, N. Y. Underwriter—Globus, Inc., N. Y.

Mammoth Mart Inc.
April 5, 1962 filed 200,000 common, of which 100,000 are to be sold by company and 100,000 by stockholders. Price—By amendment (max. \$15). Business—Operation of self-service discount department stores. Proceeds—For debt repayment and working capital. Office—106 Main St., Brockton, Mass. Underwriter—McDonnell & Co., New York. Offering—Expected in late June.

Mandrel Industries, Inc. (6/4-8)
Feb. 27, 1962 filed 303,900 common, of which 220,000 are to be offered by the company and 83,900 by stockholders. Price—By amendment (max. \$20). Business—Design and manufacture of specialized photo-electric color sorting machines and geo-physical exploration devices. Proceeds—For debt repayment, acquisition of 90,000 shares of its own stock, and working capital. Office—800 Welch Rd., Palo Alto, Calif. Underwriter—Dominick & Dominick, N. Y.

Manhattan Drug Co., Inc.
March 29, 1962 filed 72,000 common, of which 58,000 are to be offered by company and 14,000 by stockholders. Price—\$3.50. Business—Manufacture, packaging and sale of various proprietary drug products. Proceeds—For equipment, new products, debt repayment and working capital. Office—156 Tillary St., Brooklyn, N. Y. Underwriter—Dana Securities Co., Inc., N. Y. Offering—Expected sometime in June.

Maradel Products, Inc. (5/21-25)
March 12, 1962 filed 335,000 common. Price—By amendment (max. \$20). Business—Manufacture of toiletries and cosmetics. Proceeds—For acquisitions, debt repayment and working capital. Office—510 Ave. of the Americas, N. Y. Underwriter—Hornblower & Weeks, N. Y.

Marin County Financial Corp.
May 2, 1962 filed 102,050 capital shares, of which 27,790 are to be offered by company and 74,260 by stockholders. Price—By amendment (max. \$18). Business—A holding company for a savings and loan association. Proceeds—For investment. Office—990 Fifth Ave. at Court, San Rafael, Calif. Underwriter—Dean Witter & Co., San Francisco.

Marine Development Corp.
March 30, 1962 ("Reg. A") 15,000 units consisting of one share of 8% cumulative preferred and two shares of common. Price—\$20 per unit. Business—Operation of a marina. Proceeds—For construction, equipment and working capital. Address—Cummings, Ga. Underwriter—First Fidelity Securities Corp., Atlanta. Offering—July.

Marks Polarized Corp. (5/21-25)
June 27, 1961 filed 95,000 common shares. Price—By amendment. Proceeds—For expansion, acquisition of new facilities and other corporate purposes. Office—153-16 Tenth Ave., Whitestone, N. Y. Underwriters—Ross, Lyon & Co., Inc. (mgr.), Glass & Ross, Inc., and Globus, Inc., N. Y. C.

Martin (L. P.) Maintenance Corp. (6/15)
March 23, 1962 filed 100,000 common, of which 20,000 are to be offered by company and 80,000 by a stockholder. Price—\$5. Business—Cleaning and maintenance of buildings and the sale of janitorial supplies and equipment. Proceeds—For debt repayment and work-

ing capital. Office—840 DeKalb Ave., N. E., Atlanta. Underwriter—Johnson, Lane, Space Corp., Atlanta.

Masco Corp.
May 7, 1962 filed 180,000 common. Price—By amendment (max. \$35). Business—Production of valves and fittings for plumbing industry, component parts for the automotive industry, and plastic and metal toys. Proceeds—For selling stockholders. Office—12825 Ford Rd., Dearborn, Mich. Underwriter—Smith, Barney & Co., New York.

Masters, Inc.
March 22, 1962 filed \$1,500,000 of 6% conv. subord. debentures due 1972; also 150,000 common shares, of which 80,000 will be offered by the company and 70,000 by a stockholder. The securities will be offered in units of one \$100 debenture and 10 common shares, except that up to \$700,000 of debentures and 70,000 shares may be offered separately. Price—For debentures, at par; for common, \$10. Business—Operation of discount department stores selling a wide variety of merchandise. Proceeds—For expansion. Office—135-21 38th Ave., Flushing, N. Y. Underwriters—Sterling, Grace & Co., and Norton, Fox & Co., Inc., N. Y. Offering—In June.

Masury-Young Co. (5/28-6/1)
Dec. 4, 1961 filed 100,000 common. Price—\$6. Business—Manufactures commercial and industrial floor maintenance products. Proceeds—For repayment of debt, equipment, and other corporate purposes. Office—76 Roland St., Boston. Underwriter—Chace, Whiteside & Winslow, Inc., Boston.

Mattel, Inc.
April 4, 1962 filed 275,000 common. Price—By amendment (max. \$45). Business—Design, manufacture and sale of quality toys. Proceeds—For selling stockholders. Office—5150 Rosencrans Ave., Hawthorne, Calif. Underwriter—Smith, Barney & Co., N. Y. Offering—Postponed.

McWood Corp. (5/14-18)
Feb. 8, 1962 filed \$3,100,000 of 6% subordinated convertible debentures due 1974 and 310,000 common to be offered in 31,000 units, each consisting of \$100 of debentures and 10 shares. Price—By amendment (max. \$160). Business—Company buys crude oil from producers, transports it to own storage areas and sells it to refiners. Proceeds—For debt repayment and working capital. Office—Oil & Gas Building, Abilene, Tex. Underwriter—Dempsey-Tegeler & Co., Inc., St. Louis.

Medical Industries Fund, Inc.
Oct. 23, 1961 filed 25,000 common. Price—\$10. Business—A closed-end investment company which plans to become open-end. Proceeds—For investment in the medical industry and capital growth situations. Office—677 Lafayette St., Denver. Underwriter—Medical Associates, Inc., Denver.

Medical Video Corp.
Nov. 13, 1961 filed 250,000 common. Price—\$10. Business—Manufacture of medical electronic equipment. Proceeds—For general corporate purposes. Office—Studio City, Calif. Underwriter—Financial Equity Corp., Los Angeles.

Memorial Services, Inc.
April 30, 1962 filed 1,200,000 common. Price—\$1. Business—Company plans to acquire and operate funeral homes. Proceeds—For acquisitions, debt repayment and working capital. Office—315 E. Sixth Ave., Helena, Mont. Underwriter—Memorial Securities, Inc., Helena.

Mercato Enterprises, Inc.
April 20, 1962 filed 104,000 common, of which 33,000 are to be offered by company and 71,000 by stockholders. Price—By amendment (max. \$7.50). Business—Sale of phonograph records through leased record departments. Proceeds—For moving expenses, working capital and general corporate purposes. Office—1692 Utica Ave., Brooklyn, N. Y. Underwriter—D. J. Singer & Co., N. Y.

Mercury Books, Inc. (5/21-25)
Feb. 14, 1962 filed 55,000 common. Price—\$4.50. Business—Publishing of newly written popular biographies. Proceeds—For working capital. Office—1512 Walnut St., Philadelphia. Underwriter—Meade & Co., N. Y.

Met Food Corp. (5/28-31)
March 30, 1962 filed \$1,500,000 of convertible subordinated debentures due 1977 to be offered by company and 34,200 common by stockholders. Price—By amendment (max. \$10). Business—Distribution of food and related products to supermarkets and other retail stores in the New York Metropolitan area. Proceeds—For general corporate purposes. Office—345 Underhill Blvd., Syosset, N. Y. Underwriter—Brand, Grumet & Siegel, Inc., N. Y.

Metropolitan Acceptance Corp.
Oct. 2, 1961 filed \$300,000 of 6% subordinated convertibles due 1967 and 60,000 common shares to be offered in units consisting of \$100 of debentures and 20 common shares. Price—\$150 per unit. Business—Financing of retail sales. Proceeds—For working capital. Office—5422 Western Ave., Chevy Chase, Md. Underwriter—To be named.

Metropolitan Realty Trust (6/11-15)
Dec. 20, 1961 filed 1,000,000 shares of beneficial interest. Price—\$6.50. Business—A real estate investment trust. Proceeds—For general corporate purposes. Office—1700 K St., N. W., Washington, D. C. Underwriter—Eisele & King, Libraire, Stout & Co., N. Y.

Micro-Dine Corp. (6/11-15)
Feb. 13, 1962 filed 200,000 common. Price—\$3.50. Business—Manufacture, sale and operation of vending machines. Proceeds—For debt repayment, inventories and general corporate purposes. Office—6425 Oxford St., St. Louis Park, Minn. Underwriter—Irving J. Rice & Co., Inc., St. Paul.

Microdot Inc. (5/28-30)
April 30, 1962 filed 170,000 capital shares, of which 156,000 will be offered by company and 14,000 by stockholders. Price—By amendment (max. \$20). Business—Design, development, manufacture and sale of components, instruments and systems used in missiles and satellites, radar and communications systems. Proceeds—For debt repayment and working capital. Office—220 Pasadena Ave., South Pasadena, Calif. Underwriter—White, Weld & Co., N. Y.

Mid-America Minerals, Inc.
April 2, 1962 filed 225,000 common to be offered for subscription by stockholders on the basis of one new share for each four held of record June 1, 1962. Price—\$6. Business—Oil and gas production and development. Proceeds—For expansion, preferred stock redemption and working capital. Office—14 North Robinson, Oklahoma City. Underwriter—None.

Midwest Technical Development Corp.
Feb. 26, 1962 filed 561,500 common to be offered for subscription by stockholders on the basis of one share for each two shares held. Price—By amendment (max. \$7). Business—A closed-end management investment company. Proceeds—For general corporate purposes. Office—2615 First National Bank Bldg., Minneapolis. Underwriter—None.

Midwestern Mortgage Investors (6/4-8)
Feb. 26, 1962 filed 500,000 shares of beneficial interests. Price—\$10. Business—A real estate investment company. Proceeds—For investment and operating expenses. Office—1630 Welton St., Denver. Underwriter—Boettcher & Co., Denver.

Milli-Switch Corp.
Dec. 20, 1961 ("Reg. A") 100,000 capital shares. Price—\$3. Business—Manufacture of switches and other electronic components. Proceeds—For general corporate purposes. Office—1400 Mill Creek Rd., Gladwyne, Pa. Underwriter—Seymour Blauner Co., N. Y. Offering—Indefinitely postponed.

Milwaukee Gas Light Co. (5/15)
April 11, 1962 filed \$15,000,000 of first mortgage bonds due 1987. Proceeds—For debt repayment and construction. Office—626 East Wisconsin Ave., Milwaukee. Underwriters—(Competitive). Probable bidders: Kidder, Peabody & Co.; Halsey, Stuart & Co.; Kuhn, Loeb & Co.—Blyth & Co. (jointly). Bids—Expected May 15, (10:30 a.m. EDT), Suite 4950, 30 Rockefeller Plaza, N. Y.

Minkus Stamp & Publishing Co., Inc.
April 27, 1962 filed 150,000 common. Price—By amendment (max. \$6). Business—Operation of leased stamp and coin departments in department stores, and the publishing of stamp albums and catalogues. Proceeds—For expansion and working capital. Office—116 W. 32nd St., N. Y. Underwriters—H. Hentz & Co. and Herzfeld & Stern, N. Y.

Miracle Mart, Inc.
April 20, 1962 filed 295,000 common, of which 140,000 are to be offered by company and 155,000 by stockholders. Price—By amendment (max. \$14). Business—Operation of self-service discount department stores. Proceeds—For debt repayment, expansion and working capital. Office—370 W. 35th St., N. Y. Underwriters—McDonnell & Co., N. Y.

Missile Valve Corp.
Nov. 24, 1961 ("Reg. A") 300,000 common. Price—\$1. Business—Production and sale of new type butterfly valve. Proceeds—For purchase of the patent and production and development of the valve. Office—5909 Hollywood Blvd., Hollywood, Calif. Underwriter—Brown & Co., Phoenix, Ariz.

Molecular Dielectrics, Inc. (5/14-18)
Sept. 1, 1961 filed 150,000 common, of which 135,000 are to be offered by the company and 15,000 by Cardia Co. Price—\$5. Business—The manufacture of high-temperature electronic and electrical insulation materials. Proceeds—For equipment, a new product and working capital. Office—101 Clifton Blvd., Clifton, N. J. Underwriters—Street & Co., Inc. and Irving Weis & Co., N. Y.

Molecular Systems Corp. (5/15)
Dec. 12, 1961 filed 140,000 common. Price—\$3. Business—Production of polyethylene materials of varying grades. Proceeds—For equipment, research and development and working capital. Office—420 Bergen Blvd., Palisades Park, N. J. Underwriters—Stone, Ackerman & Co., Inc., (mgr.) and Heritage Equity Corp., N. Y.

Monroe Lake Enterprises, Inc.
May 3, 1962 ("Reg. A") 149,950 common. Price—\$2. Business—Development of planned communities. Proceeds—For general corporate purposes. Office—1270 South Ave., Plainfield, N. J. Underwriter—None.

Montebello Liquors, Inc.
April 5, 1962 filed 160,000 common. Price—By amendment (max. \$5). Business—Blending, bottling and marketing of alcoholic beverages. Proceeds—For equipment, inventories, advertising and working capital. Office—Bank St. & Central Ave., Baltimore. Underwriters—Street & Co., and Morris Cohon & Co., N. Y. Offering—Expected sometime in late July.

Morse Electro Products Corp. (6/18-22)
Dec. 29, 1961 filed \$1,250,000 of 6½% convertible subordinated debentures due March, 1977. Price—At par. Business—Operates retail stores selling sewing machines and vacuum cleaners. Proceeds—For expansion and working capital. Office—122 W. 26th St., N. Y. Underwriter—Standard Securities Corp., N. Y.

Morton's Shoe Stores, Inc. (5/28-6/1)
March 16, 1962 filed 517,122 common, of which 175,000 are to be offered by company and 342,122 by stock-

Note—This company was formerly named Westates Land Development Corp. Offering—Expected in May.

★ **Packard-Bell Electronics Corp.**

May 4, 1962 filed \$5,023,800 of conv. subord. debentures due 1977 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 17 shares held. Price—At par. Business—Design, manufacture and sale of consumer and defense electronic products. Company also installs and services its TV receivers and stereophonic units, and manufactures plywood doors. Proceeds—For debt repayment. Office—12333 W. Olympic Blvd., Los Angeles. Underwriter—Kidder, Peabody & Co., Inc., N. Y.

● **Pak-Well Paper Industries, Inc.**

March 30, 1962 filed 150,000 class A common. Price—By amendment (max. \$13). Business—Manufacture of envelopes, packaging materials of various kinds, wrapping paper, stationery, and school supplies. Proceeds—For selling stockholders. Office—198 W. Alameda, Denver. Underwriter—Francis I. duPont & Co., N. Y.

● **Palmetto State Life Insurance Co.**

March 28, 1962 filed 100,000 capital shares. Price—By amendment (max. \$19). Business—Writing of life, health, accident and hospitalization insurance. Proceeds—For working capital. Office—1310 Lady St., Columbia, S. C. Underwriter—R. S. Dickson & Co., Charlotte, N. C.

● **Pal-Playwell Inc.**

Nov. 28, 1961 filed 100,000 common. Price—\$4. Business—Design, assembly and manufacture of toys. Proceeds—For debt repayment and working capital. Office—179-30 93rd Ave., Jamaica, N. Y. Underwriter—Tyche Securities, Inc., N. Y. Offering—Imminent.

● **Pan American Beryllium Corp.**

Feb. 28, 1962 filed 100,000 common. Price—\$5. Business—Company plans to mine for beryl ore in Argentina. Proceeds—For debt repayment, equipment, and other corporate purposes. Office—39 Broadway, N. Y. Underwriter—To be named.

● **PanAm Realty & Development Corp.**

March 12, 1962 filed 400,000 class A stock. Price—\$10. Business—A real estate holding and development company. Proceeds—For general corporate purposes. Office—70 N. Main St., Freeport, L. I., N. Y. Underwriter—Underhill Securities Corp., N. Y.

● **Paragon Pre-Cut Homes, Inc. (5/21-25)**

Aug. 25, 1961 filed 112,500 common. Price—By amendment. Business—Sale of pre-cut (finished) homes. Proceeds—For working capital. Office—499 Jericho Turnpike, Mineola, N. Y. Underwriter—A. L. Stamm & Co., N. Y.

● **Parkview Drugs, Inc.**

April 30, 1962 filed \$2,000,000 of conv. subord. debentures due 1977. Price—At par. Business—Operation of drug stores and licensed departments in membership department stores. Proceeds—For expansion, debt repayment, redemption of preference stock and other corporate purposes. Office—2323 Grand Ave., Kansas City, Mo. Underwriter—Scherck, Richter Co., St. Louis.

● **Parkway Laboratories, Inc.**

Dec. 6, 1961 filed 160,000 common. Price—\$5. Business—Manufacture of drugs and pharmaceuticals. Proceeds—For an acquisition, research and other corporate purposes. Office—2301 Pennsylvania Ave., Philadelphia. Underwriter—Arnold Malkan & Co., Inc., N. Y.

● **Patent Research & Development, Inc.**

Feb. 15, 1962 filed 150,000 common. Price—\$5. Business—Design, manufacture and sale of new products in various fields. Proceeds—For general corporate purposes. Office—35 Third Ave., Long Branch, N. J. Underwriter—Louis R. Dreyling & Co., Inc., New Brunswick, N. J.

● **Pay'n Save Corp.**

April 27, 1962 filed \$1,200,000 of conv. subord. debentures due 1977, also 40,576 common shares to be offered by stockholders. Price—By amendment (max. \$17 for common). Business—Operation of hardware, drugstore and nurseries businesses. Proceeds—For expansion, working capital and other corporate purposes. Office—514-524 Pike St., Seattle. Underwriter—Dean Witter & Co., San Francisco.

● **Pearl Brewing Co. (5/21-26)**

March 30, 1962 filed 148,300 common. Price—By amendment (max. \$26). Business—Company owns and operates a brewery. Proceeds—For selling stockholders. Office—312 Pearl Parkway, San Antonio, Tex. Underwriters—A. C. Allyn & Co., Chicago and Dewar, Robertson & Pancoast, San Antonio.

● **Peckham Industries, Inc.**

April 2, 1962 filed \$500,000 of 6% convertible subordinated debentures due 1974. Price—At par. Business—Road construction, sale of liquid asphalt, production and sale of concrete, sand, gravel and crushed stone. Proceeds—For debt repayment, equipment, purchase of plant and other corporate purposes. Office—50 Haarlem Ave., White Plains, N. Y. Underwriter—First Albany Corp., Albany, N. Y.

● **Peerless Radio Corp. (6/11-15)**

March 22, 1962 filed 120,000 common, of which 100,000 are to be offered by the company and 20,000 by stockholders. Price—\$4. Business—Distribution of electric parts and components to industrial customers. Proceeds—For debt repayment, inventory and working capital. Office—19 Wilbur St., Lynbrook, N. Y. Underwriter—Kordan & Co., Inc., N. Y.

● **Pellegrino Aggregate Technico, Inc.**

Aug. 10, 1961 filed 130,000 class A common shares. Price—\$5. Business—The manufacture of building materials. Proceeds—For payment of income taxes and loans and for working capital. Office—Woodbridge-Carteret Road, Port Reading, N. J. Underwriter—Mortimer B. Burnside & Co., Inc., N. Y. Offering—Temporarily postponed.

● **Penn Square Corp.**

March 30, 1962 filed 60,000 class A common. Price—\$4. Business—Company plans to provide management and financial consulting services to various businesses. Proceeds—For equipment, salaries, advertising and working capital. Office—6 Penn Center Plaza, Philadelphia. Underwriter—Robert M. Harris & Co., Inc., Philadelphia.

● **Pennsylvania Mutual Fund, Inc.**

March 21, 1962 filed 1,000,000 capital shares. Price—By amendment (max. \$10.29). Business—A mutual fund. Proceeds—For investment. Office—60 Wall St., N. Y. Underwriter—Sackville-Pickard & Co., Inc. (same address).

● **Pennsylvania Real Estate Investment Trust (5/21-25)**

Feb. 21, 1962 filed 500,000 shares of beneficial interest. Price—\$10. Business—A real estate investment company. Proceeds—For debt repayment and acquisition and working capital. Address—2220 Philadelphia Saving Fund Bldg., Philadelphia. Underwriters—Stroud & Co., Inc., Philadelphia and Walston & Co., N. Y.

● **Penta Laboratories, Inc.**

April 23, 1962 filed 85,920 common. Price—By amendment (max. \$4.25). Business—Development, manufacture and marketing of electron vacuum tubes. Proceeds—For selling stockholders. Office—312 N. Nopal St., Santa Barbara, Calif. Underwriter—Francis J. Mitchell & Co., Newport Beach, Calif.

● **Perfect Photo, Inc. (6/4-8)**

Feb. 14, 1962 filed 154,800 common. Price—By amendment (max. \$20). Business—Photofinishing and the distribution of photographic equipment and supplies. Proceeds—For selling stockholders. Office—4747 N. Broad St., Philadelphia. Underwriter—Bear, Stearns & Co., N. Y.

● **Perpetual Investment Trust**

Nov. 9, 1961 filed 500,000 shares of beneficial interest. Price—(For the first 10,000 shares) \$10.80 per share. (For the balance) Net asset value plus 8% commission. Business—A real estate investment trust. Proceeds—For investment. Office—1613 Eye St., N. W., Washington, D. C. Underwriter—Sidney Z. Mersh Securities Co., Washington, D. C.

● **Petro-Capital Corp.**

March 28, 1962 filed 556,700 common. Price—\$11. Business—A small business investment company. Proceeds—For general corporate purposes. Office—6130 Sherry Lane, Dallas. Underwriter—McDonnell & Co., New York. Offering—Expected sometime in July.

● **Philips N. V. (5/29)**

April 3, 1962 filed 6,153,140 common to be offered for subscription by stockholders on the basis of one new share for each five common or 15 participating preferred shares held of record May 29. Rights will expire June 22. Price—By amendment (max. \$65). Business—Manufacture of a wide range of electronic, electrical and other products in the Netherlands and 30 other countries for sale throughout the free world. Proceeds—For general corporate purposes. Office—Eindhoven, The Netherlands. Dealer-Managers—Smith, Barney & Co., N. Y., and Rotterdamsche Bank, N. V., Rotterdam, The Netherlands.

● **Pictronics Corp.**

Jan. 18, 1962 filed 80,000 common. Price—\$5. Business—Manufacture of professional audio visual and sound recording equipment. Proceeds—Debt repayment, equipment and working capital. Office—236 E. 46th St., N. Y. Underwriter—To be named.

● **Pierce Proctor Schultze & Taranton Investment Co., Inc.**

Dec. 20, 1961 filed \$465,000 of 10-year 8% debentures. Price—\$15,000 per debenture. Business—The company plans to organize and sell real estate syndicates. Proceeds—For general corporate purposes. Office—1807 N. Central Ave., Phoenix. Underwriter—None.

● **Piggyback Transport Corp.**

April 30, 1962 ("Reg. A") 40,000 common. Price—\$5. Business—Loading and unloading of trailers and autos from freight cars, and freight consolidation and forwarding. Proceeds—For equipment, expansion and general corporate purposes. Office—1200 Seaboard Dr., Hialeah, Fla. Underwriter—Willard Co., 111 Broadway, N. Y.

● **Pioneer Restaurants, Inc. (5/28)**

Dec. 21, 1961 filed 125,000 common, of which 75,000 are to be offered by the company and 50,000 by a selling stockholder. Price—By amendment. Business—Operation of six restaurants in Sacramento. Proceeds—For expansion, debt repayment and working capital. Office—1626 J St., Sacramento. Underwriter—Stewart, Eubanks, Myerson & Co., San Francisco.

● **Plantation Patterns, Inc.**

March 30, 1962 filed 100,000 common, of which 70,000 are to be offered by company and 30,000 by stockholders. Price—\$5. Business—Manufacture of wrought iron furniture. Proceeds—For inventory, advertising and working capital. Office—4601 Georgia Rd., Birmingham, Ala. Underwriter—Godfrey, Hamilton, & Taylor & Co., N. Y. Offering—Expected sometime in July.

● **Plasticon Chemicals, Inc.**

Feb. 7, 1962 filed 150,000 class A capital shares. Price—\$3.50. Business—Manufacture of a plastic protective coating and a water proofing solution. Proceeds—For inventory, equipment, sales promotion, and other corporate purposes. Office—507-Fifth Ave., N. Y. Underwriter—Arden Perin & Co., N. Y. Offering—In June.

● **Policy-Matic Affiliates, Inc.**

Oct. 16, 1961 filed 200,000 capital shares. Price—\$3.25. Business—Leasing of insurance vending machines. Proceeds—General corporate purposes. Office—1001 15th St., N. W., Washington, D. C. Underwriter—To be named.

● **Polytronic Research, Inc.**

June 7, 1961 filed 193,750 common shares, of which 150,000 will be sold for the company and 43,750 for stockholders. Price—By amendment. Business—Research and development, engineering and production of certain electronic devices for aircraft, missiles, oscilloscopes, electronic vending machines and language teaching machines. Proceeds—For expansion, repayment of debt and working capital. Office—7326 Westmore Rd., Rockville, Md. Underwriters—Jones, Kreeger & Co., and Balogh & Co., Washington, D. C. Note—This offering was postponed indefinitely.

● **Premier Microwave Corp.**

Feb. 28, 1962 filed 150,000 common, of which 75,000 are to be offered by the company and 75,000 by stockholders. Price—By amendment (max. \$12). Business—Design and manufacture of microwave components. Proceeds—For debt repayment and working capital. Office—33 New Broad St., Port Chester, N. Y. Underwriter—Van Alstyne, Noel & Co., N. Y.

● **Prescott-Lancaster Corp.**

March 30, 1962 filed 150,000 common. Price—\$5. Business—Real estate. Proceeds—For purchase of mortgages, and working capital. Office—18 Lancaster Rd., Union, N. J. Underwriter—Jacey Securities Co., N. Y.

● **Prestige Capital Corp.**

Oct. 19, 1961 filed 200,000 common. Price—\$5. Business—A small business investment company. Proceeds—For investment. Office—485 Fifth Ave., N. Y. Underwriter—To be named.

● **Primex Equities Corp. (6/11-15)**

Nov. 27, 1961 filed 360,000 class A common. Price—By amendment. Business—A real estate investment firm. Proceeds—For property acquisitions and working capital. Office—66 Hawley St., Binghamton, N. Y. Underwriter—D. H. Blair & Co., N. Y.

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

July 28, 1961 filed 330,000 common shares. Price—\$2.05. Business—The manufacture of vinyl plastic products used in the automotive, marine and household fields. Proceeds—For repayment of debt, new equipment and working capital. Office—184 Woonasquatucket Avenue, North Providence, R. I. Underwriter—Fred F. Sessler & Co., Inc., N. Y.

● **Prom Motor Hotel, Inc.**

Feb. 19, 1962 filed 50,000 class A common. Price—By amendment (max. \$10). Business—Company owns and operates a motor hotel. Proceeds—For expansion. Office—6th and Main Sts., Kansas City, Mo. Underwriter—Barret, Fitch, North & Co., Inc., Kansas City. Offering—Imminent.

● **Promistora Gold Mines, Ltd.**

April 24, 1962 filed 750,000 capital shares, of which 500,000 are to be offered by company and 250,000 by stockholders. Price—50 cents. Business—Acquisition and exploration of mining claims in Canada. Proceeds—For general corporate purposes. Office—36 Yonge St., Toronto, Ontario, Canada. Underwriter—A. C. MacPherson & Co., Toronto.

● **Prosper-Way, Inc.**

Feb. 7, 1962 filed 85,500 common. Price—\$3. Business—Development and promotion of "one stop dry cleaning and laundry" establishments, and the sale and maintenance of dry cleaning and laundry equipment. Proceeds—For real estate, sales promotion, acquisitions, and working capital. Office—2484 W. Washington Blvd., Los Angeles, Calif. Underwriters—Crosse & Co., Inc., V. S. Wickett & Co., Inc. and Thomas, Williams & Lee, Inc., N. Y.

● **Public Loan Co., Inc. (5/21)**

March 28, 1962 filed 170,000 common. Price—By amendment (max. \$17). Business—Operation of small loan offices. Proceeds—For general corporate purposes. Office—41 Chenango St., Binghamton, N. Y. Underwriter—A. G. Becker & Co., Inc., Chicago.

● **Publishers Co., Inc. (6/4-8)**

Nov. 28, 1961 filed 541,000 common. Price—By amendment. Business—Book publishing. Proceeds—For an acquisition and other corporate purposes. Office—1106 Connecticut Ave., N. W., Washington, D. C. Underwriter—Roth & Co., Inc., Philadelphia.

● **Puerto Rico Brewing Co., Inc.**

March 23, 1962 filed \$2,500,000 of sinking fund debentures due 1977 and 500,000 common shares to be offered in units consisting of a \$10 debenture and two common shares. Price—\$18 per unit. Business—Company plans to produce beer and natural malta (a non-alcoholic beverage). Proceeds—For construction and operation of a brewery and working capital. Address—San Juan, Puerto Rico. Underwriter—Merrill Lynch, Pierce, Fenner & Smith, Inc., N. Y. Offering—Expected in June.

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

Nov. 24, 1961 filed \$4,000,000 of 5% conv. subord. debentures due 1971 and 200,000 class A shares to be offered in 25,000 units, each consisting of \$160 of debentures and eight shares. Price—\$200 per unit. Business—Real estate and construction. Proceeds—For general corporate purposes. Office—San Juan, Puerto Rico. Underwriters—Lieberbaum & Co., and Morris Cohon & Co., New York.

● **Pulp Processes Corp.**

Sept. 20, 1961 filed 140,000 common. Price—\$5. Business—Development of pulping and bleaching devices. Proceeds—General corporate purposes. Office—Hoge Bldg., Seattle, Wash. Underwriter—Wilson, Johnson & Higgins, San Francisco. Note—This offering was temporarily postponed.

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Quality Brake Rebuilders, Inc.

Jan 3, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Rebuilding and reconditioning of automotive brake shoes. Proceeds—For general corporate purposes. Office—94 Gazza Blvd., Farmingdale, N. Y. Underwriter—Meadowbrook Securities, Inc., Hempstead, N. Y.

Queensway Mines Ltd.

March 15, 1962 filed 150,000 capital shares. Price—\$1. Business—Mining. Proceeds—For debt repayment, surveying and general corporate purposes. Office—Suite 1212, 55 York St., Toronto. Underwriter—Asta Corporation Ltd., Toronto.

RF Interonics, Inc. (6/4-8)

Oct. 30, 1961 filed 40,000 common. Price—\$5. Business—Manufacture of radio frequency interference filters and capacitors. Proceeds—For equipment, working capital and other corporate purposes. Office—15 Neil Court, Oceanside, N. Y. Underwriter—Arnold Malkan & Co., N. Y.

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

Jan. 23, 1962 ("Reg. A") 55,000 common, of which 50,000 will be offered by the company and 5,000 by stockholders. Price—\$5. Business—Wholesaling of electronic parts, supplies and equipment and the retailing of high-fidelity and stereophonic equipment and components. Proceeds—For debt repayment, expansion, moving expenses and working capital. Office—513-15 Cooper St., Camden, N. J. Underwriter—Lee-Mosson & Co., Inc., N. Y.

Real Properties Corp. of America

April 27, 1962 filed 300,000 class A shares. Price—By amendment (max. \$16). Business—Company owns certain real estate, general insurance agency and a mortgage servicing company. Proceeds—For debt repayment. Office—745 Fifth Ave., N. Y. Underwriter—Stanley Heller & Co., N. Y. Offering—Expected in mid-July.

Regal-Meadows, Inc. (5/14-18)

March 22, 1962 filed 145,000 common, of which 100,000 are to be offered by the company and 45,000 by stockholders. Price—By amendment (max. \$11). Business—Operation of leased departments in discount department stores for the sale of men's wearing apparel and hard goods. Proceeds—For debt repayment, inventory, and other corporate purposes. Office—11 Stanley St., New Britain, Conn. Underwriter—Hayden, Stone & Co., N. Y.

Rego Radio & Electronics Corp. (5/28-6/1)

March 1, 1962 ("Reg. A") 80,000 common. Price—\$3.75. Business—Wholesale distribution of automobile radios, replacement parts, air-conditioners, etc. Proceeds—For inventories, research and development and working capital. Office—46-25 58th St., Woodside 77, N. Y. Underwriter—General Securities Co., Inc., N. Y.

Regulators, Inc. (5/21-25)

Jan. 29, 1962 filed 75,000 common, of which 50,000 are to be offered by the company and 25,000 by Electronic Specialty Co., parent. Price—\$5. Business—Design and manufacture of regulating and control devices used in the electric and electronic fields. Proceeds—For debt repayment and working capital. Office—455 W. Main St., Wyckoff, N. J. Underwriter—Myron A. Lomasney & Co., N. Y.

Research Products, Inc. (5/31)

Dec. 28, 1961 filed 250,000 common. Price—\$9. Business—Manufacture of lithographic blankets used in printing. Proceeds—For debt repayment and working capital. Address—Hato Rey, Puerto Rico. Underwriters—Gross & Co., and Elmaleh & Co., Inc., N. Y.

Resin Research Laboratories, Inc.

Feb. 27, 1962 filed 105,000 common. Price—\$3.50. Business—Operation of a laboratory for contractual research, development and engineering in the chemical field. Proceeds—For expansion of facilities, debt repayment and working capital. Office—396-406 Adams St., Newark, N. J. Underwriter—Keene & Co., Inc., N. Y.

Richmond Corp.

Dec. 21, 1961 filed 142,858 common. Price—\$7. Business—A real estate investment company. Proceeds—For debt repayment and general corporate purposes. Office—220 K St., N. W., Washington, D. C. Underwriter—Hirschel & Co., Silver Spring, Md. Offering—Indefinite.

Ridgerock of America, Inc. (5/21-25)

Dec. 29, 1961 filed 100,000 common. Price—\$2.50. Business—Production of stone facing for buildings. Proceeds—For debt reduction and general corporate purposes. Address—Sebring, O. Underwriter—Baruch Brothers & Co., Inc., N. Y.

Ridgewood Financial Corp. (5/16)

March 30, 1962 filed 60,000 common, of which 11,250 are to be offered by company and 48,750 by stockholders. Price—By amendment (max. \$9.75). Business—Ownership of stock of Ridgewood Savings Loan Co. of Parma, in Cleveland. Proceeds—For organizational expenses and investment. Office—1717 E. 9th St., Cleveland. Underwriter—Fulton, Reid & Co., Inc., Cleveland.

Riker Delaware Corp.

March 29, 1962 filed 200,000 class A common and 50,000 warrants to be offered in units of four shares and one warrant. Price—\$30 per unit. Business—A real estate development and management company. Proceeds—For construction, acquisitions, debt repayment and working capital. Office—LaGorce Sq., Burlington, N. J. Underwriter—H. Neuwirth & Co., Inc., N. Y.

Rising's, Inc. (5/15)

April 3, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Distribution of electrical and electronic parts, components and equipment. Proceeds—For debt repayment and working capital. Office—151 N. Vermont Ave., Los Angeles. Underwriter—Adams & Co., Los Angeles.

Rite Electronics, Inc.

Jan. 29, 1962 filed 62,000 common. Price—\$6. Business—Sale and distribution of receiving tubes, television picture tubes, and electronic components, parts and equipment. Proceeds—For an acquisition, equipment and working capital. Office—1927 New York Ave., Huntington Station, N. Y. Underwriter—Robbins, Clark & Co., Inc., N. Y. Offering—In early June.

Roadcraft Corp. (5/14-18)

Dec. 26, 1961 filed 400,000 common. Price—By amendment. Business—Design, manufacture and sale of mobile homes and office trailers. Proceeds—For general corporate purposes. Office—139 W. Walnut Ave., Gardena, Calif. Underwriter—Vickers, MacPherson & Warwick, Inc., N. Y.

Roblin-Seaway Industries, Inc. (5/21-25)

March 29, 1962 filed \$1,000,000 of 6% convertible subordinated debentures due 1982. Price—At par. Business—Purchase and sale of scrap steel and other metals and operation of a rolling mill, a stevedoring business and two demolition companies. Proceeds—For general corporate purposes. Office—101 East Ave., North Tonawanda, N. Y. Underwriter—Brand, Grumet & Seigel, Inc., New York.

Rona Plastic Corp.

Dec. 15, 1961 filed 200,000 common. Price—\$5. Business—Manufactures plastic housewares, baby products and other plastic items. Proceeds—For debt repayment and other corporate purposes. Office—1517 Jarrett Place, Bronx, N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y. Offering—Imminent.

Rosenau Brothers, Inc. (5/14-18)

March 8, 1962 filed 300,000 common, of which 150,000 are to be offered by the company and 150,000 by stockholders. Price—By amendment (max. \$12). Business—Manufacture and sale of girl's dresses and sportswear. Proceeds—For debt repayment. Office—Fox St. and Roberts Ave., Philadelphia. Underwriters—Burnham & Co., and Zuckerman, Smith & Co., N. Y.

Rosenfeld (Henry), Inc. (5/31-6/1)

March 23, 1962 filed 120,000 common. Price—By amendment (max. \$10). Business—Design, manufacture and sale of women's dresses. Proceeds—For a selling stockholder. Office—498 Seventh Ave., N. Y. Underwriter—Robert A. Martin Associates, Inc., N. Y.

Royalton Photo Corp.

Nov. 29, 1961 filed 300,000 common, of which 100,000 are to be offered by the company and 200,000 by stockholders. Price—By amendment. Business—Develops and prints color, and black and white photographic film. Proceeds—For equipment and working capital. Office—245 7th Ave., N. Y. Underwriter—Federman, Stonehill & Co., N. Y. Offering—Expected sometime in June.

Rubber & Fibre Chemical Corp.

Sept. 25, 1961 filed 120,000 common. Price—\$5. Business—Exploitation of a new process for reclaiming unvulcanized rubber. Proceeds—Purchase of equipment and existing plant building, repayment of debt, and working capital. Office—300 Butler St., Brooklyn, N. Y. Underwriter—To be named.

Ruby Silver Mines, Inc.

Jan. 2, 1962 ("Reg. A") 2,400,000 common. Price—12½ cents. Business—Exploration and development of mineral deposits. Proceeds—For debt repayment and general corporate purposes. Address—Box 1088, Wallace, Idaho. Underwriter—Pennaluna & Co., Spokane, Wash.

S. M. S. Instruments, Inc.

Nov. 28, 1961 filed 100,000 common. Price—\$3.25. Business—Repair and maintenance of aircraft instruments and accessories. Proceeds—For equipment, debt repayment, and other corporate purposes. Office—Idlewild International Airport, Jamaica, N. Y. Underwriter—To be named. Note—This registration was withdrawn.

Sage International Inc.

April 30, 1962 filed 150,000 capital shares. Price—By amendment (max. \$13). Business—Operation of membership discount department stores. Proceeds—For expansion and inventories. Office—315 S. Beverly Dr., Beverly Hills, Calif. Underwriters—First California Co. Inc., San Francisco and Allen & Co., N. Y.

Sa'ant & Salant, Inc. (6/4-8)

March 23, 1962 filed 150,000 class A shares. Price—By amendment (max. \$35). Business—Manufacture of men's utility and sports' clothes. Proceeds—For selling stockholders. Office—330 Fifth Ave., N. Y.—Underwriters—Kidder, Peabody & Co., and Jessup & Lamont, N. Y.

Salro Manufacturing Corp. (6/4-8)

March 19, 1962 filed \$250,000 of 7% convertible subordinate debentures due 1972, and 16,500 outstanding common shares to be offered in units consisting of \$500 of debentures and 33 shares. Price—\$632 per unit. Business—Manufacture and distribution of metal purse and handbags frames, for certain manufacturers. Proceeds—For debt repayment, equipment, and working capital. Proceeds—From the stock sale will go to selling shareholders. Office—413 Thatford Ave., Brooklyn, N. Y. Underwriter—I. R. E. Investors Corp., Levittown, N. Y.

Sampson Enterprises, Inc. (6/4-8)

Feb. 28, 1962 filed 450,000 common. Price—By amendment (max. \$8). Business—A holding company for a real estate concern, motor inn, shopping centers, bowling establishments, etc. Proceeds—For debt repayment and working capital. Office—222 E. Erie St., Milwaukee. Underwriters—Straus, Blosser & McDowell, Chicago and Dempsey-Tegeler & Co., Inc., St. Louis.

San Francisco Capital Corp.

April 23, 1962 filed 60,000 common. Price—\$12.50. Business—A small business investment company. Proceeds—For investment. Office—400 Montgomery St., San

Francisco. Underwriter—Cantor, Fitzgerald & Co., Inc., Beverly Hills, Calif.

Santa Fe Drilling Co. (6/4-8)

March 30, 1962 filed 160,000 common, of which 100,000 are to be offered by company and 60,000 by stockholders. Price—By amendment (max. \$33). Business—Furnishes labor and equipment to major oil companies and drills for oil. Proceeds—For debt repayment and equipment. Office—11015 Bloomfield Ave., Santa Fe Springs, Calif. Underwriter—Dean Witter & Co., Los Angeles.

Save-Mor Drugs, Inc.

Dec. 28, 1961 ("Reg. A") \$300,000 of 6% 15-year subordinated debentures. Price—At par. Business—Operation of a chain of drug stores. Proceeds—For general corporate purposes. Office—3310 New York Ave., N. E., Washington, D. C. Underwriter—C. A. Taggart, Inc., Towson, Md.

Saw Mill River Industries, Inc. (7/2-6)

March 29, 1962 filed 100,000 common. Price—\$5. Business—Design, development and manufacture of steel products for home use. Proceeds—For working capital. Office—1051 Saw Mill River Rd., Yonkers, N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y.

Sawyer's Inc. (6/4-8)

Mar. 26, 1962 filed 240,000 capital shares, of which 140,000 are to be offered by company and 100,000 by stockholders. Price—By amendment (max. \$9). Business—Manufacture and distribution of stereo photographs and viewers. Proceeds—For working capital. Address—Portland, Ore. Underwriters—Straus, Blosser & McDowell, Chicago, and Hill, Darlington & Grimm, N. Y.

Saxon Paper Corp.

March 30, 1962 filed 200,000 common. Price—By amendment (max. \$9). Business—Wholesale distribution of printing paper and paper products. Proceeds—For debt repayment and expansion. Office—240 W. 18th St., N. Y. Underwriter—Bear, Stearns & Co., N. Y.

Schaevitz Engineering (6/4-8)

March 13, 1962 filed 150,000 common, of which 100,000 are to be offered by company and 50,000 by a selling stockholder. Price—By amendment (max. \$10). Business—Design and manufacture of measuring, indicating, recording, testing and controlling devices used in aircraft and missile systems. Proceeds—For expansion. Address—U. S. Route 130, Pennsauken, N. J. Underwriter—Bear, Stearns & Co., N. Y.

Schlitz (Jos.) Brewing Co.

March 2, 1962 filed 347,543 common. Price—By amendment (max. \$35). Business—Brewing of "Schlitz" and "Old Milwaukee" beers. Proceeds—For selling stockholders. Office—235 W. Galena St., Milwaukee. Underwriter—Glore, Forgan & Co., Chicago. Offering—Indefinitely postponed.

Schneider (Walter J.) Corp.

Feb. 28, 1962 filed \$5,500,000 of 6½% subordinated convertible debentures due 1977 and 110,000 5-year warrants to purchase a like amount of class A common. The company plans to offer the securities in 5,500 units (each consisting of \$1,000 of debentures and warrants to purchase 20 shares) for subscription by holders of its class A stock and 10% debentures due 1976. Price—By amendment. Business—General real estate. Proceeds—For acquisition of property. Office—67 W. 44th St., N. Y. Underwriter—None.

School Pictures, Inc. (6/4-8)

Feb. 7, 1962 filed 60,000 common and 40,000 class A common, of which 41,864 common are to be offered by the company; the entire class A and 18,136 common will be offered by stockholders. Price—By amendment (\$35 max.). Business—Company develops, prints, and finishes "school pictures." Proceeds—For plant and equipment, acquisitions, and working capital. Office—1610 N. Mill St., Jackson, Miss. Underwriters—Equitable Securities Corp., Nashville, and Kroeze, McLarty & Duddleston, Jackson, Miss.

Scientific Equipment Manufacturing Corp.

April 30, 1962 filed 83,500 common. Price—\$6. Business—Manufacture of sterilizers, multi-dose jet vaccine injectors, operating lights and other medical equipment. Proceeds—For inventories, new products and moving expenses. Office—20 North Ave., Larchmont, N. Y. Underwriters—Coggeshall & Hicks and Ernest M. Fuller & Co., N. Y.

Scripps-Howard Broadcasting Co. (5/21-25)

March 20, 1962 filed 375,000 common. Price—By amendment (max. \$20). Business—Company owns and operates TV, radio and FM broadcasting stations. Proceeds—For selling stockholders. Office—1121 Union Central Bldg., Cincinnati. Underwriter—First Boston Corp., N. Y.

Seaway Food Town, Inc. (5/22)

March 29, 1962 filed 125,056 common. Price—By amendment (max. \$12). Business—Operation of a chain of supermarkets. Proceeds—For selling stockholders. Office—1514 S. Detroit St., Toledo. Underwriter—McDonald & Co., Cleveland.

Security Aluminum Corp. (5/28-6/1)

Jan. 26, 1962 filed 200,000 common. Price—By amendment. Business—Manufacture of aluminum sliding windows and doors. Proceeds—For equipment, moving expenses and working capital. Office—503 E. Pine Ave., Compton, Calif. Underwriter—Vickers, MacPherson & Warwick, Inc., N. Y.

Seg Electronics Co., Inc. (6/11)

Sept. 28, 1961 filed 110,000 common. Price—By amendment. Business—Design and manufacture of networks for data and program transmission, filters, transceivers and related electronic equipment. Proceeds—For equipment, research and development, repayment of loans and working capital. Office—12 Hinsdale St., Brooklyn. Underwriter—Searight, Ahalt & O'Connor, Inc., N. Y.

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Blvd., Westbury, N. Y. Underwriter—J. B. Coburn Associates, Inc., N. Y.

Thom-Tex Paper Converting Corp. (6/11-15)
March 15, 1962 filed 70,000 common. Price—\$4. Business—Manufacture of writing paper items. Proceeds—For debt repayment and working capital. Address—Highway 3, Rio Grande, Puerto Rico. Underwriter—Meade & Co., N. Y.

Thompson Manufacturing Co., Inc. (6/4-8)
Dec. 22, 1961 filed 90,000 common, of which 80,000 shares are to be offered by the company and 10,000 by stockholders. Price—\$4. Business—Design and manufacture of special machinery for the paper industry and the construction of bowling alleys. Proceeds—For expansion and general corporate purposes. Office—Canal St., Lancaster, N. H. Underwriter—Packer-Wilbur Co., Inc., N. Y.

Thunderbird International Hotel Corp.
Jan. 2, 1962 filed 175,000 common. Price—By amendment (\$10 max.). Business—Hotel ownership and management. Proceeds—For construction. Office—525 N. Sepulveda Blvd., El Segundo, Calif. Underwriter—Vickers, MacPherson & Warwick, Inc., N. Y. Offering—June.

★ Top Dollar Stores, Inc.
May 1, 1962 filed 200,000 common, of which 100,000 are to be offered by company and 100,000 by stockholders. Price—\$5. Business—Operation of a chain of self-service retail stores selling clothing, housewares, etc. Proceeds—For expansion, equipment and working capital. Office—2226 Florida Ave., Jasper, Ala. Underwriter—Philips, Rosen, Appel and Walden, N. Y.

• Tork Time Controls, Inc. (5/28-6/1)
Dec. 12, 1961 filed 150,000 common. Price—By amendment. Business—Design and manufacture of time controlled switches. Proceeds—For debt repayment, expansion, and working capital. Office—1 Grove St., Mount Vernon, N. Y. Underwriters—Godfrey, Hamilton, Taylor & Co., and Magnus & Co., N. Y.

• Towers Marts International, Inc. (5/28-6/1)
Feb. 1, 1962 filed 550,000 capital shares. Price—By amendment. Business—Company builds and operates retail discount department stores. Proceeds—For expansion. Office—41 E. 42nd St., N. Y. Underwriter—W. C. Langley & Co., N. Y.

Traid Corp. (5/21-25)
Feb. 12, 1962 filed 150,000 common. Price—By amendment (max. \$9). Business—Design and sale of special cameras for scientific photography. Proceeds—For general corporate purposes. Office—17136 Ventura Blvd., Encino, Calif. Underwriter—J. A. Hogle & Co., Salt Lake City.

• Trans-Alaska Telephone Co. (6/11-15)
Nov. 29, 1961 filed 265,000 common, of which 250,000 are to be offered by the company and 15,000 by a stockholder. Price—\$6. Proceeds—For construction, and acquisition, repayment of debt, and other corporate purposes. Office—110 E. 6th Ave., Anchorage, Alaska. Underwriter—Milton D. Blauner & Co., Inc., N. Y.

Trans-Pacific Research & Capital, Inc.
Nov. 27, 1961 filed 47,000 common. Price—By amendment. Business—Manufacture of high pressure valves and accessories. Proceeds—For expansion, working capital, and possible acquisitions. Office—Pacific National Bank Bldg., Bellevue, Wash. Underwriter—To be named.

Trans-Western Service Industries
April 2, 1962 filed 100,000 common, of which 20,000 are to be offered by company and 80,000 by stockholders. Price—By amendment (max. \$10). Business—Operation of dry cleaning and laundry plants. Proceeds—For debt repayment. Office—1167-65th St., Oakland, Calif. Underwriter—Granbery, Marache & Co., N. Y.

Transdata, Inc.
Nov. 29, 1961 filed 100,000 common. Price—\$5. Business—Research and development in the data and image processing and transmission field. Proceeds—For debt repayment and other corporate purposes. Office—1000 N. Johnson Ave., El Cajon, Calif. Underwriter—To be named. Offering—Indefinitely postponed.

• Transogram Co., Inc. (5/28-6/1)
March 15, 1962 filed 156,000 common. Price—By amendment (max. \$12). Business—Design, assembly and manufacture of toys, games, children's playroom furniture, and sports sets. Proceeds—For a selling stockholder. Office—200 Fifth Ave., N. Y. Underwriter—Lehman Brothers, N. Y.

★ Transportation for the Handicapped, Inc.
May 2, 1962 filed 80,000 common. Price—\$2. Business—Company plans to sell franchises for "Mobile Care," a specialized method for transporting the aged and handicapped. Proceeds—For advertising, equipment and working capital. Office—2079 Wantaugh Ave., Wantaugh, N. Y. Underwriter—Weisel, Kleinman & Co., Inc., Garden City, N. Y.

• Tremco Manufacturing Co.
Feb. 26, 1962 filed 150,000 class A common. Price—By amendment (max. \$15). Business—Producer of protective coatings, sealants, mastics, paints, etc. Proceeds—For selling stockholders. Office—10701 Shaker Blvd., Cleveland. Underwriter—McDonald & Co., Cleveland. Offering—Temporarily postponed.

Tri-Department Stores Associates
Feb. 9, 1962 filed \$2,436,000 of limited partnership interests. Price—\$6,000 per interest. Business—Company was formed for the purpose of acquiring for investment the fee title to three discount department stores. Proceeds—For debt repayment. Office—30 E. 42nd St., N. Y. Underwriter—Adler Securities Corp., N. Y.

Tucson Gas, Electric Light & Power Co. (5/11)
April 11, 1962 filed 486,111 common, to be offered for subscription by stockholders on the basis of one share

for each 10 held of record May 11, 1962. Price—By amendment (max. \$25). Proceeds—For debt repayment and construction. Office—35 W. Pennington St., Tucson, Ariz. Underwriters—Blyth & Co., Inc. and First Boston Corp., N. Y.

Tujax Industries, Inc.
Mar. 23, 1962 filed 150,000 class A shares, of which 100,000 are to be offered by company and 50,000 by stockholders. Price—\$8. Business—Through its subsidiaries the company is engaged in the wholesale distribution of electrical supplies and equipment. Proceeds—For debt repayment and working capital. Office—514 E. 73rd St., N. Y. Underwriters—Richard Bruce & Co., Inc., and Reuben Rose & Co., Inc., N. Y. Offering—In June.

Turbodyne Corp.
March 2, 1962 filed 127,500 common. Price—\$5. Business—Research, development and production and overhauling of gas turbine engines. Proceeds—For debt repayment, research and development, a new plant and working capital. Office—1346 Connecticut Avenue, N. W., Washington, D. C. Underwriter—Sandkuhl & Co., Inc., N. Y.

Turner (J. L.) & Son, Inc.
Mar. 27, 1962 filed 120,000 common, of which 60,000 are to be offered by company and 60,000 by a stockholder. Price—By amendment (max. \$15). Business—Sale of retail merchandise. Proceeds—For general corporate purposes. Office—East Main St., Scottsville, Ky. Underwriter—Bear, Stearns & Co., N. Y.

Tyler Pipe & Foundry Co. (5/22)
Jan. 25, 1962 filed 120,000 common. Price—By amendment. Business—Design, development and manufacture of cast iron products. Proceeds—For selling stockholders. Office—Lindale Rd., Swan, Texas. Underwriter—First Southwest Co., Dallas.

Unedda Vending Service, Inc.
Dec. 14, 1961 ("Reg. A") 73,500 common. Price—\$3. Business—Purchase of new and used coin-operated vending and recreational machines. Proceeds—For general corporate purposes. Office—250 Meserole St., Brooklyn, N. Y. Underwriters—Fabrikant Securities Corp. and Karen Securities Corp., N. Y.

★ Unique Zipper Distributing Co.
April 25, 1962 ("Reg. A") 30,000 common, of which 20,000 will be offered by company and 10,000 by underwriters. Price—\$10. Business—Importation of zippers and the manufacture of a zipper sewing machine attachment. Proceeds—For expansion and working capital. Office—3215 Western Ave., Seattle. Underwriters—To be named.

• Unison Electronics Corp. (5/28-6/1)
March 30, 1962 ("Reg. A") 100,000 common. Price—\$1.50. Business—Manufacture of high-precision instrument components for aircraft and missile guidance systems. Proceeds—For debt repayment, equipment and working capital. Office—1634 Marion St., Grand Haven, Mich. Underwriter—Gateway Stock & Bond, Inc., Pittsburgh.

United Camera Exchange, Inc. (6/4-8)
Jan. 29, 1962 filed 105,000 common. Price—\$3. Business—Operation of retail camera stores. Proceeds—For expansion and general corporate purposes. Office—25 W. 43rd St., N. Y. Underwriter—M. G. Davis & Co., Inc., N. Y.

United Data Processing, Inc.
April 2, 1962 ("Reg. A") 3,000 common. Price—\$17.50. Business—Furnishes electronic data processing services. Proceeds—For working capital and expansion. Office—1430 N. W. 10th Ave., Portland, Ore. Underwriter—First Cascade Corp., Portland, Ore.

United Inns, Inc.
March 26, 1962 ("Reg. A") 80,000 common. Price—\$3.75. Business—Construction and operations of motor hotels under license granted by Holiday Inns of America, Inc. Proceeds—For debt repayment and general corporate purposes. Office—704 Dermon Bldg., Memphis. Underwriter—Wilder, Hansbrough, Finch & Co., Memphis.

United Investors Life Insurance Co.
Dec. 15, 1961 filed 562,500 common, of which 472,100 shares are to be offered for subscription by stockholders of Waddell & Reed, Inc., parent, on the basis of one United share for each two Waddell shares held. The remaining 90,400 shares will be offered to certain persons associated with the parent company or its subsidiaries. Price—By amendment. Business—A legal reserve life insurance company. Proceeds—For the account of Waddell & Reed. Office—20 W. 9th St., Kansas City, Mo. Underwriters—Waddell & Reed, Inc., Kansas City, Mo., and Kidder, Peabody & Co., N. Y. Offering—Expected in late June.

United Markets Inc. (5/21)
March 15, 1962 filed 100,000 common. Price—\$5. Business—Operation of "Foodtown" supermarkets. Proceeds—For general corporate purposes. Office—531 Ferry St., Newark, N. J. Underwriter—Moran & Co., Newark, N. J.

United-Overton Corp.
Mar. 26, 1962 filed 450,000 common, of which 90,897 are to be offered by the company and 359,103 by stockholders. Price—By amendment (max. \$18). Business—Operates hard goods departments in discount department stores. Proceeds—For debt repayment. Office—19 Needham St., Nugent Highlands, Mass. Underwriters—McDonnell & Co., Inc., and Oppenheimer & Co., N. Y. Offering—Expected in early June.

United Packaging Co., Inc.
Nov. 29, 1961 filed 102,000 common. Price—\$3. Business—A general packaging business. Proceeds—For new machinery, debt repayment and working capital. Office—4511 Wayne Ave., Philadelphia. Underwriter—Godfrey, Hamilton, Taylor & Co., Inc., N. Y. Offering—June.

United Telephone Services, Inc.
March 30, 1962 filed 150,000 class A common. Price—By amendment (max. \$5). Business—A telephone holding company. Proceeds—For debt repayment, equipment and working capital. Office—645 First Ave., N. Y. Underwriter—J. R. Williston & Beane, N. Y.

U. S. Electronic Publications, Inc.
Sept. 26, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Publishing of military and industrial handbooks. Proceeds—Debt repayment, expansion and working capital. Office—480 Lexington Ave., N. Y. Underwriter—Douglas Enterprises, 8856 18th Ave., Brooklyn.

United States Realty & Investment Co.
March 30, 1962 filed 150,000 capital shares. Price—By amendment (max. \$8). Business—General real estate. Proceeds—For working capital. Office—972 Broad St., Newark, N. J. Underwriter—H. Hentz & Co., N. Y. Offering—Expected sometime in June.

U. S. Scientific Corp. (6/4-8)
Mar. 22, 1962 filed 85,000 common. Price—\$4. Business—Company plans to merchandise and distribute a line of consumer products, including an air vent cigarette holder; a transistor ignition unit for automobile spark plugs, and a small plastic capsule containing a chemical to increase efficiency of spark plugs. Proceeds—For equipment, inventory, advertising and sales promotion, research, and working capital. Office—220 E. 23rd St., N. Y. Underwriter—Edward Lewis Co., Inc., N. Y.

United Variable Annuities Fund, Inc.
April 11, 1961 filed 2,500,000 shares of stock. Price—\$10 per share. Business—A new mutual fund. Proceeds—For investment. Office—20 W. 9th Street, Kansas City, Mo. Underwriter—Waddell & Reed, Inc., Kansas City, Mo. Offering—Expected in August.

Universal Industries, Inc. (5/28)
Aug. 7, 1961 filed 100,000 common shares. Price—\$5. Business—The importation and distribution of Italian marble and mosaic tiles. Proceeds—For the purchase and installation of new moulds, machinery and equipment, research and general corporate purposes. Office—250 Goffle Road, Hawthorne, N. J. Underwriter—Edward Lewis & Co., Inc., N. Y. Note—This company formerly was named Aero-Dynamics Corp.

• Universal Lighting Products, Inc.
Sept. 21, 1961 filed 175,000 common. Price—\$1. Business—Manufacturer of lighting fixtures and display and merchandising equipment for use in gasoline service stations. Proceeds—Repayment of debt and working capital. Office—55 Bergenline Ave. Westwood, N. J. Underwriter—Globus, Inc., N. Y. Offering—Imminent.

Universal Telephone, Inc.
March 29, 1962 filed 150,000 common. Price—By amendment (max. \$5.625). Business—Operation of telephone facilities in N. Mex., Ill., and Wis. Proceeds—For expansion and working capital. Office—2517 E. Norwich St., Milwaukee. Underwriter—Marshall Co., Milwaukee.

Urban Redevelopment Corp.
March 29, 1962 filed 100,000 common. Price—By amendment. Business—Company operates the "Kellogg Plan" which provides 100% financing and construction through a single source for renewing older residential properties. Proceeds—For debt repayment, sales financing and working capital. Office—1959 S. LaCienega Blvd., Los Angeles. Underwriter—Holton, Henderson & Co., Los Angeles.

• Urethane of Texas, Inc.
Feb. 14, 1962 filed 250,000 class A and 250,000 common to be offered in units of one share of each class. Price—\$5.05 per unit. Business—Manufacture of urethane foams. Proceeds—For equipment, working capital, leasehold expenses and other corporate purposes. Office—2300 Republic National Bank Bldg., Dallas. Underwriter—First Nebraska Securities Corp., Lincoln, Neb.

• Utah Concrete Pipe Co.
Feb. 8, 1962 filed 110,000 common. Price—By amendment (max. \$10). Business—Manufacture and sale of concrete pipe, masonry products, corrugated metal pipe, telephone conduit and miscellaneous concrete products. Proceeds—For debt repayment and working capital. Office—379 17th St., Ogden, Utah. Underwriter—Schwabacher & Co., San Francisco. Offering—Indefinitely postponed.

Utah Power & Light Co. (5/22)
April 2, 1962 filed \$22,000,000 of first mortgage bonds due 1992. Proceeds—For debt repayment and construction. Office—1407 West North Temple St., Salt Lake City. Underwriters—(Competitive). Probable bidders: First Boston Corp.—Blyth & Co., Inc. (jointly); Kidder, Peabody & Co.; Halsey, Stuart & Co. Inc.; White, Weld & Co.—Stone & Webster Securities Corp. (jointly); Eastman Dillon, Union Securities & Co.—Smith, Barney & Co.—Salomon Brothers & Hutzler (jointly); Lehman Brothers-Bear, Stearns & Co. (jointly). Bids—May 22 (11:30 a.m. EDT). Information Meeting—May 18 (2 p.m. EDT) at 2 Rector St. (Room 240) N. Y.

Utah Power & Light Co. (5/22)
April 2, 1962 filed 480,000 shares of \$25 par cumulative preferred, series B. Proceeds—For debt repayment and construction. Office—1407 West North Temple St., Salt Lake City. Underwriters—(Competitive). Probable bidders: First Boston Corp.—Blyth & Co. (jointly); Lehman Brothers; White, Weld & Co.—Stone & Webster Securities Corp. (jointly); Kidder, Peabody & Co.—Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Eastman Dillon, Union Securities & Co.—Smith, Barney & Co.—Salomon Brothers & Hutzler (jointly). Bids—May 22 (12:30 p.m. EDT). Information Meeting—May 18 (2 p.m. EDT) at 2 Rector St. (Room 240), N. Y.

- **U-Tell Corp.**
Sept. 18, 1961 ("Reg. A") 33,097 common. Price—\$5. Business—Operation of a discount department store. Office—3629 N. Teutonia Ave., Milwaukee, Wis. Underwriter—Continental Securities Corp., Milwaukee, Wis. Offering—Imminent.
- **Vacco-Valve Co. (5/21-25)**
Feb. 12, 1962 filed 100,000 common. Price—\$5. Business—Production of valves, and regulators for oil, chemical and missile industries. Proceeds—For acquisition of land, equipment and working capital. Office—1445 Lidcombe Ave., El Monte, Calif. Underwriter—California Investors, Los Angeles.
- **Val-U Homes Corp. of Delaware**
Aug. 28, 1961 filed 100,000 common. Price—\$5. Business—The manufacture of prefabricated buildings and building components. Proceeds—For working capital. Office—765 River St., Paterson, N. J. Underwriter—To be named.
- ★ **Valu-Rack, Inc.**
May 4, 1962 filed 200,000 common, of which 100,000 are to be offered by company and 100,000 by stockholders. Price—\$5. Business—Wholesale distribution and retail merchandising of health and beauty aids, housewares, kitchenwares, wearing apparel and other goods. Proceeds—For debt repayment. Office—2925 S. San Pedro St., Los Angeles. Underwriter—Garat & Polonitza, Inc.
- **Vapor Corp. (5/21-25)**
Feb. 2, 1962 filed 156,762 common. Price—By amendment. Business—Manufacture of steam generators for diesel locomotives; temperature control systems for rail cars, buses and aircraft; and door control devices for rail passenger cars. Proceeds—For selling stockholders. Office—80 E. Jackson Blvd., Chicago. Underwriter—William Blair & Co., Chicago.
- **Vendex, Inc.**
Jan. 12, 1962 ("Reg. A") 300,000 common. Price—\$1. Business—Manufacture of coin operated vending machines. Proceeds—For an acquisition and general corporate purposes. Office—1290 Bayshore Blvd., Burlingame, Calif. Underwriter—Pacific Coast Securities Co., San Francisco. Offering—Expected sometime in June.
- **Vending Components, Inc.**
March 30, 1962 filed 100,000 common. Price—\$4. Business—Manufacture, design and sale of metal valves, mixers, taps, etc., for vending machines. Proceeds—For expansion, new products and other corporate purposes. Office—204 Railroad Ave., Hackensack, N. J. Underwriter—Keene & Co., Inc., N. Y.
- **Verlan Publications, Inc.**
March 30, 1962 filed 89,500 common, of which 80,000 are to be offered by company and 9,500 by a stockholder. Price—By amendment (max. \$5.50). Business—Preparation and production of books, catalogues and other printed material. A subsidiary publishes photography books. Proceeds—For expansion, debt repayment and other corporate purposes. Office—915 Broadway, N. Y. Underwriter—Searight, Ahalt & O'Connor, Inc., N. Y.
- **Victor Electronics, Inc.**
Jan. 23, 1962 filed 150,000 common. Price—\$5. Business—Manufacture, lease and sale of an amusement device known as Golfit. Proceeds—For debt repayment and general corporate purposes. Office—1 Bala Ave., Bala-Cynwyd, Pa. Underwriter—D. L. Greenbaum Co., Philadelphia. Offering—In late June.
- **Video Color Corp.**
April 6, 1962 filed 1,000,000 common. Price—\$1.15. Business—Development, manufacture and distribution of picture tubes. Proceeds—For equipment, inventories and working capital. Office—729 Centinela Blvd., Inglewood, Calif. Underwriter—Naftalin & Co., Inc., Minneapolis.
- **Video Engineering Co., Inc.**
Mar. 26, 1962 filed 125,000 class A common. Price—\$4. Business—Company designs, fabricates, installs and services closed circuit television systems. Proceeds—For debt repayment, advertising, equipment and expansion. Office—Riggs Rd. and First Place, N. E., Washington, D. C. Underwriter—Mitchell, Carroll & Co., Inc., Washington, D. C.
- **Virco Mfg. Corp.**
April 20, 1962 filed 250,000 common, of which 50,000 are to be offered by company and 200,000 by stockholders. Price—By amendment (max. \$5.75). Business—Manufacture and sale of classroom furniture, folding banquet tables and chairs. Proceeds—For general corporate purposes. Office—15134 So. Vermont Ave., Los Angeles. Underwriter—Crowell, Weedon & Co., Los Angeles.
- ★ **Virginia Electric & Power Co. (6/5)**
May 4, 1962 filed 650,000 common. Proceeds—For construction. Office—Richmond 9, Va. Underwriters—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.; Stone & Webster Securities Co.; Kuhn, Loeb & Co.-Ladenburg, Thalmann & Co.-Allen & Co. (jointly). Bids—June 5 (11 a.m. EDT) at One Chase Manhattan Plaza (23rd floor), N. Y. Information Meeting—June 1 (11 a.m. EDT) at same address.
- **Volt Technical Corp.**
Jan. 29, 1962 filed 190,000 class A shares. Price—\$10.25. Business—Preparation of technical publications. Proceeds—For selling stockholders. Office—241 Church St., N. Y. Underwriter—Andresen & Co., N. Y. Offering—Imminent.
- **Voron Electronics Corp. (5/21-25)**
July 28, 1961 filed 100,000 class A shares. Price—\$3. Business—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnish-
- ing of background music. Proceeds—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. Office—1230 E. Mermaid Lane, Wyndmoor, Pa. Underwriters—John Joshua & Co., Inc., and Reuben, Rose & Co., Inc., N. Y.
- **Wade Wenger ServiceMASTER Co. (5/15)**
Dec. 28, 1961 filed 140,000 capital shares. Price—By amendment. Business—Sale of franchises for on-location cleaning and moth-proofing of rugs, furniture, etc. Company also manufactures and sells cleaning equipment and supplies to franchise holders. Proceeds—For debt repayment, new building and equipment and other corporate purposes. Office—2117-29 N. Wayne, Chicago. Underwriter—Laren Co., N. Y.
- **Wallace Investments, Inc.**
Feb. 12, 1962 filed 400,000 common. Price—By amendment (max. \$22). Business—Company makes short-term real estate loans, acquires, develops and sells land, and engages in the mortgage loan correspondent business. Proceeds—For selling stockholders. Office—1111 Hartford Bldg., Dallas. Underwriter—Harriman Ripley & Co., N. Y. Note—This registration is being withdrawn.
- **Walston Aviation, Inc. (5/14-18)**
Oct. 30, 1961 filed 90,000 common, of which 60,000 are to be offered by the company and 30,000 by a stockholder. Price—\$6.25. Business—Sells Cessna Airplanes and supplies; also repairs and services various type airplanes. Proceeds—For expansion and general corporate purposes. Office—Civic Memorial Airport, E. Alton, Ill. Underwriter—White & Co., Inc., St. Louis.
- **Waterman Steamship Corp.**
Aug. 29, 1961 filed 1,743,000 common. Price—By amendment. Business—The carrying of liner-type cargoes. Proceeds—For the purchase of vessels, and working capital. Office—71 Saint Joseph St., Mobile, Ala. Underwriter—Shields & Co., Inc., N. Y. (mgr.). Offering—Temporarily postponed.
- **Welcome Baby, Inc. (5/28-6/1)**
Dec. 28, 1961 filed 75,000 common. Price—\$2. Business—Company renders direct mail public relations, sales promotion and advertising services to mothers on behalf of retail stores. Proceeds—For debt repayment and general corporate purposes. Office—210-07 48th Ave., Bayside, N. Y. Underwriters—Globus, Inc., and First Philadelphia Corp., N. Y.
- **Welsh Panel Co.**
March 30, 1962 filed 135,000 common. Price—By amendment (max. \$9). Business—Company processes plywood sheets into factory finished wall panelling. Proceeds—Equipment, inventories and working capital. Address—P. O. Box 329 Panel Way, Longview, Wash. Underwriter—Ferman & Co., Miami, Fla.
- **West Falls Shopping Center Limited Partnership (6/1)**
Nov. 14, 1961 filed \$444,000 of limited partnership interests to be offered in 444 units. Price—\$1,000. Business—Development of a shopping center at Falls Church, Va. Proceeds—For general corporate purposes. Office—1411 K St., N. W., Washington, D. C. Underwriter—Hodgdon & Co., Inc., Washington, D. C.
- **Western Lithographers, Inc.**
March 30, 1962 ("Reg. A") 120,000 common. Price—\$2.50. Business—General printing and lithography. Proceeds—For equipment, debt repayment, and inventory. Office—3407 N. El Paso, Colorado Springs, Colo. Underwriter—Copley & Co., Colorado Springs, Colo.
- **Western Massachusetts Electric Co. (5/10)**
April 3, 1962 filed \$8,000,000 of first mortgage bonds, series E, due 1992. Proceeds—To redeem a like amount of 5% first mortgage bonds, series D, due 1989. Office—174 Brush Hill Ave., West Springfield, Mass. Underwriters—(Competitive). Probable bidders: First Boston Corp.—White, Weld & Co. (jointly); Blyth & Co., Inc.; Equitable Securities Corp.—Lee Higginson Corp. (jointly); Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co. Bids—Expected May 10 (11 a.m. EDT) at 201 Devonshire St., Boston. Information Meeting—May 7 (11 a.m. EDT) at same address.
- **Western Pioneer Co. (5/14-18)**
Feb. 19, 1962 filed 371,750 capital shares of which 175,000 are to be offered by the company and 196,750 by stockholders. Price—By amendment (max. \$42). Business—The making of loans secured by first liens on real estate. Proceeds—For debt repayment. Office—3243 Wilshire Blvd., Los Angeles. Underwriter—Kidder, Peabody & Co., N. Y.
- **Western States Real Investment Trust**
Nov. 13, 1961 filed 32,000 shares of beneficial interest. Price—\$6.25. Business—A small business investment company. Proceeds—For investment. Office—403 Ursula St., Aurora, Colo. Underwriter—Westco Corp., Aurora, Colo.
- **Whirlpool Corp.**
April 25, 1962 filed 1,000,000 common. Price—By amendment (max. \$30.125). Business—Manufacture and sale of home appliances. Proceeds—For selling stockholder (Radio Corp. of America). Address—Benton Harbor, Mich. Underwriter—Lehman Brothers, N. Y.
- **White Lighting Co. (5/15)**
Feb. 26, 1962 ("Reg. A") 75,000 common. Price—\$4. Business—Manufacture and distribution of electrical and lighting fixtures. Proceeds—For debt repayment, equipment and working capital. Office—5221 W. Jefferson Blvd., Los Angeles. Underwriter—Costello, Russotto & Co., 9301 Wilshire Blvd., Beverly Hills, Calif.
- **Widman (L. F.), Inc. (5/28-30)**
Oct. 27, 1961 filed 162,000 common, of which 102,000 are to be offered by the company and 60,000 by stockholders. Price—\$3. Business—Operates a chain of retail drug stores. Proceeds—Expansion, equipment and working capital. Office—738 Bellefonte Ave., Lock Haven, Pa. Underwriter—Godfrey, Hamilton, Taylor & Co., N. Y.
- **Wiegand (Edwin L.) Co.**
March 30, 1962 filed 606,450 common. Price—By amendment. Business—Manufacture of electrical heating elements for industrial, commercial and household applications. Proceeds—For selling stockholders. Office—7500 Thomas Blvd., Pittsburgh. Underwriters—Eastman Dillon, Union Securities & Co., N. Y., Moore, Leonard & Lynch, Pittsburgh and Reinholdt & Gardner, St. Louis. Offering—Imminent.
- **Wiener Shoes Inc.**
April 2, 1962 filed 80,000 common. Price—By amendment (max. \$11). Business—Operation of a chain of shoe stores. Proceeds—For debt repayment, expansion and working capital. Office—808 Dakin St., New Orleans. Underwriter—Howard, Weil, Labouisse, Friederichs & Co., New Orleans.
- **Wiggins Plastics, Inc. (5/28-6/1)**
Oct. 20, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Custom compression, transfer and injection molding of plastic materials. Proceeds—For debt repayment and general corporate purposes. Office—180 Kingsland Rd., Clifton, N. J. Underwriter—Investment Planning Group, Inc., East Orange, N. J.
- **Winslow Electronics, Inc.**
Dec. 28, 1961 filed 125,000 common. Price—\$4. Business—Design and manufacture of precision electrical and electronic measuring devices and test equipment. Proceeds—For debt repayment and other corporate purposes. Office—1005 First Ave., Asbury Park, N. J. Underwriter—Amos Treat & Co., Inc., N. Y.
- **Wolf Corp.**
Jan. 26, 1962 filed \$4,500,000 of 6.5% convertible subordinated debentures due 1977 (with attached warrants) to be offered for subscription by stockholders of class A stock on the basis of \$500 debentures for each 100 class A shares held. Price—\$500 per unit. Business—Real estate. Proceeds—For debt repayment and realty acquisitions. Office—10 E. 40th St., N. Y. Underwriter—S. E. Securities, Inc., 10 East 40th St., New York.
- **Wolverine Aluminum Corp. (6/5)**
March 5, 1962 filed 100,000 common. Price—By amendment (max. \$6.50). Business—Processing and manufacturing of aluminum building products. Proceeds—For a new building and equipment. Office—1650 Howard St., Lincoln Park, Mich. Underwriter—F. J. Winckler & Co., Detroit.
- **Work Wear Corp.**
Mar. 26, 1962 filed 130,000 common. Price—By amendment (max. \$27). Business—Manufacture and sale of work clothing. Company is also engaged in industrial laundering and garment rental. Proceeds—For debt repayment, acquisitions and working capital. Office—1768 E. 25th St., Cleveland. Underwriter—Hornblower & Weeks, N. Y.
- **World Scope Publishers, Inc. (5/21-25)**
July 31, 1961 filed 100,000 common shares and \$350,000 of 6% senior conv. subord. debentures due 1972. Price—For stocks: \$6; for debentures \$90. Business—Publishing of encyclopedias and other reference books. Proceeds—For debt repayment, working capital and other corporate purposes. Office—290 Broadway, Lynbrook, N. Y. Underwriter—Standard Securities Corp., N. Y.
- **Worth Financial Corp. (6/11-15)**
Mar. 22, 1962 filed 61,000 common. Price—\$5. Business—Financing of commercial accounts receivable. Proceeds—For general corporate purposes. Office—114 E. 40th St., N. Y. Underwriter—D. A. Bruce & Co., N. Y.
- **Wulpa Parking Systems, Inc.**
Oct. 13, 1961 ("Reg. A") 75,000 common. Price—\$4. Business—Company plans to manufacture a parking device called the "Wulpa Lift." Proceeds—To open locations and increase working capital. Office—370 Seventh Ave., N. Y. Underwriter—Ehrlich, Irwin & Co., Inc., New York. Note—This letter was withdrawn.
- **Wynlit Pharmaceuticals, Inc. (5/21-25)**
Dec. 28, 1961 filed 125,000 common. Price—By amendment. Business—Development and manufacture of pharmaceuticals and medical products. Proceeds—For general corporate purposes. Office—91 Main St., Madison, N. J. Underwriter—Andresen & Co., N. Y.
- **Zayre Corp. (6/4-8)**
April 20, 1962 filed 475,000 common, of which 175,000 are to be offered by company and 300,000 by stockholders. Price—By amendment (max. \$20). Business—Operation of self-service department stores and apparel specialty stores. Proceeds—For working capital. Office—One Mercer Rd., Natick, Mass. Underwriter—Lehman Brothers, N. Y.
- **Zeckendorf Properties Corp. (6/4-8)**
March 30, 1962 filed 100,000 class B common. Price—By amendment (max. \$16). Business—Real estate. Proceeds—For general corporate purposes. Office—383 Madison Ave., N. Y. Underwriter—Harriman Ripley & Co., Inc., New York.
- **Zero Mountain, Inc.**
March 30, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Operation of underground cold storage facilities. Proceeds—Expansion, debt repayment and working capital. Address—Box 594, Fayetteville, Ark. Underwriter—Don D. Anderson & Co., Inc., Oklahoma City.

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Prospective Offerings**Baltimore Gas & Electric Co.**

March 9, 1962 it was reported that this company plans to issue about \$25,000,000 of first mortgage bonds in the second half of 1962 or early 1963. **Office**—Lexington and Liberty Sts., Baltimore 3, Md. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.-First Boston Corp. (jointly); Harriman Ripley & Co., Inc.-Alex. Brown & Sons (jointly).

• Boston Edison Co. (6/14)

May 2, 1962 it was reported that stockholders are to vote June 6 on the company's plan to refund \$15,000,000 of series G, 5 1/4 % first mortgage bonds due Oct. 1, 1989. If approved, the new bonds would be issued in mid-June. **Office**—182 Tremont St., Boston. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Harriman Ripley & Co., Inc.; White, Weld & Co.; Lehman Brothers. **Bids**—Expected June 14.

Cincinnati Gas & Electric Co. (6/21)

April 17, 1962 it was reported that this utility plans to sell \$25,000,000 of 30-year first mortgage bonds. **Office**—139 East Fourth St., Cincinnati. **Underwriters**—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith, Inc.-Lehman Brothers (jointly); Morgan Stanley & Co.-W. E. Hutton & Co. (jointly); Halsey, Stuart & Co., Inc.; Blyth & Co., Inc.-First Boston Corp. (jointly); Eastman Dillon, Union Securities & Co.-White, Weld & Co. (jointly). **Bids**—Expected June 21. **Information Meeting**—June 18 (11 a.m. EDT) at Irving Trust Co. (47th floor), One Wall St., N. Y.

Columbus Capital Corp.

Dec. 11, 1961 it was reported that this newly formed Small Business Investment Co., plans to sell \$10 to \$20 million of common stock in the late spring. **Office**—297 South High St., Columbus, O. **Underwriter**—To be named.

Consolidated Edison Co. of New York, Inc. (6/19)

April 25, 1962 it was reported that the company plans to issue about \$100,000,000 of mortgage bonds in June. In 1963 the company expects to do about \$168,000,000 of financing, partly to refund \$125,500,000 of bonds. **Office**—4 Irving Place, New York. **Underwriters**—(Competitive). Probable bidders on the bonds: First Boston Corp.; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Expected June 19 (11 a.m. EDT) at company's office. **Information Meeting**—June 11, 1962 (10 a.m. EDT).

Consumers Power Co.

Jan. 9, 1962 it was reported that this company plans to sell about \$40,000,000 of securities, probably first mortgage bonds, about mid-year. **Proceeds**—For construction. **Office**—212 West Michigan Ave., Jackson, Mich. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.-Shields & Co. (jointly); Harriman Ripley & Co. Inc.-First Boston Corp. (jointly); Morgan Stanley & Co.

Creative Ventures Corp.

On Mar. 5, 1962 this company reported that it plans early registration of 150,000 units, each consisting of one common share and 1/5 warrant. **Price**—\$2.25. **Business**—A corporate guidance and interim financing company. **Proceeds**—For general corporate purposes. **Office**—New York City. **Underwriter**—Hampstead Investing Corp., N. Y.

Delaware Power & Light Co.

March 9, 1962 it was reported that the company has postponed until early Spring of 1963 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Dec. 31, 1961, the sale would involve about 418,536 shares. **Proceeds**—For construction. **Office**—600 Market St., Wilmington, Del. **Underwriters**—(Competitive). Probable bidders: Carl M. Loeb, Rhoades & Co.; W. C. Langley & Co.-Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co.-Shields & Co. (jointly); Kidder, Peabody & Co.-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Florida Power Co.

March 19, 1962 it was reported that this company plans to offer stockholders the right to subscribe for about 457,265 additional common shares on a 1-for-20 basis. **Office**—101 Fifth St., South, St. Petersburg, Fla. **Underwriters**—To be named. The last rights offering of common on May 4, 1959 was underwritten by Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y. offering—Expected in October, 1962.

Florida Power & Light Co.

Sept. 18, 1961, it was reported that the company may issue \$25,000,000 of bonds in the second half of 1962. **Office**—25 S. E. 2nd Ave., Miami, Fla. **Underwriter**—To be determined by competitive bidding. Probable bidders: Mer-

rill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc.

Georgia Power Co. (11/7)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$23,000,000 30-year first mortgage bonds in November. **Office**—270 Peachtree Bldg., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; Harriman Ripley & Co., Inc.; Blyth & Co., Inc.; Kidder, Peabody & Co.-Shields & Co. (jointly); Equitable Securities Corp.-Eastman Dillon, Union Securities & Co. (jointly); First Boston Corp.; Lehman Brothers; Morgan Stanley & Co. **Bids**—Expected Nov. 7. **Registration**—Scheduled for Oct. 5.

Georgia Power Co. (11/7)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$7,000,000 of preferred stock in November. **Office**—270 Peachtree Bldg., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders: Blyth & Co., Inc.; First Boston Corp.; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.-Equitable Securities Corp. (jointly); Lehman Brothers. **Bids**—Expected Nov. 7. **Registration**—Scheduled for Oct. 5.

Houston Lighting & Power Co.

Mar. 28, 1962 it was reported that this company plans to sell \$30,000,000 of first mortgage bonds due 1992. **Office**—900 Fannin St., Houston, Tex. **Underwriters**—(Competitive). Probable bidders: Lehman Brothers-Eastman Dillon, Union Securities & Co.-Salomon Brothers & Hutzler (jointly); Kidder, Peabody & Co.-Equitable Securities Corp. (jointly); Halsey, Stuart & Co. Inc.; and Blyth & Co., Inc.-First Boston Corp.-Lazard Freres & Co. (jointly). **Bids**—Expected in June.

Illinois Power Co.

Feb. 28, 1962 it was reported that this utility expects to sell \$25,000,000 of debt securities in late 1962 or early 1963. **Office**—500 South 27th St., Decatur, Ill. **Underwriters**—To be named. The last sale of bonds on May 21, 1958 was made through First Boston Corp. Other bidders were: Halsey, Stuart & Co. Inc.; White, Weld & Co.-Merrill Lynch, Pierce, Fenner & Smith, Inc. (jointly); Eastman Dillon, Union Securities & Co.; Harriman Ripley & Co., Inc.-Glore, Forgan & Co. (jointly).

Jamaica Water Supply Co.

March 20, 1962 it was reported that this utility plans to sell \$3,000,000 of mortgage bonds and \$2,000,000 of preferred and common stocks. **Proceeds**—For debt repayment, and construction. **Office**—161-20 89th Ave., Jamaica, N. Y. **Underwriters**—To be named. The last sale of bonds on May 3, 1956 was made by Blyth & Co. Other bidders were: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; White, Weld & Co. The last several issues of preferred were sold privately. The last sale of common on May 9, 1956 was made through Blyth & Co., Inc.

★ Merrimac-Essex Electric Co.

May 9, 1962 it was reported that this subsidiary of New England Power Co., plans to merge with two other companies in July after which it will issue \$20,000,000 of first mortgage bonds. **Office**—441 Stuart St., Boston. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.-White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Eastman Dillon, Union Securities & Co. (jointly); First Boston Corp.

Monterey Gas Transmission Co.

April 24, 1961 it was reported that Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, and Lehman Brothers, had formed this new company to transport natural gas from southwest Texas to Alexandria, La., for sale to United Fuel Gas Co., principal supplier to other Columbia Gas System companies. It is expected that the pipeline will be financed in part by public sale of bonds. **Underwriter**—Lehman Brothers, New York City (managing).

Mountain States Telephone & Telegraph Co.

March 21, 1962 it was reported that this A.T.&T. subsidiary plans to sell \$50,000,000 of debentures in June. **Proceeds**—To repay bank loans **Office**—931 14th St., Denver. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; First Boston Corp. **Bids**—Expected June 5.

National Airlines, Inc.

May 8, 1961, it was reported that the CAB had approved the company's plan to sell publicly 400,000 shares of Pan American World Airway's Inc., subject to final approval of the Board and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Price**—About \$20 per share. **Proceeds**—To repay a \$4,500,000 demand loan, and other corporate purposes. **Office**—Miami International Airport, Miami 59, Fla. **Underwriter**—Merrill Lynch,

• Nevada Northern Gas Co.

Feb. 28, 1962 it was reported that this subsidiary of Southwest Gas Corp., plans to sell \$2,000,000 of common stock. **Office**—2011 Las Vegas Blvd., South, Las Vegas, Nev. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

★ New England Power Co.

May 8, 1962 it was reported that this utility plans to sell \$12,000,000 of 30-year first mortgage bonds in November, 1962. **Proceeds**—For debt repayment and construction. **Office**—441 Stuart St., Boston. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co.

Kidder, Peabody & Co.-White, Weld & Co. (jointly); Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.-Lehman Brothers-Equitable Securities Corp. (jointly); First Boston Corp.; Kuhn, Loeb & Co.

Northern Illinois Gas Co.

Feb. 28, 1962 it was reported that the company expects to raise \$125,000,000 to finance its 1962-66 construction program. About \$25,000,000 of this, in the form of a debt issue, will be sold in the second half of 1962. **Office**—615 Eastern Ave., Bellwood, Ill. **Underwriters**—To be named. The last sale of bonds on July 14, 1960, was handled by First Boston Corp. Other bidders were: Halsey, Stuart & Co., Inc.; Blyth & Co., Inc.-Equitable Securities Corp. (jointly); Glore, Forgan & Co.

Northern Natural Gas Co.

Feb. 28, 1962 it was reported that the company's 1962 expansion program will require about \$40,000,000 of external financing to be obtained entirely from long or short term borrowing. **Office**—2223 Dodge St., Omaha, Neb. **Underwriter**—To be named. The last sale of debentures on Nov. 16, 1960 was handled on a negotiated basis by Blyth & Co., Inc., N. Y.

Northern Pacific Railway (5/22)

April 17, 1962 it was reported that this company plans to sell \$4,035,000 of 1-15 year equipment trust certificates in May. **Office**—120 Broadway, N. Y. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc., and Salomon Brothers & Hutzler. **Bids**—Expected May 22 (12 noon EDT).

Northern States Power Co. (Minn.) (6/12)

March 19, 1962 it was reported that this company intends to sell \$15,000,000 of 30-year first mortgage bonds due 1992. **Proceeds**—For expansion. **Office**—15 So. 5th St., Minneapolis. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp. and Blyth & Co., Inc. (jointly). **Bids**—Expected June 12, 1962. **Information Meeting**—June 7, 1962 (11 a.m. EDT) at Schroder Trust Co., 57 Broadway, N. Y.

Norton Co.

Jan. 17, 1962 it was reported that this closely held company had postponed until at least the second quarter of 1962 its original plan to make a public offering of its stock, due to the inability to obtain a favorable tax ruling from the IRS. **Business**—Manufacture of various abrasives and cutting machines. **Office**—New Bond St., Worcester, Mass. **Underwriters**—Paine, Webber, Jackson & Curtis and Goldman, Sachs & Co., N. Y.

Pan American World Airways, Inc.

Oct. 30, 1961 it was reported that the CAB had approved the company's plan to sell its 400,000 share holdings of National Airlines, Inc. However, it said Pan Am must start selling the stock within one year and complete the sale by July 15, 1964. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and lease of each other's jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Office**—135 East 42nd St., N. Y. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc.

Panhandle Eastern Pipe Line Co.

March 8, 1961 it was reported that this company expects to sell about \$72,000,000 of debentures sometime in 1962, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (mgr.). **Offering**—Expected in the fourth quarter of 1962.

Pennsylvania Power & Light Co.

Feb. 20, 1962 Jack K. Busby, President and C. E. Oakes, Chairman, stated that the company will require about \$93,000,000 in debt financing in the period 1962 to 1970. **Proceeds**—For construction and the retirement of \$17,000,000 of maturing bonds. **Office**—9th and Hamilton Sts., Allentown, Pa. **Underwriters**—To be named. The last sale of bonds on Nov. 29, 1961 was won at competitive bidding by White, Weld & Co., and Kidder, Peabody & Co. Other bidders were Halsey, Stuart & Co. Inc.; First Boston Corp.-Drexel & Co. (jointly).

★ Puget Sound Power & Light Co. (6/27)

May 8, 1962 it was reported that the company plans to sell \$15,000,000 of preferred stock in late June. **Proceeds**—To repay bank loans and finance construction. **Office**—1400 Washington Bldg., Seattle, Wash. **Underwriter**—To be named. The last sale of preferred stock in April 1959 was made through Blyth & Co., Inc., N. Y.

Public Service Co. of Colorado

March 9, 1962 it was reported that this company plans to sell about \$30,000,000 of common stock to stockholders through subscription rights during the fourth quarter of 1962 or the first quarter of 1963. **Office**—900 15th St., Denver, Colo. **Underwriters**—First Boston Corp., Blyth & Co., Inc., and Smith, Barney & Co., Inc.

San Diego Gas & Electric Co.

March 19, 1962 it was reported that this company plans to sell about 500,000 common to stockholders in late 1962 to raise some \$17,500,000. **Office**—861 Sixth Ave., San Diego, Calif. **Underwriter**—Blyth & Co., Inc., N. Y.

Schlumberger Ltd.

May 2, 1962 it was reported that a registration statement will be filed shortly covering a secondary offering of 700,000 common shares. **Business**—Manufacture of electronic equipment for missile analog computers, guided missile controls, etc. **Office**—408 Bank of the Southwest Bldg., Houston, Texas. **Underwriters**—To be named. (Expected to be a group of leading New York investment bankers). **Offering**—In June.

Sierra Pacific Power Co. (6/26)

Mar. 28, 1962 it was reported that this company plans to sell \$5,000,000 of first mortgage bonds. Office—220 S. Virginia St., Reno, Nev. Underwriters—(Competitive.) Probable bidders: Kidder, Peabody & Co.-White, Weld & Co. (jointly); Salomon Brothers & Hutzler; Halsey, Stuart & Co., Inc.; Stone & Webster Securities Corp.-Dean Witter & Co. (jointly). Bids—Expected June 26, 1962 (11 a.m. EDST), at 49 Federal St., Boston. Information Meeting—June 22 (10:30 a.m. EDST) at 90 Broad St., 19th floor.

Southern Electric Generating Co. (11/28)

On Jan. 12, 1962 it was reported that this subsidiary of the Southern Co. plans to offer \$6,500,000 30-year first mortgage bonds in November. Office—600 N. 18th St., Birmingham, Ala. Underwriters—(Competitive.) Probable bidders: First Boston Corp.; Halsey-Stuart & Co., Inc.; White, Weld & Co.-Kidder, Peabody & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Blyth & Co., Inc. (jointly); Eastman Dillon, Union Securities & Co.-Equitable Securities Corp.-Drexel & Co. (jointly). Morgan Stanley & Co. Bids—Expected Nov. 28. Registration—Scheduled for Nov. 1.

Southern Pacific Co. (6/6)

May 2, 1962 it was reported that this company plans to sell about \$8,100,000 of 1-15 year equipment trust certificates in June. Office—165 Broadway, N. Y. Underwriters—(Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. Bids—Expected June 6 (12 noon EDST).

United Gas Corp. (6/6)

May 2, 1962 it was reported that the company plans to sell \$40,000,000 of first mortgage bonds due 1982. Office—1525 Fairfield Ave., Shreveport, La. Underwriters—(Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.-Harriman Ripley & Co., Inc.; Goldman, Sachs & Co. (jointly); White, Weld & Co.-Equitable Securities Corp. (jointly). Bids—Expected June 6 (11:30 a.m. EDST).

Washington Gas Light Co.

Mar. 28, 1962 it was reported that this company plans to sell \$15,000,000 of bonds. Office—1100 H St., N. W., Washington, D. C. Underwriters—(Competitive.) Probable bidders: Eastman Dillon, Union Securities &

Co.; Equitable Securities Corp.; Kidder, Peabody & Co.; First Boston Corp.; and Halsey, Stuart & Co. Inc. Bids—Expected in May.

Windjammer Cruises, Ltd.

April 18, 1962 it was reported that the company plans to register 90,000 ordinary shares. Price—\$4. Business—Operation of "Windjammer" sailing ship cruises. Proceeds—For acquisition of additional vessels. Office—Bay St., Nassau, Bahamas. Underwriter—J. I. Magaril Co., Inc., N. Y.

Wisconsin Power & Light Co. (6/20)

May 2, 1962 it was reported that the company plans to sell \$12,000,000 of bonds in June. Office—122 West Washington Ave., Madison, Wis. Underwriters—(Competitive.) Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.-Kidder, Peabody & Co. (jointly); Eastman Dillon, Union Securities Corp.-Equitable Securities Co. (jointly); Blyth & Co. Inc.-Lehman Brothers (jointly); Kuhn, Loeb & Co.-Salomon Brothers & Hutzler (jointly); Smith, Barney & Co.-Robert W. Baird & Co. (jointly). Bids—Expected June 20.

"The End of an Era?"

Continued from page 14

lies with the institutional framework which permits its exercise.

In the playing of the leapfrog game it is to be remembered that the strike weapon is a more deadly instrument in some industries than in others because of the varying natures of the industries. A strike in vital power or transportation industries can bring the effected public to its knees in a hurry, for example; it thus has superior power to evoke appeasement. Many of the steel industry's processes are continuous in nature and it is also a supplier to virtually all other industries. Protracted strikes in it can bring much of industry to a halt, thus provoking public intervention to speed the required appeasement. This is undoubtedly a significant part of the reason for the continuing wage inflation, an inflation that leads towards a critical problem.

Export Problem

To put that problem in its proper setting we should remember that during World War II and the reconstruction period following it, the backlog demands for all kinds of goods were greater than the war-disrupted productive capacities to supply them. The American cost inflation was not then subject to much check by foreign competition. That is changing rapidly. Foreign producers with recreated modern capacities to produce many of these goods are increasingly able to compete with American producers in international markets. Those markets will be served, in the last analysis, by the low-cost producers. American labor union power does not extend to foreign labor. Its administrators cannot compel foreign labor cost inflation equal to that at home. Thus America is costing itself out of foreign markets, and out of the jobs of producing for them, while foreign producers are invading our domestic markets. American capital is competitively required more and more to establish factories and create jobs abroad if it is to have the lower cost needed to share in those markets.

Fiat wage inflation thus has played an important part in aggravating not only the nation's problem of international balance of payments, but also its problems of economic growth and employment.

I would not lead anyone to believe, of course, that fiat wage inflation is solely responsible for our weakening ability to compete in international markets. And so, although it is really another subject, I must briefly mention taxes.

Problem of Taxes

We are certainly among the highest taxed people on earth and some believe that we are the highest taxed. In 1960 total taxes of all kinds levied by all taxing

authorities on private business amounted to approximately \$80 billion. To compare with that we may note that in order to turn out the nation's goods and services for sale the private productive economy paid out a little over \$300 billion in wages, salaries, proprietors' income, productive interest and dividends. In short, the tax load on the productive process was the equivalent of an approximately 25% sales tax and added about that much to the market place costs. This does not help us in meeting foreign competition.

But beyond that the uses made of these taxes on business, plus an approximate \$60 billion additional collected from individuals, were not always such as to further our economic growth and international competitive ability. Quite the contrary. Thus in accordance with our historic generosity we have through our Federal Government since the close of World War II loaned, given or spent abroad about \$115 billion. We have carried the main burden of the cost of the defense of the free world, but a large part of this total has been used to assist foreign lands at the expense of ours in establishing the economic capabilities with which we now find ourselves competing. And at home it is, of course, common knowledge that we make generous disbursements to aid the non-productive and even to compensate people for not producing. I am not here challenging the propriety of fiscal policies, but we must not shut our eyes to the fact that they have an important bearing on our growth and on the destiny of the dollar.

Nor should I leave this tax matter without noting that certain current tax proposals seem intentionally designed to hamper rather than aid us in international competition. Take taxation of income earned abroad by foreign corporations owned in part or in full by American individuals or corporations: Aside from the intolerable administrative burden it would bring, it would introduce a startling new principle—that such income is taxable to the domestic owners before it is received and whether or not it is ever received. It would load additional tax costs on those seeking to sell in international markets, which is the wrong medicine unless we wish to discourage our competing in those markets. Well, so much for the tax aggravation of the possible crisis towards which fiat wage inflation has already carried us so far.

The Alternatives

As I earlier confessed I cannot confidently predict how the developing problem of fiat wage inflation will be solved, but the alternatives may certainly be noted. Organized American labor, now that it has achieved great economic and political power, may

decide or be persuaded to refrain from exercising its power in ways that promote inflation and unemployment. Such a decision may, indeed, be crystallizing at this time and, to the extent it evidences a permanent change in attitude, it spells a happier future for America. Or Congress, on whom original responsibility for it rests, may choose to curb it, this terminating the strange era of fiat wage inflation in America.

If, on the other hand, the cost inflation remains unhalted, then it seems quite clear that we will not be able to balance what we buy or give abroad with what we sell or get from abroad. In that event we may well be called upon to continue to pay the difference out of shrinking gold stocks and run the risk of international loss of confidence in dollar stability. No nation can endlessly sustain cost inflation that runs ahead of that in other countries without its currency depreciating against their currencies. History abounds with evidence of this truth. There can be resort to expedients to delay the process but they must inevitably prove to be but temporary because they are aimed at effects rather than causes—they do not reach to the root of the problem. There is only one real solution of the problem of unfavorable balances of payments; it is the development or restoration of greater ability to compete in international markets. That means, in turn, I think, that Americans must find the fortitude to bring to an end the era of fiat wage inflation. And if we fail in that—well we nevertheless will come to an end of an era.

*From an address by Mr. Tyson before Economic Club of Detroit, Detroit, Mich.

New Riecke Branch

BURLINGTON, N. J. — H. A. Riecke & Co., Incorporated, has opened a branch office at 348 High Street under the direction of Stephen H. Bachofen.

Edwards & Hanly Name Dudley Dept. Head

HEMPSTEAD, N. Y. — Orin R. Dudley has become manager of the institutional department for Edwards & Hanley, 100 North Franklin, members of the New York Stock Exchange.

Life Associates Agency

SCHENECTADY, N. Y.—Life Associates Agency, Inc. is conducting a securities business from offices at 148 Clinton Street. Officers are Donald L. Millham, President; Reuben D. Head, Vice-President; and William Wagner, Secretary and Treasurer.

Manjira Mutual Funds

Manjira Mutual Funds, Inc. is conducting a securities business from offices at 210 East 46th St., New York City. Officers are Arnold Klugerman, President; Myron P. Berman, Treasurer and Roslyn Berman, Secretary.

Businessman's BOOKSHELF

Annals of the United States Savings & Loan League: 1961—U. S. Savings and Loan League, 221 North LaSalle Street, Chicago 1, Ill. (cloth), \$5.

Business Opportunities in West Berlin—George Fry & Associates International—270 Park Avenue, New York 17, N. Y. (paper).

Charts & Statistics for Investment Companies, 1962—Arthur Wiesenberger—Arthur Wiesenberger & Co., 61 Broadway, New York 6, N. Y. (loose leaf binding), \$25.

Committee for Economic Development: Report of Activities, 1961—Committee for Economic Development, 711 Fifth Avenue, New York 22, N. Y. (paper).

Creative Vision—Elmer G. Leterman—A booklet on a practical approach to new sales success and successful living—Sales & Marketing Executives International, 630 Third Avenue, New York 17, N. Y. (paper), 50¢.

Crude Oil, Natural Gas Liquids and Natural Gas—Reports on Proved Reserves in the United States and Canada—American Gas Association, 420 Lexington Avenue, New York 17, N. Y. (paper).

Economic Change and Adjustment—Report of the Committee on Economic Policy—Chamber of Commerce of the United States, Washington 6, D. C. (paper), \$1. (quantity prices on request).

Effects of Nuclear Weapons—Revised Edition—Samuel Glasstone, Editor—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), \$3. Also available is a computer for Nuclear Bomb Effects, developed by the Lovelace Foundation, at a cost of \$1.

Electrical Utility Industry Statistical Year Book—Edison Electric Institute, Economics and Statistics Department, 750 Third Avenue, New York 17, N. Y.

European Common Market and the United States—Public Affairs Committee, Inc., 22 East 38th Street, New York 16, N. Y. (paper), 25¢.

Facing Facts About College Admissions: A guide for pre-college students and their parents—Prudential Insurance Company of America, Education Department, Box 36, Newark 1, N. J. (paper), on request.

Federal-State Regulation of Welfare Funds—Revised edition—Bureau of National Affairs, 1231 Twenty-fourth Street, N. W., Washington 7, D. C., \$5.75.

Freeman, May 1962—Containing Articles on Communism Not the Wave of the Future; Socialism Is

Not the Answer; Foundations of American Liberty; etc.—Foundation for Economic Education, Inc., Irvington-on-Hudson, N. Y., 50¢.

Guide to Special Issues and Indexes of Periodicals—Special Libraries Association, 31 East 10th Street, New York 3, N. Y., \$5.75.

Hotel Business—Annual Review of Trends—Harris, Kerr, Forster & Company, 18 East 48th Street, New York, N. Y. (paper).

How to Buy Stocks—Louis Engel—A thoroughly revised edition of a guide recognized as the standard primer on successful investing—including up to date facts and figures on stocks, bonds and the operation of the stock market, suggested stocks for typical investors, tax-free municipal bonds, mutual funds and investment clubs—Little Brown & Co., 34 Beacon Street, Boston 6, Mass. (cloth), \$4.95.

How I Manage: A Company President's Guide to Personal Growth—Howard Begg—An outline of how an executive can keep his own work at a peak of efficiency and effectively set company goals—Prentice-Hall, Inc., Englewood Cliffs, N. J. (cloth), \$5.95.

Los Angeles Economy—1961 Statistical Summary—Research Department, Los Angeles Chamber of Commerce, 404 South Bixel Street, Los Angeles 54, Calif. (paper), \$2.

Management Control Techniques for Improving Profits—Ronello B. Lewis. Including methods for figuring long-term returns and determining when a segment of business should be liquidated, when to own and when to lease, etc.—Prentice-Hall, Inc., Englewood Cliffs, N. J., \$20.

Manufacturing Corporations—Quarterly Financial Report for fourth quarter of 1961—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., \$1.25 per year.

Metalworking Facts and Figures—Annual Compilation of Metalworking Data—Steel, Pentagon Building, Cleveland 13, Ohio.

Method for Stock Profits Without Price Forecasting—Leon B. Allen—An investment technique designed for the individual investor who wants to capitalize on the present stock market trends without relying on the practice of "sophisticated guesswork" to predict future stock action—Doubleday & Co., Inc., 575 Madison Ave., New York 22, N. Y., (cloth), \$4.50.

Mutual Fund and Investment Company Performance in the Fifties—Stuart B. Mead—Michigan State University, Bureau of Business and Economic Research, East Lansing, Mich (paper), \$1.

Price of Prosperity—Peter L. Bernstein—An examination of the possibility that government may have to be the support rather than the burden of an expanding economy—Doubleday & Co., Inc., 575 Madison Avenue, New York 22, N. Y.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—The Democratic controlled Congress has some big headaches facing it as the second session of the 87th Congress has passed the half-way point.

This is election year for all members of the House and one-third of the Senate. Therefore, the membership faces some election year pressures. Many of the members of both houses have been coming and going to their respective states, mending fences and politicking generally.

Senators and Representatives in two-party states obviously have a much tougher time than in one-party states. There is a saying, not exactly accurate by any means, that there are two lifetime jobs in government—a Federal judgeship and a Southern Congressman.

Of course, Southern Congressmen do get unseated, but it is an uncommon thing. For this reason most important Congressional committees in the Senate and the House are headed by Southerners because chairmen of Congressional committees are elected to their positions through seniority on the committees.

Currently many of these old "pros" who have been around more than 25 years are assertedly convinced that Congress will remain in control of the Democrats after the November election. Furthermore, probably most of them would tell you that they believe the White House will remain in control of President Kennedy for another six years.

Personally Popular

Few, if any, of the White House correspondents who follow President Kennedy will dispute his personal popularity. Everywhere he attracts enthusiasm. On Capital Hill, however, his personal popularity has not served to get his bills passed. A number of Kennedy Administration proposals are in committee, some of which are certain to expire there when the 87th Congress adjourns *sine die*.

The unofficial Republican-Southern coalition has been effective. The measure that President Kennedy wants more than any at this session is a good Trade Expansion bill. The proposal is a "must" on his agenda. There is every indication that Congress will pass a bill, but what type of bill is still to be decided.

At the moment the Democratic machinery across the country is putting on the pressure for the compulsory health care legislation. The bill is currently stymied in the House Ways and Means Committee. There 10 Republicans and Chairman Wilbur Mills of Arkansas and a couple of his Democratic colleagues are opposed to the Social Security financing provisions.

The pressure building up with scheduled rallies at various points might force the bill out of committee, but it seems doubtful at this session. Social Security is increasing at such a rate that the take-home pay of millions of Americans is being constantly reduced.

Both the Senate and House Agriculture Committee have rewritten a great deal of the original Administration Farm Bill which would have imposed controls on the rights of farmers to reduce and sell their products.

The fate of the postal rate increase which the House passed is very much in doubt. The House passed a measure that would increase postal rates by close to \$700,000,000 a year. Pressure has been building up against this legislation in the Senate. The odds

are against its passage this session. Among other things, the postal rates would raise the rates on magazines and business publications. First class and air mail rates would also go up.

Thus far, Congress has taken no steps to extend the 52% corporate income tax rate. However, this tax will be extended along with any other expiring taxes.

No Federal Aid to Education Bill

Despite a series of attempts to revive it, the Federal aid to education legislation is dead for this session. This measure is another attempt by bureaucrats in Washington to control public schools. The bureaucrats would like to get their foot in the door.

Legislation for new facilities at colleges and universities has passed both houses and is expected to become law with President Kennedy's signature.

The Urban Affairs proposal by the Administration is also a dead proposal for this session. The bill would have created a new Cabinet-level department designed to help coordinate some of the Federal affairs for the fast growing urban areas of our country.

The measure lost ground quickly after the President had indicated that he would name Dr. Robert C. Weaver to the post. Thus Dr. Weaver would have become the first member of the Negro race to hold a Cabinet position. He now holds a sub-cabinet post as administrator of the Housing and Home Finance Agency. It would seem that the Administration will try again next year to create an Urban Affairs Department.

The Senate now has before it a House-passed, Administration-backed bill that would establish a private corporation to own and operate a commercial communications satellite system. The House, in passing the measure, refused a substitute amendment that would have provided for public ownership of the system.

The Senate has approved a bill that would authorize the President to lend the United Nations up to \$100 million on a matching fund basis with the other UN members. However, on the House side, the bill is still in committee. Although the bill will probably pass with some amendments, there is little or no enthusiasm for the measure.

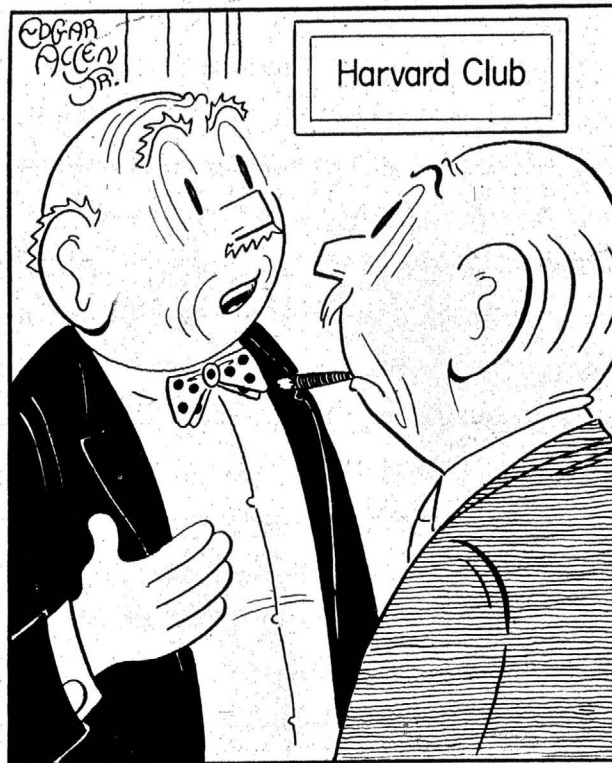
Both the House and Senate Appropriations Committees have been conducting hearings on the Foreign Assistance legislation. The bills call for \$4.9 billion, but it will be reduced.

The Senate Banking and Currency Committee has finished hearings on an Administration backed measure calling for Federal assistance for the development of comprehensive mass transportation systems in urban areas. The measure has backing from various parts of the country. Nevertheless, this bill is in the doubtful category at this time.

Another WPA?

The Senate Public Works Committee has approved authorization of an immediate \$600 million public works program to reduce unemployment. At the same time the committee sanctioned a request by the President to make another \$2 billion available if unemployment should increase within the next couple of years or so.

The \$2 billion would include both loans and grants to various public agencies. Some critics called it another potential WPA,



"I entered the brokerage business with only five dollars to my name—exactly what I have left today after taxes."

which operated during the depression days of the early 1930s.

The standby features of the bill authorize \$750 million for direct Federal expenditures for works projects already authorized; and \$750 million of matching grants for state and local projects, among other things.

The fate of the public works proposal is in doubt. However, this is an election year.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

COMING EVENTS

IN INVESTMENT FIELD

May 9-12, 1962 (White Sulphur Springs, W. Va.)

Investment Bankers Association Spring Meeting of Board of Governors.

May 14-15, 1962 (Detroit, Mich.) Association of Stock Exchange Firms Board of Governors spring meeting at the Dearborn Inn.

May 15, 1962 (Boston) New England Group Investment Bankers Association Meeting.

May 17-18, 1962 (Nashville, Tenn.) Nashville Association of Securities Dealers annual spring party.

May 17-19, 1962 (Rolling Rock, Pa.)

Western Pennsylvania Group Investment Bankers Association Meeting.

May 18, 1962 (Baltimore, Md.) Baltimore Security Traders Association 27th annual Spring Outing at the Country Club of Maryland.

May 19-23, 1962 (Detroit, Mich.) Financial Analysts Federation 15th Annual Convention at the Statler Hilton Hotel.

May 24, 1962 (Omaha, Neb.) Nebraska Investment Bankers Association Annual Field Day at the Omaha Country Club; preceded on May 23 by a cocktail and dinner party.

May 24, 1962 (New York City) Association of Customers Brokers annual meeting and dinner at the Waldorf Astoria.

May 25, 1962 (New York City) Security Traders Association of New York Glee Club annual dinner dance at the Plaza.

May 25, 1962 (San Antonio, Tex.) Municipal Bond Club of San Antonio first annual outing at Oak Hills Country Club.

June 1, 1962 (Detroit, Mich.) Bond Club of Detroit annual spring outing at Essex Golf and Country Club, Windsor, Ont., Canada.

June 1, 1962 (New York City) Bond Club of New York annual field day at Sleepy Hollow Country Club, Scarborough, N. Y.

June 1-2, 1962 (Miami Beach, Fla.) Spring Conference of the National Association of Investment Clubs at the Seville Hotel.

June 7-10, 1962 (Ponte Vedra, Fla.) Southern Group Investment Bankers Association Meeting.

June 8, 1962 (New York City) Municipal Bond Club of New York Annual Outing at the Westchester Country Club.

June 13-14, 1962 (Minneapolis-St. Paul)

Twin City Bond Club annual outing at the White Bear Yacht Club.

June 14-15, 1962 (Kansas City, Mo.)

Kansas City Security Traders Association annual summer party—Cocktail party at Hotel Continental, June 14; golf tournament at Meadowbrook County Club, June 15.

June 14-15, 1962 (Toronto & Montreal)

Canadian Group Investment Bankers Association Meeting (June 14, Toronto; June 15, Montreal).

June 15, 1962 (New York City)

Investment Association of New York annual outing at Sleepy Hollow Country Club.

June 17-20, 1962 (Canada)

Investment Dealers' Association of Canada 46th annual meeting at the Manoir Richelieu, Murray Bay, Quebec.

June 23-26, 1962 (Santa Barbara, Calif.)

California Group of the Investment Bankers Association of America annual Conference at the Santa Barbara Biltmore.

Sept. 7-8, 1962 (Gearhart, Ore.) Pacific Northwest Group Investment Bankers Association Meeting

Sept. 11-12, 1962 (Chicago, Ill.) Investment Bankers Association Municipal Conference at the Pick-Congress Hotel.

Sept. 12, 1962 (Denver, Colo.) Rocky Mountain Group Investment Bankers Association Meeting.

Sept. 13-14, 1962 (Chicago, Ill.) Municipal Bond Club of Chicago outing.

Sept. 13-15, 1962 (Ponte Vedra Beach, Fla.)

Florida Security Dealers Association annual convention.

Sept. 19-21, 1962 (Santa Barbara, Calif.)

Investment Bankers Association Board of Governors Fall Meeting.

Sept. 23-26, 1962 (Atlantic City, N. J.)

American Bankers Association annual convention.

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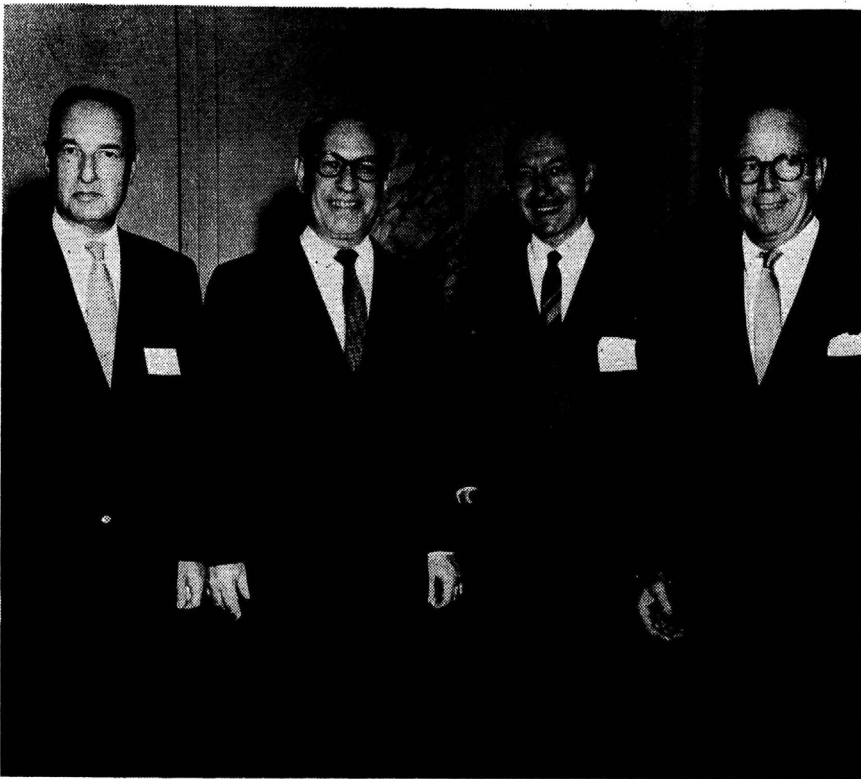
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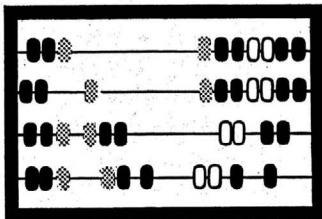


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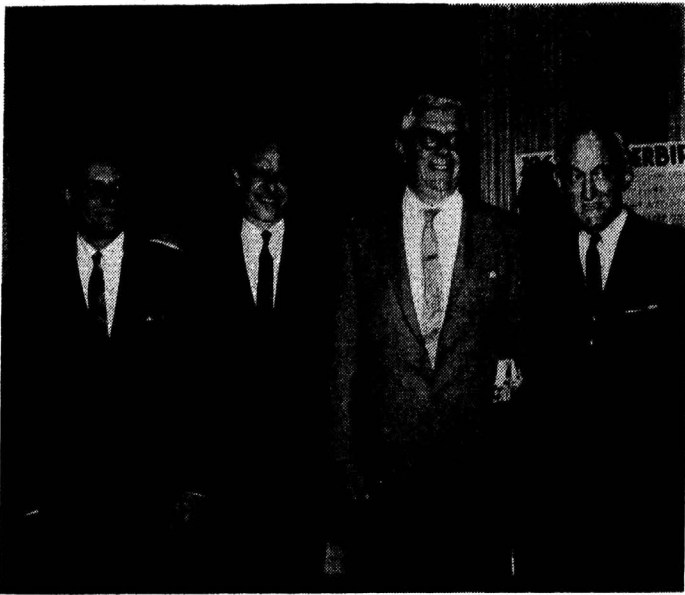
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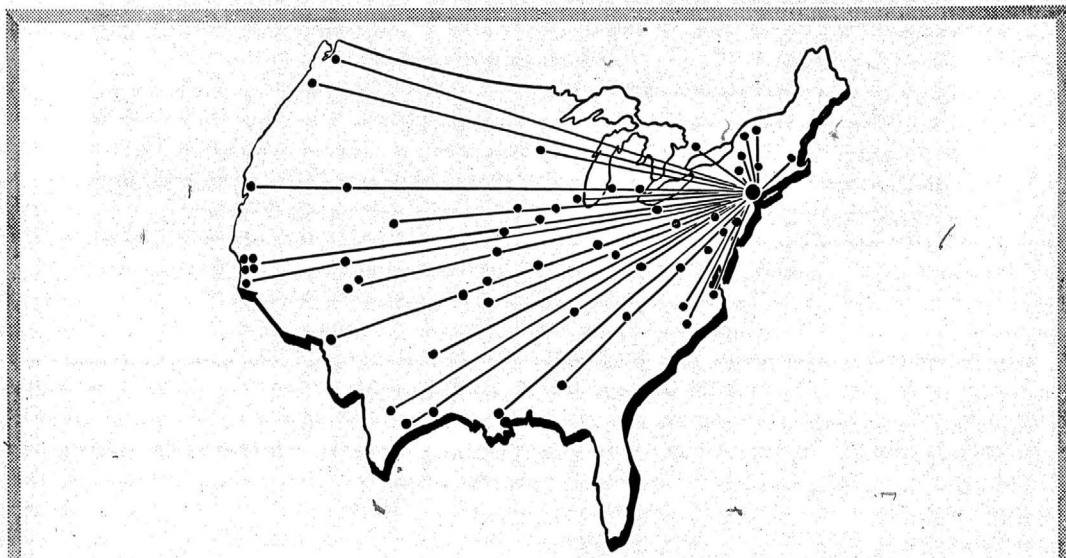
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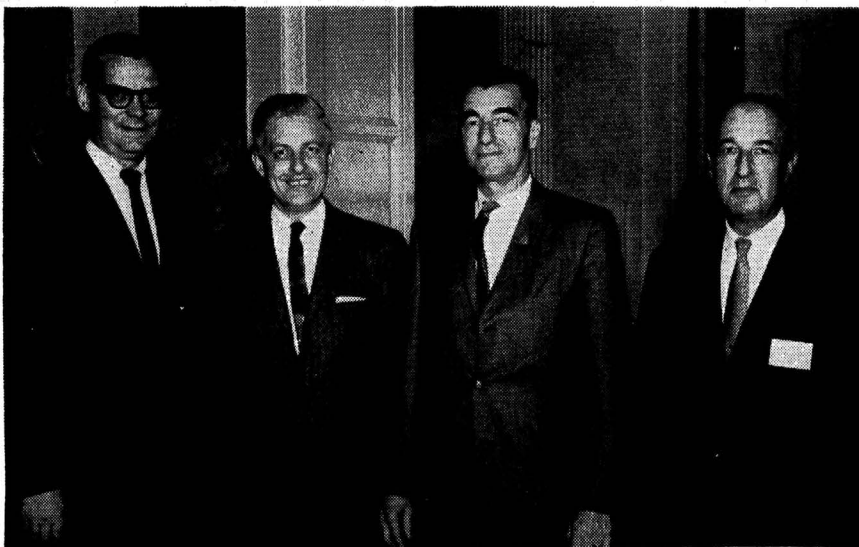
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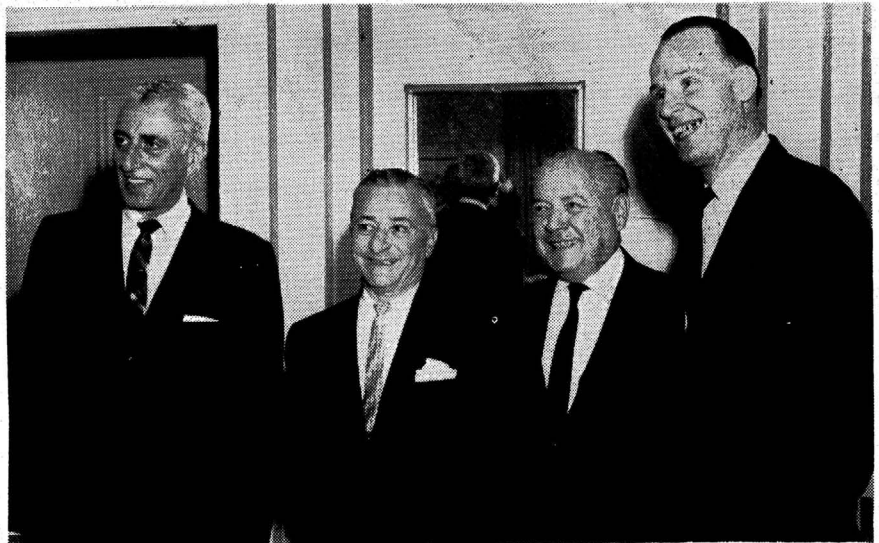
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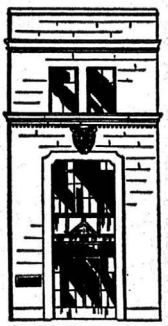
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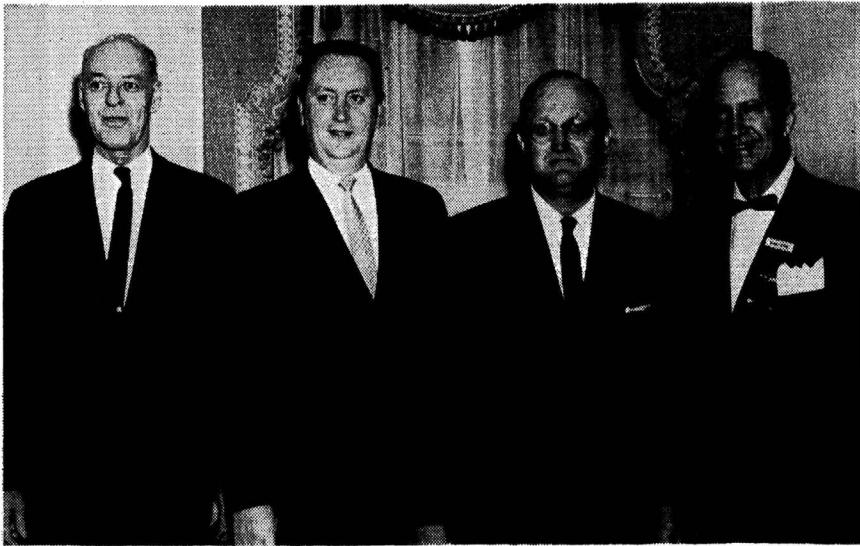
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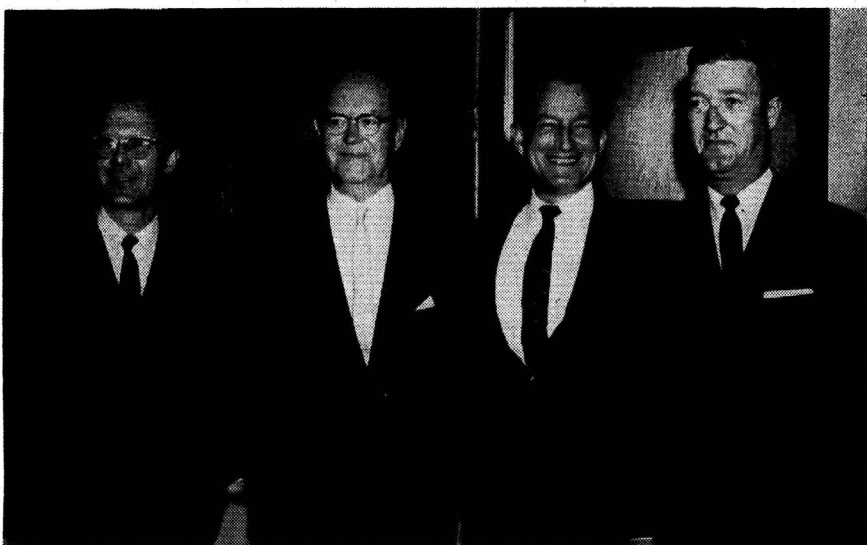
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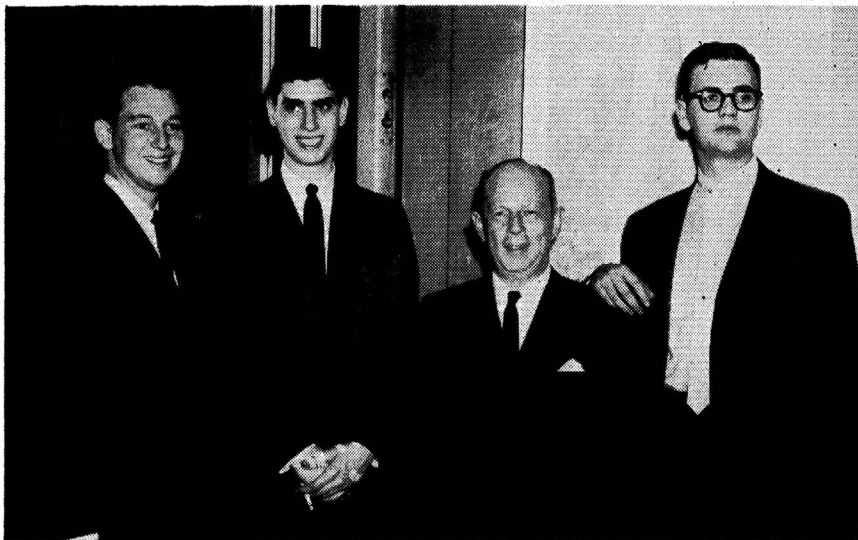
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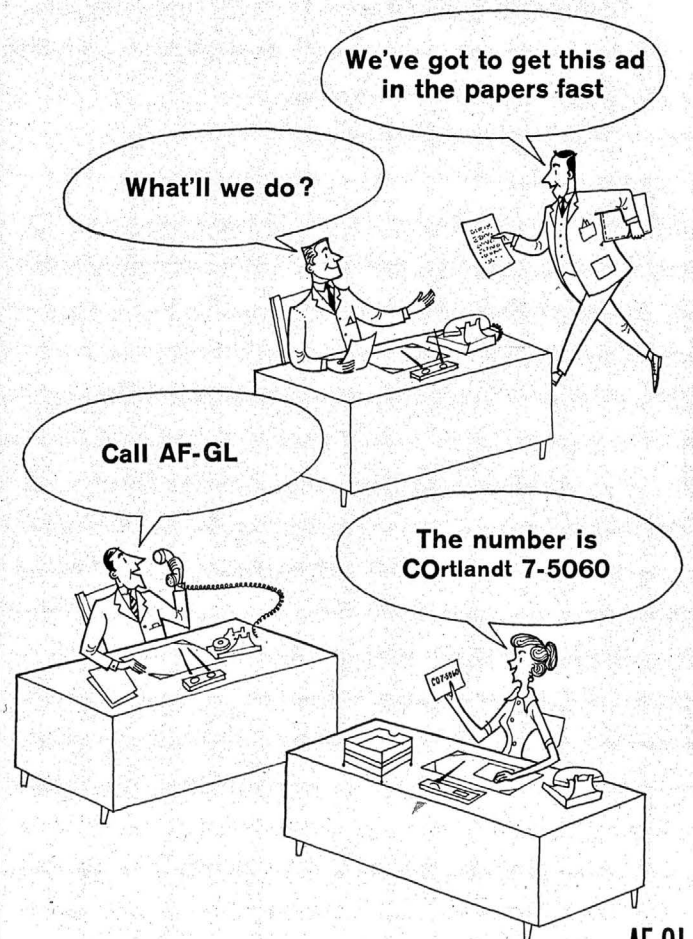
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As the largest affiliate of the National Association of Security Traders, the dinner of the New York society is traditionally the foremost gathering of security traders in the country. This year's dinner attracted guests from all over the country, including the Pacific Coast from Los Angeles to Seattle, according to Elbridge H. Smith, Stryker & Brown, and president of STANY.

Among the prominent non-trader guests invited from the New York metropolitan area are: Congressmen Leonard Farbstein and Edwin B. Dooley; Louis J. Lefkowitz, Attorney General of New York State; Assemblyman Fred D. Preller, Chairman, Ways and Means Committee of New York Legislature; Llewelyn Young, Regional Administrator, Securities and Exchange Commission; Edward Gray, Executive Vice-President, New York Stock Exchange; Edward Kraebel, Vice-Chairman, and Edwin D. Etherington, President-Elect, American Stock Exchange.

Coming from out-of-town are: Charles A. Bodie, Stein Bros. & Boyce, Baltimore, Md., President, National Security Traders Association; Earl Hagensieker, Reinholdt & Gardner, St. Louis, Mo.; Sidney Sanders, Foster & Marshall, Inc., Seattle, Wash.; Allen Oliver, Sanders & Co., Dallas, Texas; and John Knob, Drexel & Co., President, Investment Traders Association, Philadelphia.

Other guests include: Edward H. Ladd, 3rd, First Boston Corp., Vice-Chairman and George J. Bergen, Secretary, respectively, of the National Association of Security Dealers, and Alfred F. Tisch, Fitzgerald & Co., Vice-President, National Security Traders Association.

In addition to Mr. Smith as President of STANY, other officers of the New York group are: Stanley Dawson-Smith, Crutten, Podesta & Miller, First Vice-President; Sidney Jacobs, Sidney Jacobs Co., Second Vice-President; Wilbur Krisam, John C. Legg & Co., Treasurer; and Salvatore J. Rappa, Mergott, Rappa & Co., Inc., Secretary.

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