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EDITORIAL | As We See It

In response to a query put to him at his news conference last week, the President expressed certain opinions that are of much greater import than greet the casual eye. We think that the essence of what the President had to say on that occasion should be brought sharply to the attention of the rank and file—even if the philosophy there expressed is quite in keeping with what the political powers have been saying for a long while past. Pursuant to that belief, we beg leave to quote the transcript of the meeting at some length (including the syntactical idiosyncrasies that inevitably creep into any such "off-the-cuff" exposition).

The President was asked to "evaluate" the White House Conference on National Economic issues which had just come to an end. In particular, he was asked whether he thought that "there is a value in having mass ventilation of ideas between labor and * * *". The President broke in with this somewhat extended comment, which apparently was not altogether extempore: "Yes, I do. There were two—the meeting, of course, had two phases. One was of public speeches, I was, I wished in the public speeches that we could have discussed what I feel are some of the newer problems that the economy faces and which labor-management faces. I understand that in the private meetings that there was a much more, there was a willingness to forget some of the old basic arguments between labor and management and to consider some of the new challenges.

"But I think that this is only the first of what I hope will be a series. I believe that there really isn't much sense in having a long argument about the union shop or about industry-wide bargaining. Those arguments are well known. Positions are hard and, well—and are taken clearly on both sides.

"As I said in my opening, what I would like to hear them talk about is how the government, labor and management can function so as to pro-

(Continued on page 20)

Underlying Factors Behind Stock Market's Recent Sharp Decline

By George W. Mitchell,* Member, Board of Governors of the Federal Reserve System

Stock market's decline is attributed primarily to the lack of vigor in the economy's recovery and to the lessening fears regarding inflation rather than to investor's concern over government-business relations. Governor Mitchell doubts the stock market's behavior denotes a business decline in the offing. He expresses confidence about the business outlook despite uncertainties, but agrees government remedies may be necessary if there is a continued shortfall vis-a-vis the economy's potential. Federal Reserve is absolved from blame for low bond yields which, author contends, are rather the product of disappointing credit demands.

Current statistical reports on the business situation are restoring confidence that the economic upturn which began in March, 1961 still has a way to go. With the advent of spring, output, incomes, employment, sales—virtually all relevant economic series—again have shown more than seasonal improvement. These encouraging developments tend to suggest that the signs of slackness which developed late last winter represented only a temporary aberration, resulting mostly from the weather, from the impossibility of making precise seasonal adjustments or from random events. Especially encouraging have been the recent pickup in retail trade, particularly sales of new cars, and the sharp spurt in housing starts, which had lagged badly during the winter months. Prospects for further gains in aggregate economic activity also appear broadly favorable. Under the impetus of rising incomes, the upward movement of consumer spend-

ing can be expected to continue, and currently may even be in the process of accelerating. Government expenditures, both local and national, also are expanding, in reflection of the needs and desires of a growing population as well as the requirements of the international situation. And business expenditures for new plant and equipment appear to be rising significantly, reflecting the expanded cash flows available for such purposes and in response to pressures to mechanize, modernize and generally upgrade the capital facilities with which to compete. Recent surveys of business plans for capital investment indicate an expansion this year of around one-tenth, with much of this gain yet to come.

Sees Upward Trend Despite Uncertainties

There are, of course, a number of important uncertainties in the business picture. One relates to inventory investment, which has dropped abruptly with the ending of any threat of a steel strike. The consequent adjustment in steel and steel product stocks should not prove cumulative in nature and may be relatively brief. But a broader question remains regarding the strength of incentives to accumulate and hold inventories in an environment where supplies are abundantly available and upward price pressures are conspicuous mostly by their absence. A second uncertainty relates to the underlying strength of housing demand. Despite wide month-to-month fluctuations in housing starts, most recently on the upward side, the general configuration of residential building in this expansion has been notably less vigorous than in earlier economic upturns. Still another uncertainty exists in the international economic sphere, with regard to the sustainability of our \$5 billion trade surplus on nonmilitary goods and services with the rest of the world, and the pressures which the continuing deficit in the balance of payments might bring to bear.

Despite these uncertainties, I am sure that the general view is that the (Continued on page 22)



George W. Mitchell

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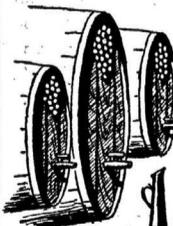
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GEORGE EUSTIS

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Longview Fibre Company

Longview Fibre Company, a West Coast producer of pulp, paper, and container board, has compiled one of the outstanding records in the

paper industry. During the present period of industry-wide excess capacity and weak product prices, Longview has continued to outperform its larger competitors. Favorable location in the fast growing West Coast marketing area, alert management, and highly efficient operations (evidenced by the highest pre-tax margins in the industry) should permit Longview to continue to grow at an above average rate. Longview's major products, 65% of which are used by the ultimate consumer, include corrugated and solid fibre shipping containers, paper bags, special creped papers, paper towels, asphalt laminated papers, and waxed papers.

Production of pulp, paper and container board is performed in the company's main facilities at Longview, Wash. Wood chips and waste wood, gathered under long-term contracts from saw mills and veneer plants within a 200-mile radius, serve as the principal raw material for pulp making. This unique utilization of waste material, pioneered by Longview, has resulted in a highly efficient operation, enabling the company to consistently maintain the highest pre-tax margins in the industry. Although this waste material provides 95% of raw material needs, the company intends to continue acquisition of timberlands and to add to the 290,000 acres it already owns. In addition to the converting plant at Longview, Wash., the company maintains similar plants in Springfield, Mass., Milwaukee, Wis.; Cedar Rapids, Iowa; Oakland and Los Angeles, Calif.; Seattle, Wash., and has just commenced operations in Minneapolis, Minn. Through their own sales forces, these plants distribute about 80% of the companies production directly to users.

SUMMARY RECORD

	Earns. Per Sh.	Cash Earns. Per Sh.	Divs. Per Sh.	Pre-Tax Margin
1961	\$4.79	\$7.88	\$3.60	18.8%
1960	5.85	8.87	3.60	23.7
1959	6.09	8.97	3.50	28.1
1958	6.10	8.99	3.00	29.1
1957	6.46	8.79	2.80	29.7
1956	6.55	8.44	2.50	31.8
1955	5.96	7.50	2.20	31.6
1954	4.72	6.04	2.00	29.4
1953	3.85	5.05	1.80	29.9
1952	3.71	4.85	1.60	31.1

In the face of adverse market conditions prevailing since 1956, Longview's earnings have shown some decline. However, when this record is compared with those of companies operating in the same product areas, Longview's excellent performance stands out. Of the companies operating in the same product areas, only one (the largest company in the paper industry) has been able to do better on an earnings per share basis and this did not occur until 1961 results were included. Rising depreciation charges which have more than doubled since 1955 have kept cash earnings at a high

level even though net earnings have declined. The quality and stability in Longview is further evidenced by its ability to consistently increase its dividend in a period when some paper companies have had to cut theirs and many others only maintain a constant payout.

Since the company enjoys a leading competitive position in an industry growing at a rate substantially better than average and operates in a market area that promises to grow at a rate above the national average, its future appears very promising. Because the company is generally not well known among investors and because of a thin trading market, Longview common usually sells at a lower multiple than other paper stocks. However, the stock of this debt-free, progressive company is of institutional quality and offers excellent long term value for those who can accept the risk of limited marketability which exists at this time.

In the Over-the-Counter Market, Longview is quoted at 80-83, this being only 15 times estimated 1962 earnings of \$5.40 per share.

LESLIE GOLDSTEIN

Analyst, Blair & Co., Inc., N. Y. City
Members New York Stock Exchange

Rapid-American Corporation

The aim of Rapid-American Corporation is to raise the intrinsic value of its common stock. As a means of reaching this goal Rapid searches for opportunities to purchase companies which can be helped in employing their capital more effectively. Because we are an affluent nation with excess capacity in almost every area, numerous enterprises are available to which our operating philosophy can be applied. Whether capital is inefficiently administered or very profitably utilized, there is usually room for improvement. As the record shows, management of Rapid-American possesses the imagination to recognize, and the talents to exploit such opportunities. In the six years since 1955, asset value per common share has grown from \$3.74 to \$21.71, and market price has increased from 3 1/2 to 30. Although proceeding from a much higher base, future potential is regarded as promising.

The one key to Rapid's outstanding success is its unusual attitude towards the purchase of companies. Many acquisitive concerns prefer to purchase companies at low or distress prices and are often surprised at subsequent poor performance. Discontented management lacks incentive to produce. By paying a fair price when it acquires a company, Rapid tries to assure satisfaction and further motivates management and labor through stock options and profit sharing plans. Rapid has grown because the business and management concepts it brings to a situation serve to enhance basic values. To further benefit Rapid-American's common stock, leverage is utilized to the maximum extent feasible.

Rapid's interests today are in companies which directly and indirectly serve the consumer. These



George Eustis



Leslie Goldstein

This Week's Forum Participants and Their Selections

Longview Fibre Co. — George Eustis, President, George Eustis & Co., Cincinnati, Ohio. (Page 2)

Rapid - American Corp. — Leslie Goldstein, Analyst, Blair & Co., Inc., New York. (Page 2)

consist of (a) American Merchandising, a mail order concern; (b) Alan Jay-Clarolyte, a children's toy manufacturer; (c) Cellu-Craft Products, a flexible packaging outfit; (d) Citrus Products Division; (e) Children's Wear Division. Rapid Electrotape, a printing plate manufacturer, and American Art Works, a metal and plastic sign producer, are engaged in consumer advertising services. Operating divisions account for 45% of total assets, and an investment of almost two million common shares of McCrory Corporation, a major retail merchandiser, accounts for 55% of assets.

Rapid's many and varied methods for achieving asset growth could be illustrated by a brief history. The major goal in 1956 was to expand the \$3 1/2 million equity base. This was achieved through the purchase in 1956-57 of American Colortype for \$9.3 million, primarily with debentures and notes. Rapid sold-off various divisions generating substantial cash and taking profits of \$3 million over cost. By the 1957 year-end, shareholders' equity had increased to \$7.6 million.

Late in 1956, Rapid's studies indicated that an advantageous area for improvement of capital utilization was the retailing industry which was and still is suffering from overcapacity. Between 1957 and 1959 Rapid accumulated over 50% of the common stock of the well-managed Butler Bros. chain at a cost of \$15.4 million. Financing was accomplished by the sale of Colortype assets and further expansion of long term debt. Rapid saw an opportunity to employ even more profitably Butler's merchandising organization by expanding its franchise operations, extending the chain geographically through acquisition and more aggressive store building and convincing licensees to purchase more of their requirements from Butler's wholesale unit. In two years, Butler's earnings per share grew from \$2.74 to \$3.60 and in February, 1960, City Products Corp. purchased Butler's assets for \$49.1 million.

The corporate shell remaining was merged with McCrory-McLellan Stores (variety) and subsequently National Shirt Shops (men's wear), H. L. Green (variety), Oklahoma Tire & Supply (hard goods) and Lerner Shops (women's wear), to form the existing McCrory Corporation. Importantly, the latter two concerns were purchased primarily with long term debt which is self-liquidating through the earnings of these companies. Behind these acquisitions was a goal to form a broad line retailing enterprise with capability in every major merchandising area. Future expansion plans include one-stop shopping centers to be called McCrory Villages.

McCrory's new management team headed by Mr. James Lutz, previously with Sears, Roebuck, is introducing modern merchandising methods to McCrory. An intensive consolidation, reconstruction and revitalization program is enhancing profits. To improve store traffic and build customer loyalty, a distinct McCrory image is being created with a "Star Value" program and McCrory brand items which carry high gross margins. Merchandise lines are also being broadened. To raise

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Factors Which Could Change The Interest Rate Outlook

By George T. Conklin, Jr.,* Senior Vice-President, Guardian Life Insurance Company of America, New York City

Discerning analysis of the bond market's weaker technical position examines the Federal Reserve's role in supplying credit as freely as during a recession. Review of factors responsible for unprecedented postwar interest rate pattern contemplates possibility of the balance of payments problem causing Fed's shift toward less ease. Considered, in addition, are the abrupt reactions likely if the economy were to take off resurgingly toward full recovery. The longer bond price trend is said to offer a flat appearance within the highs and the lows range of recent years.

The postwar period has witnessed two extreme phenomena in the financial markets — the greatest bull market in the history of the stock market, starting from a period of the lowest market valuation of earnings in history and reaching the highest market valuation of earnings in history; and the greatest bear market in the history of the bond market, starting from the lowest level interest rates in our history and rising to near the upper level of interest rates over the past 80 years. Both of these phenomena derived from the same set of economic circumstances, namely, a tremendous demand for capital accompanying the great postwar catch-up expansion in output, and the fact of the postwar inflation coupled with expectations that both of these factors had become a permanent part of the economic scene. These latter expectations in turn had given rise to superficial thinking which extrapolated the trends of the postwar period into the decade of the 60's. If there is one thing that is certain in the financial markets for the 60's, it is that the experience of the 50's sets little or no precedent for the behavior of either the stock or the bond market. The performance of the stock market in the 60's cannot come close to matching its performance in the 50's, while the performance of the bond market cannot help but be much better in the 60's than in the 50's.



G. T. Conklin, Jr.

in all probability, in large degree reflected in interest rate levels of 1939 and 1960, and when assessing the future one cannot count these same chickens twice. Moreover a few outstanding economists have been questioning, for the last several years, the inevitability of inflation and more careful analysis of the price outlook is leading a growing number to place a lower level of probability on the inevitable inflation thesis. Thus in the absence of compelling evidence to the contrary, the best assumption as to the longer term trend of bond prices appears to be flat within the range of the highs and lows of recent years.

Unprecedented Postwar Interest Rate Behavior

With this as a background let us examine the behavior of interest rates since the trough of the last recession in February, 1961. In general, interest rate behavior until the latter part of 1961 was not much different from what might have been expected in a recovery from a mild recession. New issue Aa utility yields rose from a recession low of 4.30 in March, 1961, to a high of 4.75 in the summer, a much sharper than usual rise which was corrected by a decline in the Fall to a level moderately above the recession low; outstanding Aaa corporates rose from the recession low of 4.22 in March to 4.47 in the summer and then remained in a relatively flat range around 4.40—4.43 through February; U. S. Government bond yields lagged in the recovery, continuing to decline to a low of 3.73 in May; thereafter yields rose uninterruptedly to about 4.10 in February. Municipal bond yields began to rise well before the end of the recession and rose until the middle of the year, after which a gentle decline set in for the balance of the year.

Yields thus rose moderately except for an abnormal rise in the second quarter due to a bunching of offerings at that time. In the second half year municipals evidenced a distinctly declining trend, as did new issue corporates, but neither of these developments would have been considered particularly significant if a rising pattern of yields had set in in early 1962.

Beginning in February, 1962, however, any question as to the abnormal behavior of interest rates in the midst of a recovery was removed by a sharp drop in all yields — governments, corporates, municipals and mortgages.

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OBSERVATIONS...

BY A. WILFRED MAY

NEW ASPECTS OF THE STOCK MARKET INVESTIGATION

WASHINGTON — Compliance by the Congress (via the Mack Committee) with the SEC's pending request to extend from the 1962 year-end to April 3, 1963 the completion date of its Special Study of the Securities Markets, with an increase from the previously authorized \$750,000 to \$900,000 for 65 positions operating the unit, is sorely needed. In fact the Commission might well have asked, as we predict it eventually will, for a substantially greater extension. This will be required for the amassing of an unanticipated amount of needed information, its digestion, and shaping into considered conclusions and legislative proposals.

As has become evident, the spilling-over of investigated topics between the aegis of the Special Study group and the parent Commission itself has supplanted the initial expectations of the former's departmentalization and limitation ("to investigating the adequacy of the rules of the stock exchanges and the national securities associations"). In the words of Chairman Cary: "We have found that many problems are interrelated. What at first blush might be selected as being separate and distinct topics are frequently found to be so intertwined with other topics that any attempt at separation would be artificial and might well lead to arbitrary conclusions."

As the proceedings have developed, it has become evident that the Special Study Group's team of 65 staff-men will be quite permanently needed to fill the Commission's continuing dire need for manpower. Such deficiency is now relegating many needed reforms to the fringe status, following the urge for first-things-first.

Fund Ramifications

The investment companies constitute a vast area which, irrespective of the branch of the Commission bearing the responsibility, requires the gathering of further factual material followed by broad and deep analysis.

Surely the problems posed by part-time or otherwise untrained salesmen, by reciprocal activities, or by churning, as publicly cited at the Study Section's recent hearings; or the exact scale of portfolio-management charges on which 50 or so law suits have been focused; are merely scratching-the-surface superficialities. While, as we ourselves have reiterated, the

misleading of fund share buyers constitutes a major fund abuse, their misconceptions will not be eliminated through salesmen's expertise or full-time engagement (in fact, quite the reverse might well result, with accentuation of the "hard sell" via the pressure to earn a livelihood exerted on the full time salesman).

In any event, more significant for the Commission's attention, and understood to be in-the-works, are the basic fiduciary functioning of the segregated advisory or/and management organizations with their own shares publicly distributed; portfolio policies to support a misleading concept of the annual capital gain dividend via (non-investment motivated churning); the need for fuller disclosure of the investor's penalty in early disposal of shares acquired via a front-end load; definitive investigation of the fear felt in some quarters that management of investment companies in the hands of sponsoring brokerage firms per se may tempt churning; managerial techniques for enlarging the pool of assets and the remuneration therefor; et cetera, et cetera.

The gathering of the requisite material has no doubt been substantially delayed by the Commission's pervading staff manpower shortages. And, possibly exhibiting a chronic academic "extra-care" foible, the much heralded exhaustive Fund study commissioned from the Wharton School over three years ago, is still in the "soon to be available" status.

The Stock Exchange's Self-Regulation

Off the main beam, or at least non-inclusive, too, was the centering of Stock Exchange President Funston's testimony at last Friday's (May 25) hearings preceding a fortnight's intermission on his institution's enforcement of its rules and its herculean programs for qualifying, educating and training the personnel of its member organizations. While these procedural steps truly are most elaborately pursued, as with the major emphasis of the Commission's current Exchange inquiry on the role of specialists, floor traders, and odd-lot dealers; they overlook the basic trouble factor, namely, the commission-remuneration system, which along with the mania for "liquidity" gears Exchange activities to speculative in lieu of investing attitudes (as in a sort

of cleaned-up casino). For the remuneration of the registered representative is directly and wholly geared to his customers' activity. Under the no trading-no remuneration routine, the customers broker is subjected to relentless business-getting pressures, from his firm and self-generated, with his training and knowledge actually penalizing him if they call for advice to abstain from a transaction. Ancillary, the use of knowledgeable investment advice goes unrewarded, with the compensation identical with that used in a 60-second telephone tip.

Heating-Up Listed Issues

With realization that "hot issues" include many that have long been outstanding and listed, as well as new offerings, the commission system's market distortion might well be included as a subject to be covered in the Special Study of Securities Markets.

Margins and "Liquidity" Fictions

It is understood that in the SEC Study's coverage of factors affecting Exchange activity it is including the use of credit and margin policy centering on the 1934 Act's Section T. Such survey should encompass the basic and objective determination of the functions of market credit.

The market's current bust, entailing a flood of margin-call selling, demonstrates that credit-promoted "liquidity" accelerates market deflation as well as inflation.

Included also should be inquiry into the widely accepted claim that credit, with its fillip to market "liquidity," serves the constructive economic purpose of providing new capital to industry (overlooking the fact that from 25-30% of new corporate common stock issues have, in recent years, been sold for the account of existing shareholders in lieu of supplying fresh corporate capital).

Spill-Over to Options

In the Stock Option question, too, spill-over from compartmentalization of the study occurs. Its fillip to the corporate manager's incentive for raising the stock market's pricing of his company's stock and, also possibly as has been charged, the deflationary impact on the stock market price through the optionees' cashing-in of their capital gain, bring the option within the purview of the Special Study's concern with factors generally distorting market pricing.

Also is the option qualified for inclusion in Proxy reform and in consideration of registered companies' annual reporting obligations under form 10-K, in the light of its unsatisfactory disclosure requirements.

The Option is now existing in a completely anomalous proxy information situation, with a set of relatively complete disclosure requirements imposed on registered public utility holding companies, while the Commission's rules concurrently applicable to all other companies are inadequate. In the regulatory area as distinct from disclosure, the Commission also operates on a double standard in limiting, as in the case of Middle States Utilities, to 25% the granting of options to existing officers, and in providing that no one person may obtain options for shares having an exercise price exceeding 150% of his regular annual cash compensation.

But in the regulatory sphere, the inconsistency is necessitated by the statutory situation where the SEC's activities are limited to the registered Utility Holding companies, with its rule-making powers over the general run of companies confined to disclosure procedure. This all adds up to confirming the Commission's obligation to provide uniform disclosure rules for all corporate categories.

Incidentally, in any event the Commission could and should, contrary to its procedure demonstrated in the Middle States and Middle South Utilities cases, bar the "heads-I-win-tails-you-lose" Reset privilege; that is—practically to assure compensation, by lowering the option's exercise price if and after the market price has declined (the Commission's excuse being that this is permitted by Section 423 of the Tax statute).

Unfinished Business On "The Curb"

Also exemplifying the emergence of unanticipated ramifications of the investigation, which was initially centered in the activities of specialists and floor traders, as with the American Stock Exchange, so well publicized earlier this year, is the Commission's own oft-stated purpose to apply the existing listed type of regulation to the over-the-counter locus. Thus there is, or should be, brought on the Study's agenda the long-continuing status of the issues still enjoying *unlisted trading privileges* on the American Stock Exchange.

This anomaly under SEC regulation of Exchanges has existed over the quarter century since the enactment of the Securities Exchange Act of 1934. The framers of the Act and the Congress considering the legislation were faced with the dilemma posed by the previous long-time existence on the American Stock Exchange (nee "the Curb"), of 800 of its issues enjoyment of "unlisted trading privileges." These issues had been brought on to the Exchange without action by the managements, who therefor assumed none of the listing obligations and, therefore, presumably might not submit to the "corporate" provisions of the pending legislation. These covered fiscal reporting proxy substitution, and insiders' transactions.

Faced with the Hobson's choice of granting those managements exemption from their responsibilities, or depriving the innocent stockholders of their Exchange privileges, the Congress, following a Study by the SEC, granted these securities a "temporary" exemption pending a few basic provisions and further study and consideration.

Currently, 27 years after, 206 issues, generally unidentified, are enjoying Exchange privileges with exemption from the SEC's or the Exchange's listing requirements. Although the Amex's Levy Committee of self-reform last January proposed the delisting of non-complying issues after a 2-year grace period, action has been thus far "ducked" by the Exchange authorities.

Lengthy Agenda

Other questions will be occupy-

ing the Study Group and/or the permanent Commission staff as in the formulation of recommendations, in some cases importantly based on questionnaires. They include investment advisory activities, broker-dealer functioning, brokers' back-office management practice relevant to safe-keeping (as distinguished from the margin activities under Section T, which are getting long-term consideration by the Commission and the Federal Reserve Board)—all of which add up to an extension of the Commission's reform preparation time; beyond 1962—and '63 too.

SEC AND THE BUST

What is the responsibility of the SEC's inquiry for the violent bear market? is a \$64 question in both Washington and New York. "The Securities and Exchange Commission hearings hurt the market," Stock Exchange President Funston explained after Monday's epochal crash.

The historical record, perhaps governed by the market's preceding behavior, indicates lack of such correlation.

In 1908, following the previous year's epochal "panic," the appointment of a commission to determine the advisability of the state legislature's "taking over" the New York Stock Exchange occurred in the context of a market rise lasting until November, 1909. The Pecora investigation of the Stock Exchange which took place from January, 1933 to July, 1934, occurring after the post-1929 market collapse, was immediately followed by a 120% market rise lasting until March, 1936. The next major market inquiry presided over by Senator Fulbright in March, 1955, came after a six-year market rise; and was followed by further rises until 1957, then a sizable reaction, followed by another rise of 80% reached in late 1961.

Perhaps the present "Study" will serve to remove, semi-permanently, the inflationary bloom from the market—at least in the "Hot Issue" sector. In the latter case, this could in time result in a long-term shift in confidence to the investment-grade sector of issues, including the Blue Chips.

In any event, the pitfalls highlighted in this investigation, should serve to lessen future market booms—and their busts. (Perhaps the public will even be educated to the fact that "the Market" should not be played as a Numbers Game.)

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Convertibles With Their Tops Down

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

Comment on the attraction of convertible bonds in today's market, and on certain selected issues, which have drifted down into an interesting price range.

The praises of convertible bonds have been sung for decades, and this financial hybrid has never been more popular than it is today. First introduced in railway obligations, it has become a basic financial tool for our great utilities, American Telephone, Consolidated Edison, General Telephone, and Baltimore Gas; honored among such petroleum giants as Standard of Indiana, Phillips, Sinclair and Union Oil; and favored by such renowned enterprises as Bethlehem Steel, Colorado Fuel & Iron, Dow Chemical, Olin Mathieson, W. R. Grace, Smith Corona Marchant, Armour, Macy's, Litton, etc. In 1961, out of new bond issues totaling \$5 billion, about \$750 million were "converts."

The Virtues of "Converts"

The standard virtues of "converts," from the standpoint of the issue, are (1) lower cost of financing (a convertible pays less interest than a straight debenture and is much easier to sell), (2) interest charges are a deduction from profits, not a taxable distribution of net, (3) opportunity to sell common, in effect, at 10% or more above its current market price, (4) attraction of institutional buyers, who might never buy the stock by itself.

For the investor, the classic convertible virtues include, (1) the "two way stretch," (2) holding a superior investment with protected income, while waiting for a stock to go up, (3) superior defense in declining markets, (4) excellent marketability and high collateral value, (5) a safer way to speculate. Ideally, investors want to buy a convertible bond at a price as close as possible to the price the bond would command, without any share privilege; but in "hot" markets investors will pay big premiums for issues with "action." That happened in 1961, when American Telephone 4½s of 1973 sold as high as 395, Avco 5s of 1979 at 241, Bethlehem Steel 4½s of 1974 at 158¼, Dow Chemical 3s of 1982 at 199, Detroit Edison 3s of 1971 at 214½, and Macy 5s of 1977 at 236½. Compare these highs with current prices, and you'll see how we got the title for today's article—"convertibles with their tops down."

Favorable Price Ranges

The price erosion in these issues and in dozens of others that have been selling at lower altitudes, has brought a flock of "converts" down into a range where they might well be considered, today, as vehicles (1) for salting away and pinning down realized profits, (2) for higher incomes than many quality stocks yield, (3) for defense against a declining market, and (4) as an excellent speculative launching pad, if the market turns around. Below is a shopping list, offered without a whisper of recommendation or endorsement, but designed to outline the values now available (prices of closing May 25, 1962):

The list is a random selection

Issue and Interest Rate	Due	Conversion Price	Bond Price	Value as a Straight Debenture
American Distilling 4½s	1986	47½	104¼	90
Armour 4½s	1983	58	104	89
American Optical 4.40s	1980	59.05	111½	96
Boeing 4½s	1980	50	104	87
Cenco 4½s	1976	55	102	92
Cerro 5½s	1979	41.79	107½	89
Haloid Xerox 4½s	1981	105	134½	96
Litton 3½s	1987	160	101	82
Olin Mathieson 5½s	1983	50	108½	101
Standard Oil (Indiana) 3½s	1982	46	98	86½

from well over 200 actively traded "converts." It will give you some idea of the quality of issues, the diversity, and the range of yields available among issues selling at not too gaudy premiums over investment valuations. Moreover, all of these issues are related to active stocks, stocks that might perform with animation, if the Dow Jones average starts heading for 740 again.

Individual Comment

Commenting, individually, American Distilling's earnings have been in a steady upturn for eight years, with dividend increases in each of the past four years. We would expect earnings per share of around \$2.85 on the common, this year. American distilling "converts," yielding around 4.10%, seem to provide considerable investment serenity and a hopeful call on an upgrading stock.

American Optical is a renowned company in optics and lenses, with a highly respected research organization. The bonds are down from 1961 highs of 133%. This is a quality issue in a well managed company, with the common at 57¼, quite near the conversion rate of 59.05.

Armour is the leader in the packing field, and the company has been favored for its rising earnings trend and aggressive management. The current yield on the 4½s at 104 is 4.32%, and the stock, in the right market climate, could become an animate performer.

Boeing is one of the most famous names in aviation, and its jets are the major commercial air transport of the world. In missile and space technology, Boeing is among the top prime contractors. Although Boeing's big bomber contract is still bouncing around the halls of Congress, the company is a solid earner in other categories, and is definitely in the main stream of our defense program. Both the stock and the bonds have been speculative boardroom favorites. The 4½s, down from 132¼ in 1961, seem to offer a valid value.

Cenco Instruments is a very well managed and a rapidly growing company. Its main business is the manufacture and sale of scientific instruments to school and university laboratories. The company has expanded both internally and by merger. Its common attained a high price/earnings ratio on the basis of a most attractive growth rate, but slid along with the glamor stocks this year, from 68 to a low of 35½. The conversion at 55½ looks a bit remote, at the moment, but the stock has shown it can move rapidly under favorable circumstances.

Cerro is cited for its current yield of a little over 5% at 107½. Conversion is quite a way off, but the common did sell at 44¾ last year. The company is one of the largest copper producers, and has, in the offing, the returns from a big ultra modern cement

plant, new being completed near Albany, N. Y.

Haloid Xerox 4½s (now Xerox Corporation) are cited because they are the obligation of one of the fastest growing companies in the exciting "copy" industry, with a quite superior product. Earnings increased 100% last year and continue at an extraordinary rate, this year. A feature here is that the 4½% bond, at 134½, offers a much better yield than the common at 113¼, paying \$40. So, if you like Xerox, the "converts" offer, in some ways, a preferable speculative vehicle.

Litton 3½s look quite interesting, at around par. The company is a gifted electronic enterprise, that has made the "big time." Growth rate is impressive, and the subject common has just been split, two for one, which might liven the "action" in these "converts."

Olin Mathieson 5½s have a current yield of about 5%, and the company has the capacity to improve its earnings on the subject common stock. Of the issues on the list, Olin sells closest to the intrinsic investment value.

Standard Oil of Indiana 3½s are selected as a blue chip "convert," the obligation of one of our great corporate leaders. At a price below par, the protection on the down side should be excellent, and the common stock, under fairer skies, could easily sell again at or above 55.

Be on the Lookout for Newcomers

We couldn't begin to cover the field, but we did attempt selection

of issues, which have declined to interesting buying levels, and might, in some instances, bounce back at a lively rate. Ahead, in 1962, there will be dozens of new "converts" coming on the market, which you should watch for. For example, Air Reduction will enter the field for the first time, with an issue now in registration. The things to seek are a dynamic company, an acceptable yield rate, and a market price that, hopefully, does not include more than a 10% premium for the conversion privilege.

The only categories of municipal bonds sales that showed decreases from 1960 were those for public housing and unclassified projects. By type of issue, general obligation bond sales increased 23% over 1960 and revenue issues showed a 15% increase.

A breakdown of total municipal bond sales by states again shows that California governmental units were ahead of the nation with sales of over \$1.3 billion, or 16% of total sales. New York also had sales in excess of \$1 billion. These two leaders were followed by Illinois with sales of \$424 million, Texas with \$420 million, Kentucky with \$413 million, and Pennsylvania with \$404 million.

In a separate breakdown of elementary and secondary school bond sales, by state, California again is the leader with sales of \$516 million to finance education. New York was second with sales of \$281 million in this category, followed by Pennsylvania with \$199 million and Illinois with \$184 million.

Judging from preliminary indications, it appears that 1962 bond elections will involve a substantially higher dollar volume than in 1961. As of January, 1962, the dollar volume of bond elections definitely scheduled for 1962 exceeded \$1.8 billion, or about 25% more than were scheduled in January of 1961.

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Tax-Exempt Bond Market

By DONALD D. MACKEY

During most of the past week, the market for state and municipal bonds showed gradual improvement. From the sell-off suffered two weeks ago the market had made a workmanlike comeback. The king-sized Illinois and New York State issues were priced at from 10 to 15 basis points better than the prevailing rates and they were apparently well placed. Other issues of lesser importance were relatively well priced and they, too, met with hearty investor welcome.

Moreover, the long-term dollar quoted issues emerged from their rather drastic price corrections in a substantial sort of way. Some of these high coupon issues had sold down as many as 4½ points but the rebound has involved about half of this amount. As an example, we mention the recent market action in Florida Turnpike 4½s. They reached a high quote of 109½-110 early in May. By May 22, they had sold off and were quoted 105-105½. On Monday of this week (May 28) they were improved to 107-107½.

Although stock market ease had been a favorable bond market factor during the early part of 1962, by May the incessant pressure on stocks inevitably had a negative effect on a municipal bond market that had been gradually over-priced. The sell-off in bonds was brief but sharp and the correction, although costly to some, was literally a wholesome market set-back for it placed tax-exempts again in more favorable investor perspective.

Affected by Drooping Stock Market

On Tuesday, May 29, with the drastic sell-off in the stock market, tax-exempts came under heavy selling pressure again. The dollar quoted issues began to lose ground as the session wore on and by the close many of these issues were quoted down as much as two points. The selling, it is reported, largely derived from investors seeking cash or liquidity in connection with their stock dealings.

With state and municipal bond inventories generally higher than normal, and with the level of tax-exempt bond prices higher than it has been for a few years, this category of investment was almost immediately vulnerable to this formidable financial disturbance. According to the *Blue List* of state and municipal bond offerings, visible dealer inventories total \$588,755,600 as of May 29. The high point of offerings was about \$638,000,000 as of a few weeks back. The norm has been less than \$500,000,000.

Yield Index Reflects Price Cuts

The *Commercial and Financial Chronicle's* state and municipal bond yield index shows the market off moderately since last reporting a week ago. The average yield derived from preselected 20-year high grade general obli-

gation bond offerings is 3.057%. A week ago this yield averaged 3.03%. The dollar sell-off represented is about three-eighths of a point.

However, since state and municipal bond indexes are averaged from the offering side of the market, this week's average yield does not fully represent the selling impact that the market is presently absorbing. In an upset market, such as the current one, markets widen as bids are reduced. It is inevitable that bonds offered in terms of basis relatively lag behind in an easy market.

Dollar Bonds Off

In the dollar quoted area of the state and municipal bond market the *Commercial and Financial Chronicle's* revenue bond index more sensitively portrays the present market circumstance. Today, as the stock market confusion begins to unravel, the bids for long-term revenue bond issues have dropped back as blocks of bonds have sought a ready market in deference to depreciated equity holdings. This circumstance will persist until the stock market attains some better stability.

Our revenue bond index averages out at a 3.854% yield as we go to press. A week ago the index stood at 3.787%. This represents a dollar loss of almost a point and a half at the offered side of the market. In today's market the average spread between the bid and asked might be something more than a point.

California Issue Dominates New Issue Calendar

The new issue calendar continues to represent a moderate demand on dealer underwriting potential. Through July the tentative schedule as well as the schedule of advertised new issues totals only about \$460,000,000. The largest single issue on the calendar continues to be \$100,000,000 State of California bonds scheduled for June 17.

Notable issues in the tentative schedule category include \$21,000,000 Los Angeles, Calif. school district bonds and \$23,000,000 Memphis, Tenn. bonds to be sold on July 10.

Recent Awards

The municipal calendar for the past week due chiefly to the Memorial Day Holiday has been the lightest of the year to date and totaled but \$82,183,000 of bonds. However, rarely a week goes by that there is not a handful of flotations of a general market nature which are worthy of brief comment. Below we are describing issues which fit into this category.

The largest loan of the week consisted of \$10,000,000 Salt River Project Agricultural Improvement and Power District, Arizona general obligation (1965-1994) bonds sold on Thursday, a week ago. The issue was awarded to The First Boston Corp. group after very close bidding. The winning bid designated a 3.3499% net in-

terest cost and just nosed out the runner-up bid of a 3.35% net interest cost which was made by the Harris Trust and Savings Bank and Associates.

Included as majors in the winning group are Shields & Co., Kidder, Peabody & Co., Mellon National Bank & Trust Co., White, Weld & Co. and J. A. Hogle & Co. The bonds were offered to yield from 2.05% in 1965 to 3.55% in 1993 and the 1994 maturity carried a 1% coupon and was offered at a 4.00% yield. Demand for this well regarded bond was immediate, with the commercial banks large buyers of the earlier maturities and casualty companies making excellent inroads into longer bonds. As we go to press a balance of \$1,830,000 remains in account.

Also last Thursday there were awarded \$2,600,000 State of Maine, State Teachers' College (1966-1992) bonds. The Northern Trust Co. at a net interest cost of 2.9982%. The second bid, designating a 3.037% net interest cost was made by The First Boston Corp. group. The bonds were scaled to yield from 1.90% in 1965 to 3.15% in 1990. The last two maturities (1991-1992) carried a 1% coupon and were sold pre-sale.

General interest in this "Museum Piece" issue was good with the present balance \$600,000. It is refreshing to see one of our states rewarded in terms of interest cost for its care in fiscal management and its moderate capital programming. There are no king-sized financial problems or king-sized bond issues in Maine.

Warren Consolidated School District, Mich. sold \$2,980,000 bonds due 1963-1987 to the syndicate headed by Braun, Bosworth & Co. at a net interest cost of 3.5074%. The second bid, a 3.565% net interest cost, was made by Phelps, Fenn & Co. Other members of the winning syndicate include Blyth & Co., Inc., John Nuveen & C., Hornblower & Weeks and J. C. Bradford & Co. The bonds were offered to yield from 1.80% to 3.75%. Initial demand for this yield bond was good with the present balance only \$250,000.

Monday (May 28) the group headed by Lehman Brothers won the \$4,500,000 Metropolitan St. Louis Sewer District (Coldwater Creek Trunk Suburban District) revenue bonds due 1964-1992 at a net interest cost of 3.6233%. The second best bid was by the F. S. Smithers group at a 3.63% net interest cost. Other members of the winning group include Phelps, Fenn & Co., R. W. Pressprich & Co., Weeden & Co. and Ira Haupt & Co. The bonds were reoffered to yield 2.00% in 1964 to 3.75% in 1992. At the close of business on Tuesday the unsold balance was \$915,000.

The Santa Barbara High School District, Calif. sold \$3,400,000 due 1963-1987 on Monday to the First National City Bank of New York on its bid of 3.0452%. Other members of the winning syndicate were Mellon National Bank and Trust Co. and F. S. Smithers & Co. The securities were reoffered to yield 1.55% in 1963 to 4.00% in 1987. The second bid figuring a bid of 3.05% was entered by The Bank of America N. T. & S. A. group. As we go to press the unsold balance is \$2,579,000.

Tuesday's largest sale was \$7,000,000 Norfolk, Va. general improvement and water (1963-1985) bonds which were awarded to the group managed jointly by Morgan Guaranty Trust Co. of New York-Kuhn, Loeb & Co. and Glore, Forgan & Co. at a net interest cost of 3.2105%. The next best bid was entered by The Chase Manhattan Bank group at a bid of 3.21492%. Other members of the winning group include Drexel & Co., Carl M. Loeb Rhoades & Co., Wertheim & Co., Ira Haupt & Co. and American Securities Corp. The bonds were reoffered to yield from 1.70% in 1963 to 3.40% in

1985; the demand for this issue was good with about 90% of the bonds sold.

Equity Market Better

As we near press time the stock market has been turned about and substantial buying interest has lifted most stocks well off the

bottoms made early Tuesday. With this pressure temporarily relieved the depressed dollar quoted sector of the state and municipal bond market has shown considerable improvement. Firm markets now prevail at prices considerably better than the openings.

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 31 (Thursday)			
Chester City School Authority, Pa.	2,100,000	1963-1987	8:00 p.m.
Robbinsdale Ind. SD, #281, Minn.	1,050,000	1964-1991	4:00 p.m.
June 1 (Friday)			
Marym't College, Los Angeles, Cal.	1,000,000	1965-2002	10:00 a.m.
Valparaiso Univ., Valparaiso, Ind.	1,785,000	1964-2001	10:00 a.m.
Washington Univ., St. Louis, Mo.	2,810,000	1964-2001	2:00 p.m.
June 2 (Saturday)			
Alabama, University of	1,555,000	1964-2001	2:00 p.m.
June 4 (Monday)			
Auburn University, Auburn, Ala.	2,175,000	1965-2002	11:25 a.m.
Louisiana State University	2,735,000	1964-2001	11:00 a.m.
Ripon College, Board of Trustees, Wisconsin	1,635,000	1963-2000	10:00 a.m.
Riverside City H. S. Dist., Calif.	1,600,000	1963-1982	10:00 a.m.
June 5 (Tuesday)			
Alcoa, Tenn.	2,750,000	1963-1982	2:00 p.m.
Appleton, Wis.	1,644,000	1963-1975	2:00 p.m.
Brooklyn Park, Minn.	4,150,000	1964-1983	8:00 p.m.
Dearborn, Mich.	1,850,000	1963-1992	8:00 p.m.
Florida State Bd. of Education, Fla.	7,250,000	1963-1982	10:00 a.m.
Hillsborough County Special Tax School District No. 1, Fla.	5,000,000	1964-1981	2:00 p.m.
Lowell Area Sch. Dist., Mich.	1,100,000	1963-1988	7:30 p.m.
Maricopa County, Ariz.	11,200,000	1963-1973	11:00 a.m.
Mount Vernon City Sch. Dist., N. Y.	7,200,000	1963-1991	11:00 a.m.
Passaic, N. J.	1,745,000	1962-1991	11:00 a.m.
Paterson, N. J.	3,791,000	1962-1991	11:00 a.m.
Richland-Lexington Airport Dist., S. C.	2,700,000	1963-1982	Noon
June 6 (Wednesday)			
Culver City Unified S. D., Calif.	2,750,000	1963-1982	9:00 a.m.
Davenport, Iowa	1,400,000	1965-1978	6:45 p.m.
Glencora Unified Sch. Dist., Calif.	1,448,000	1963-1982	9:00 a.m.
Lake Worth, Fla.	1,800,000	1965-1988	11:00 a.m.
Long Beach, Calif.	1,535,000	1964-1987	10:00 a.m.
Mobile Co., Ala.	3,996,000	1955-1990	10:00 a.m.
Prairie du Sac, Merrimac, Sauk City, etc., Joint Sch. Dist., Wis.	2,000,000	1963-1982	1:00 p.m.
Scituate, Mass.	1,080,000	1933-1981	11:00 a.m.
South Redford Sch. Dist., Mich.	3,500,000	1963-1987	7:30 p.m.
Spokane, Wash.	3,513,000	1964-1987	10:00 a.m.
Springfield, Mo.	6,750,000	1965-1987	11:00 a.m.
Strongsville City Sch. Dist., Ohio	1,450,000	1963-1985	Noon
University of Massachusetts Bldg. Authority, Boston, Mass.	2,200,000	1963-1987	11:00 a.m.
June 7 (Thursday)			
Albuquerque Sch. Dist., N. Mex.	3,200,000	1963-1967	10:00 a.m.
Huntington & Smithtown Union Free S. D. No. 10, N. Y.	5,067,000	1963-1991	3:30 p.m.
Marion County, Ind.	4,000,000	1963-1982	1:00 p.m.
Oxford, Preston etc., Central Sch. District No. 1, N. Y.	1,165,000	1963-1991	2:00 p.m.
Rocky Hill, Conn.	1,230,000	1963-1982	11:30 a.m.
Will Co. Twp. H. S. D. No. 205, Ill.	2,500,000	1966-1978	8:00 p.m.
June 8 (Friday)			
College of the Holy Cross, Bd. of Trustees, Worcester, Mass.	1,997,000	1964-2001	10:00 a.m.
Michigan State University of Agriculture & Applied Science, Western Washington State College, Bellingham, Wash.	4,000,000	1971-2001	-----
	1,800,000	1964-2001	10:00 a.m.
June 9 (Saturday)			
Seattle Pacific College, Seattle, Wash.	1,765,000	1964-2001	10:00 a.m.
June 11 (Monday)			
Detroit S. D. Employees Retirement System, Mich.	6,500,000	1973-1983	11:00 a.m.
Florida Development Commission	2,260,000	1963-1986	-----
June 12 (Tuesday)			
American University, Wash., D. C.	2,100,000	1964-2001	3:00 p.m.
Big Rapids Sch. Dist., Mich.	1,995,000	1966-1991	8:00 p.m.
Buffalo Sewer Authority, N. Y.	3,000,000	1967-1986	11:00 a.m.
Costa Mesa County Water D., Cal.	2,595,000	1964-1992	2:00 p.m.
De Kalb County, Ga.	13,990,000	1964-1991	Noon
East Orange County Water D. Cal.	1,900,000	1964-1985	8:00 p.m.
Hamburg Master Sanitary Sewer District, N. Y.	3,500,000	1963-1991	2:00 p.m.
Merrill, Wis.	1,680,000	1963-1982	1:00 p.m.
Monroe County, N. Y.	10,796,000	1963-1991	-----
Montgomery County, Ohio	2,205,000	1963-1982	Noon
Newfane Water District No. 4, Newfane, N. Y.	1,200,000	1963-1991	-----
St. Bernard Parish, La.	1,225,000	1965-1982	11:00 a.m.
St. Louis Co. Berkeley S. D., Mo.	1,145,000	1964-1982	8:00 p.m.
Santa Ana, Calif.	3,000,000	1964-1992	2:00 p.m.
Secaucus, N. J.	1,000,000	1963-1992	7:30 p.m.
Spring Valley Sanitation D., Calif.	1,680,000	1965-1992	11:00 a.m.
Summit, N. J.	3,465,000	1963-1982	8:00 p.m.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1982	3.40%	3.25%
*Connecticut (State)	3¾%	1981-1982	3.25%	3.10%
New Jersey Highway Auth., Gtd.	3%	1981-1982	3.10%	2.95%
New York State	3¼%	1981-1982	3.15%	3.00%
*Pennsylvania (State)	3¾%	1974-1975	2.85%	2.70%
Delaware (State)	2.90%	1981-1982	3.05%	2.90%
New Housing Auth., (N.Y., N.Y.)	3½%	1981-1982	3.10%	3.00%
Los Angeles, Calif.	3¾%	1981-1982	3.40%	3.25%
Baltimore, Md.	3¼%	1981	3.10%	2.95%
Cincinnati, Ohio (U. T.)	3½%	1981	3.15%	3.00%
Philadelphia, Pa.	3½%	1981	3.35%	3.25%
*Chicago, Ill.	3¼%	1981	3.30%	3.20%
New York, N. Y.	3%	1980	3.30%	3.20%

May 29, 1962 Index=3.057%

*No apparent availability.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

University of Buffalo, Buffalo, New York	2,830,000	1964-1991	3:00 p.m.
Victoria, Tex.	5,000,000	1963-1984	10:00 a.m.
Washington Clay Jr. H. S. Bldg. Corp., Ind.	1,305,000	1936-1984	11:00 a.m.
June 13 (Wednesday)			
Greenville - Spartanburg Airport District, S. C.	2,160,000	1963-1991	Noon
Islip Union Free S. D. No. 12, N. Y.	7,487,000	1963-1992	11:00 a.m.
Mobile, Ala.	1,700,000	1965-1993	10:00 a.m.
Tulsa County Sch. Dist. 1, Okla.	4,000,000	1964-1977	10:00 a.m.
Wisconsin State Colleges Building Corp.	7,250,000	1964-2001	10:00 a.m.
June 14 (Thursday)			
Buffalo, N. Y.	9,663,000	1963-1976	11:00 a.m.
California (State of)	100,000,000	1964-1988	10:00 a.m.
New Haven, Conn.	9,480,000	1964-1982	11:00 a.m.
Northfield-Macedonia Local School District, Ohio	1,200,000	1963-1982	1:00 p.m.
Shore Regional High S. D., N. J.	2,218,000	1963-1985	8:00 p.m.
June 15 (Friday)			
Louisiana State Bd. of Education (Baton Rouge)	1,600,000	1964-2001	11:00 a.m.
Univ. of Kansas, Lawrence, Kansas	1,950,000	1965-2002	10:00 a.m.
June 18 (Monday)			
Oak Park, Ill.	1,050,000	1964-1990	8:15 p.m.
June 19 (Tuesday)			
Agricultural & Mechanical College of Texas	1,425,000	1965-2002	10:00 a.m.
Ball State Teachers College	1,465,000	1933-1932	10:00 a.m.
Dade Cty. Metropolitan Comm., Florida	3,250,000		
Orange Indep. Sch. Dist., Texas	1,600,000		
Orangeburg, S. C.	2,500,000		
St. Charles, Mo.	1,100,000		
June 20 (Wednesday)			
Alaska (State of)	6,929,000	1963-1982	9:30 a.m.
Connecticut (State of)	50,800,000		11:00 a.m.
June 21 (Thursday)			
Harwich, Mass.	1,400,000		
June 26 (Tuesday)			
Houston Indep. Sch. Dist., Texas	12,500,000		
June 27 (Wednesday)			
Dallas Ind. S. D., Tex.	10,000,000		
Georgia State Highway Auth., Ga.	15,000,000		
Houston, Texas	4,000,000		10:00 a.m.
June 28 (Thursday)			
New Richmond Exempted Village S. D., Ohio	2,500,000		
July 10 (Tuesday)			
Los Angeles Sch. Dist., Calif.	21,000,000		
Memphis, Tenn.	23,000,000	1963-1992	
July 12 (Thursday)			
Washington Local Sch. Dist., Ohio	2,400,000		
July 17 (Tuesday)			
Lafayette, La.	2,500,000		
August 7 (Tuesday)			
Los Angeles, Calif.	7,250,000		
West Allis, Wis.	2,880,000		
Sept. 1 (Saturday)			
Jacksonville, Fla.	7,650,000		

The Treasury is not expected to be in the market again to do a major operation until the new fiscal year is under way, and it is believed that the new funds which will be obtained in early July will be raised almost exclusively in the near-term sector of the market. However, this is not having any important effect on short-term obligations. Issues that will appeal to corporations and the deposit banks will have to be short, since this type of buyer is not interested at this time in making commitments in other than this kind of security. These institutions should provide the bulk of the new money which will be obtained by the Treasury.

Sales of selected corporate and tax-exempt bonds by pension funds have tended to take some of the edge off the market for these obligations. The proceeds from these sales, according to advices, are being reinvested mainly in mortgages and selected Government bonds that give a satisfactory yield, as well as certain new issues of corporates.

No Change Indicated in Short-Term Yields

The money and capital markets continue to attract investors even though there are signs of hesitation on the part of some buyers who in the past were not too much concerned with the general level of these markets. The new commitments which are being made in short-term Government obligations are on the strong side in spite of the reports that some of the foreign positions in the most liquid Treasury issues are being allowed to run off.

Nevertheless, there are no indications that there will be any important alterations in the yields

of short-term issues even though the Treasury will be using this sector of the market for the new money raising which will be necessary in the very near future. It is indicated that a good deal of the slack in the short-term Government market is being taken up through the putting of funds into these obligations which have come out of the common stock market.

Pickup in Loan Demand Expected

The long-term capital market appears to have been effected by the caution which has developed in the tax-free market. The demand for loans is not materializing as had been expected, and there is some talk that a cut in the prime bank rate might have been in the cards under more normal conditions. Obviously, there is no shortage of funds for loaning purposes. However, because a pick-up in the demand for loans is looked for in the fall, there is not likely to be any change in the prime bank rate. For this reason, purchases of tax-exempt issues by commercial banks is not expected to be as vigorous as it has been in the not too distant past.

Corporate Bond Financing Prospects

The corporate calendar is not likely to increase very much with the passage of time, hence the demand for these bonds from pension funds and the other income-minded investors should be enough to pretty well take care of the new offerings as they come along. Whether the yields on the new issues will remain in the present area or move down somewhat—or even advance a bit—will depend in no small measure upon the trend of business, which is still advancing. However, there are

more than a few opinions around that the defensive and uncertain tone which has been in evidence in the equity market could be casting more than shadows over the future course of economic conditions.

Because there are limited and conditioning factors which are tending to create a measure of caution in both the bond and stock markets, it seems as though it would not be unexpected if both of these markets were to be undecided until some of these uncertainties have been resolved. As solutions are being worked out for these problems it seems as though the demand for short-term Government obligations will continue to be sizable, since this is where funds that need to be liquid will be put to work. The uncertain international situation also will not be unfavorable as far as short-term issues are concerned.

Frank Named Vice-Chairman of NYSE Board

Walter N. Frank of Marcus & Company has been elected Vice-Chairman of the Board of Governors of the New York Stock Exch. He succeeds George F. Hackl, Jr., of Laird, Bissell & Meeds, the former Vice-Chairman, who retired from the Board this month upon completion of two successive terms as a Governor.

Mr. Frank has been a member of the Board of Governors since 1959 and was re-elected to a three-year term earlier this month.



Walter N. Frank

NEW ISSUE

May 29, 1962

\$15,000,000

Copenhagen Telephone Company, Incorporated

(KJØBENHAVNS TELEFON AKTIESELSKAB)

(A Danish Company)

5 5/8% Sinking Fund Dollar Debentures due June 1, 1977

Dated June 1, 1962

Due June 1, 1977

Price 96.80%

(plus accrued interest)

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

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Eastman Dillon, Union Securities & Co. Goldman, Sachs & Co. Kidder, Peabody & Co.

Incorporated

White, Weld & Co.

Dean Witter & Co.

With Harriman Ripley

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — William S. McKee is now with Harriman Ripley & Co., Incorporated, 235 Montgomery Street. He was formerly with R. H. Moulton & Company.

Shearson, Hammill Adds

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — Robert Gada is now with Shearson, Hammill & Co., 340 Sutter Street. He was formerly with E. F. Hutton & Company.

Now With Glore, Forgan

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Joseph D. Curley, Jr. is now with Glore, Forgan & Co., 111 Devonshire Street. He was formerly with Merrill Lynch, Pierce, Fenner & Smith Inc.

Janney, Battles Branch

NORRISTOWN, Pa. — Janney, Battles & E. W. Clark, Inc. have opened a branch office at 51 East Main St. under the management of Morgan P. Hunter.

New Janney, Battles Office

PHILADELPHIA, P. — Janney, Battles & E. W. Clark, Inc. have opened a branch office at 18 West Chelton Ave. under the direction of LeRoy Keeler.

Piper, Jaffray Office

RAPID CITY, S. D. — Piper, Jaffray & Hopwood has opened a branch office at 732 St. Joe St. under the management of Harold E. Anderson.

Stanton-Lewis Office

BOSTON, Mass. — Frederick Brodney is manager of the newly opened office of Stanton-Lewis & Co. at 79 Milk St.

Major Syndications

Major Syndications, Inc., is engaging in a securities business from offices at 16 East 42nd Street, New York City. Officers are Louis J. Cohen, President; Samuel Cohen, Vice-President; and Edith Cohen, Secretary and Treasurer.

With Francis I. du Pont

(Special to THE FINANCIAL CHRONICLE)

ATLANTA, Ga. — Leonard B. Shay has become associated with Francis I. du Pont & Co., 36 Edgewood Avenue, N.E. He was formerly with McNeel-Rankin, Inc.

With J. N. Russell Co.

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — Stephen E. O'Toole has become affiliated with J. N. Russell & Co., Inc., Union Commerce Building. He was formerly with L. A. Caunter & Co.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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

California Savings & Loan Associations—Review—Carl M. Loeb, Rhoades & Co., 42 Wall Street, New York 5, N. Y.

Canadian Common Stocks—Ratings and statistical data, arranged by industries—Watt & Watt, 6 Jordan Street Toronto, Ont., Canada.

Canadian Oil Pipeline—Analysis of major lines (Interprovincial Pipe Line Co. and Trans Mountain)—C. M. Oliver & Company, Ltd., 821 West Hastings Street, Vancouver 1, B. C., Canada.

Cement Stocks—Memorandum—E. F. Hutton & Company, 7616 Girard Avenue, La Jolla, Calif.

Convertibles As a Hedge During Present Market Uncertainties—Discussion—Hemphill, Noyes & Co., 8 Hanover Street, New York 4, N. Y.

Fire & Casualty Insurance Stocks—Study—Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available are reports on Texas Instruments, Missouri Pacific and Radio Corporation of America, and a memorandum on American Express Co.

First Quarter Oil Company Earnings—Report—Carl H. Pforzheimer & Co., 25 Broad Street, New York 4, N. Y.

Hawaii—Discussion of investment opportunities—Robert H. Huff & Co., 210 West Seventh Street, Los Angeles 14, Calif.

Investment Opportunities in Iowa Securities—Brochure of financial briefs on 30 Iowa corporations—T. C. Henderson & Co., Inc., Empire Building, Des Moines 9, Iowa.

Japanese Market—Review—The 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—Analysis—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y.

Leading U. S. Commercial Banks—Analysis of condition statements and net operating earnings—First California Company, 300 Montgomery Street, San Francisco 20, Calif. Also available are analyses of Bank of America, N. T. & S. A. and California Pacific Utilities,

and a memorandum on Washington Natural Gas Co.

Mutual Funds: A Statistical Summary, 1940-1961—Investment Company Institute, 61 Broadway, New York 6, N. Y.

1911 Act Improvement Bonds—Report—Hooker & Fay, Inc., 221 Montgomery Street, San Francisco 4, Calif.

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.

Railroads—Statistical estimates for 1962 and quarterly summary—Vilas & Hickey, 26 Broadway, New York 4, N. Y.

Selected Values in the Market—Report—F. S. Moseley & Co., 50 Congress Street, Boston 2, Mass.

Steel—Discussion of the industry as a new public utility—W. E. Hutton & Co., 14 Wall Street, New York 5, N. Y. Also available is an analysis of American Enka Corporation.

Television Network Broadcasting—Analysis—Bache & Co., 36 Wall Street, New York 5, N. Y.

Ward's 1962 Automotive Yearbook—Ward's Automotive Yearbook, 220 West Congress Street, Detroit 26, Mich.—\$7.50.

Air Control Products, Inc.—Analysis—Eastman Dillon, Union Securities & Co., 15 Broad Street, New York 5, N. Y.

Airtel Dynamics, Inc.—Analysis—S. D. Fuller & Co., 26 Broadway, New York 4, N. Y.

Alan Wood Steel Company—Discussion in current issue of the "American Investor"—American Investor, American Stock Exchange Building, New York 6, N. Y.—15¢ per copy; \$1 per year. Also in the same issue are discussions of John B. Stetson Company, Heli-Coil Corporation and Cutter Laboratories.

Alden—Memorandum—Aibel & Co., 120 Broadway, New York 5, New York.

Allied Chemical—Review—Lubetkin, Regan & Kennedy, 44

Wall Street, New York 5, N. Y. Also available are reviews of International Telephone & Telegraph and Jones & Laughlin Steel.

American Cement—Memorandum—Coburn & Middlebrook, Incorporated, 49 Pearl Street, Hartford 3, Conn.

American Ship Building—Discussion—Colby & Company, Inc., 85 State Street, Boston 9, Mass. Also available is a discussion of Metro Goldwyn Mayer.

American South African Investment Company—Analysis—J. C. Wheat and Company, 1001 East Main Street, Richmond, Va.

Aunor Gold Mines—Memorandum—Isard, Robertson Easson Co., Limited, 217 Bay Street, Toronto, Ont., Canada. Also available are memoranda on Moneta Porcupine Mines and Copper Rand Chibougamou.

Barry Wright—Memorandum—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 4, N. Y. Also available are data on Consolidated Foods Corp., Radio Corporation of America, E. I. du Pont de Nemours, Public Service Electric & Gas and Southern Pacific Co.

Boston Pneumatics, Inc.—Memorandum—Einiger Investors, Inc., 80 Wall Street, New York 5, N. Y.

Bowey's—Analysis—Cruttenden, Podesta & Miller, La Salle-Jackson Building, Chicago 4, Ill.

Eurlington Industries, Inc.—Memorandum—Kidder, Peabody & Co., 20 Exchange Place, New York 5, N. Y.

Cuban American Sugar—Memorandum—Draper, Sears & Co., 50 Congress Street, Boston 2, Mass.

Cummins Engine Company, Inc.—Analysis—A. G. Becker & Co., Incorporated, 60 Broadway, New York 4, N. Y.

Decca-NCA Merger—Discussion—Schweickart & Co., 29 Broadway, New York 6, N. Y.

Diamond Alkali Company—Bulletin—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y. Also available are data on the Kendall Company.

Empire Life Insurance Company of America—Analysis—Trulock & Company, Inc., 213 West Fourth Street, Little Rock, Ark. Also available is a memorandum on Vulcan Life & Accident Insurance Co.

Everglades Bank—Analytical brochure—L. C. Whitaker Company, 255 East Dania Beach Boulevard, Dania, Fla.

First National Trust & Savings Bank of San Diego—Memorandum—Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif.

Four Star Television—Analysis—Olmstead, Allen & Company, 5455 Wilshire Boulevard, Los Angeles 36, Calif.

Frito-Lay, Inc.—Analysis—Dittmar & Company Inc., 201 North St. Mary's Street, San Antonio 5, Texas.

Gamble Skogmo—Bulletin—Harris, Upham & Co., 120 Broadway, New York 5, N. Y.

W. R. Grace & Co.—Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y. Also available is a list of 37 stocks with strong asset support.

Continued on page 42

FROM WASHINGTON ... Ahead of the News.

BY CARLISLE BARGERON

In an apparent unprecedented attempt to conceal information from the public concerning U. S. Government aid to Communist and pro-Communist nations, the Agency for International Development has labeled as "classified" American assistance figures for all except Western bloc countries.

Because of the censorship on State Department plans to finance projects in Communist and "neutral" countries, members of Congress have, in effect, been asked to give the Administration a blank check for such programs. All details for spending in other countries are freely available.

The Administration is requesting \$3.378 billion for foreign assistance—exclusive of \$1.5 billion in military aid—this year. Much of it is to go to such nations as Poland, Yugoslavia and Ghana.

Rep. Durwood G. Hall (R.) of Missouri, a member of the House Armed Forces Committee, said he attempted to obtain from AID details of expenditures of American funds in Poland, Yugoslavia and Ghana.

"I believe that every American tax dollar which goes to those countries are dollars which support the Communist movement," he declared. "I regret to say that even though we read costs (and plans) in the daily news reports, all information regarding specific foreign aid recommendations for these three countries is listed as 'confidential' by the State Department; and therefore, I can't tell you the amount of money the Administration proposes to spend in Ghana, Yugoslavia and Poland."

Despite published figures concerning the amount of our assistance to be given toward construction of the Volta River dam in pro-Communist Ghana, Hall said, these same figures have been classified as "confidential" when it comes to members of Congress. The same restrictions apply, Hall said, to Yugoslavia, which is to receive unknown amounts in technical assistance, agricultural commodities and spare parts for military planes from this country. Poland also is to receive assistance in the form of agricultural commodities.

"Personally," Hall declared, "I think the American people have a right to know—so long as military security is not involved—the specific amount of funds which this government proposes to loan or give away, to all countries from taxpayers' funds. I'm sure that if these figures were declassified, there would be a strong reaction against giving American dollars to members of the Communist bloc . . . or to countries whose sympathies rest with the Sino-Soviet bloc."

But perhaps the situation was best summed up by another Republican member of the House, who said: "The New Frontier somehow believes that Nkrumah, Tito and Gomulka should know

that which the American people should not know and that all our taxpayers should pay for this doubtful privilege of being denied information."

In the meantime, it has developed that U. S. foreign aid goods are being sold to Communist countries in the open market with the approval of the Administration.

The ICA financed the importation of American concrete, asphalt and reinforcements into Cambodia. A local contractor bought them in the open market and used them in the construction of a Russian-sponsored hospital in Cambodia.

Hirsch & Co. Baltimore Branch

Baltimore, Md. — Hirsch & Co., members of the New York Stock Exchange, announce the opening of their new office in Baltimore, Md.

Located in the Maryland Trust Building, Hirsch's new branch offers complete professional investment services, individually tailored to the requirements of individuals and institutions in the growing Baltimore area. The new branch is equipped with the most modern facilities, including the new "Quotron" board.

The new Hirsch & Co. office will be staffed by LeRoy Cohen, former president of Gunther Brewing Co.; Edward Hill, formerly of the firm's New York office; Harold Smulyan and Gerald Rashbaum.

F. J. Hoffer Opens

GAINESVILLE, Fla. — Fred J. Hoffer is conducting a securities business from offices at 1930 Northwest Second Avenue. He was formerly with H. A. Riecke & Co. Inc.

Forms Ridgedale Funds

BROOKLYN, N. Y. — Joseph F. Abruzzo is engaging in a securities business from offices at 483 Knickerbocker Avenue under firm name of Ridgedale Funds Co.

Form Fulton Securities

HEMPSTEAD, N. Y. — Fulton Securities, Inc. is engaging in a securities business from offices at 91 North Franklin Street.

Officers are Seymour M. Tankleff, President; Albert S. Alexander, Vice President; and Myron C. Fox, Secretary. Mr. Tankleff and Mr. Alexander were formerly with Meadowbrook Securities Inc.

Five County Secs.

NEW HYDE PARK, N. Y. — Five County Securities, Inc. is conducting a securities business from offices at 2088 Hillside Avenue. Officers are Bernard Fleischer, President, and Herbert A. Posner, Secretary and Treasurer.

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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.

SITUATION WANTED

Attorney, Harvard Law School; LL.M. (Taxation) N. Y. U. in June. Investment Company experience. Seeks tax position with corporation, law firm, mutual fund or distributor. Box E 516, Commercial & Financial Chronicle, 25 Park Place, New York 7, N. Y.

Unexpected Decline on the London Stock Exchange

By Dr. Paul Einzig

The root cause of Throgmorton Street's unexpected decline is placed on the doorstep of management for failing to stand up to labor's excessive wage demands. Dr. Einzig explores the possibility that the government's disappointment in its wage restraint policy may bring on measures which would undercut optimistic business recovery expectations for this summer. The writer finds that the government's declining popularity has at last led to its speaking more truthfully about labor's role "in exploiting the community," and he hopes that the lesson that capital takes a very real risk made evident in the stock market decline will lead to a redefinition of "unearned" and "earned" income. He concludes that, if the alternative to cost and price inflation is deflation of profits and investment, business would be handicapped and uncertainty would prevail.

LONDON, England—The London Stock Exchange is going through a very bad period. While the gilt-edge market is moderately firm in anticipation of further bank rate reductions, and there has been a minor boom in gold mining shares, almost all other equities have been registering more or less substantial falls. This is very much contrary to expectations. Until recently it was widely assumed that, as a result of the improvement in sterling and the drastic reduction of the bank rate, there will be a period of boom which would necessarily affect equities. There is still a possibility that the summer and autumn may witness an increase in business activity. The effects of such optimistic but uncertain prospects are more than outweighed, however, by the actual facts of some very unsatisfactory declines in corporation profits.

Gloomy Annual Reports

The annual reports of some of the leading British industrial firms make very depressive reading and they hold out no hope for an improvement in the near future. The root of all the trouble is that the executives have not the guts to refuse wage demands, even though they are only too well aware that the additional cost will cut heavily into profit margins. They seem to have adopted a fatalistic attitude in face of the non-stop wage blackmail to which they are exposed by the unions and this attitude gives the unions the utmost encouragement to proceed with the wage blackmail.

While until recently it was possible for the government to claim that its policy of wage restraint was at any rate in some measure, successful the recent increase granted to dock laborers together with a reduction of their working hours which brings the total increase to something like 8%, has opened the floodgates for unfettered wage demands. All the powerful unions now realize that employers are more afraid of them than of the government.

The only way in which the government can force employers to observe the official policy of wage restraint is by creating unfavorable business conditions amidst which employers simply could not afford to pay the higher wages. Mr. Selwyn Lloyd did drop a broad hint on a recent occasion that this is in fact what the government contemplates doing. He threatened to repeat his last years' performance when in July he raised the bank rate and adopted a series of restrictive measures. This threat alone was sufficient to send cold shivers down the spines of investors and speculators. The question is, will it be sufficient to make employers feel more afraid of the government than of the trade unions? If not Mr. Lloyd may have to carry out his threat, in which case optimistic anticipations of a business recovery during the summer will prove to be without foundation.

Government Is Mustering Up Courage

At long last government spokesmen have mustered up enough courage to address some home truths to trade unions, possibly because the government's popularity in the country is at such a low ebb that Ministers feel they have nothing to lose by speaking their minds. Thus Mr. Macmillan, referring to pay claims by hospital nurses and other middle-class employees who are not in a position to blackmail for wage increases, said that some unions, arrogant with organized power, were trying to grab too large a slice of the cake. "I would suggest," he went on "that it is against these that the wrath of those who suffered a sense of injustice should turn." He said that those who are unable to secure themselves adequate wage increases might well cry out to these arrogant unions. "Before you negotiate, think of us and leave us a fair share."

If this language had been used all along public opinion would have been sufficiently mobilized against the trade unions which have ruthlessly exploited the community to make firm government action politically possible. There was, however, and there still is, an amazing degree of reluctance to denounce the greed and shortsighted selfishness of the trade unions and their nauseating hypocrisy in pretending to shed tears for old age pensioners and other depressed sections of the community while all the time they are engaged in grabbing for themselves what those sections are in all fairness entitled to receive. This orgy of hypocrisy has reached its climax when Ford workers at Dagenham staged a brief strike as a gesture of support to the hospital nurses' claim for higher pay. Yet it is precisely because automobile workers and others in a strong bargaining position have successfully blackmailed their employers into granting them undeserved wage increases, and because in spite of their high pay they do not put in more than an indispensable minimum effort that there is not enough money for granting well deserved increases to nurses and other classes left behind in the race for higher pay.

Questions Definition of Unearned Income

The one beneficial effect of the recent heavy setback on the Stock Exchange is that it has provided a much-needed reminder to make us realize that those who contribute not their labor but their capital to production take a very real risk in doing so. Yet their dividends are taxed as "unearned" incomes, while the wages of millions of workers who, under the shelter of restrictive practices, or by abusing the balance of power in their favor, are doing little or no work, have the benefit of being treated as "earned" incomes under British taxation laws.

It is indeed time to redefine the meaning of earned and un-

earned incomes. Those who are feather-bedded under restrictive practices cannot claim to have earned their wages in any sense, either from the point of view of their employers or of the community as a whole. The contributions to the national economy made by redundant workers retained under trade union pressure are equal to less than nothing. Not only do they not add anything to the productive effort but their unearned wages increase costs and prices and penalize the community, in addition to inflicting losses on their employers. It is difficult to understand why in the sacred name of reason and common sense such wages should have the benefit of being treated as earned incomes.

The prospects of equities depend on the outcome of the contest between the forces of wage inflation and the government's policies to check it. Should inflation win a decisive victory, employers will be once more in a position to add wage increases to prices. Should wage restraint prevail it would become possible to restore profit margins and the return of confidence would help a business survival. But if the struggle between the inflation of costs and prices and the deflation of profits and investment should be prolonged it would greatly handicap business and would maintain an atmosphere of uncertainty.

Form Ruidoso Secs.

RUIDOSO, N. Mex.—Ruidoso Securities Inc. has been formed with offices at 1302 Sudderth Drive to engage in a securities business. Officers are Norman R. Kramer, President; Wilford D. Horton, James J. Rogers and Richard A. Parsons, Vice-Presidents; G. Robbins, Treasurer; and G. M. Thomson, Secretary.

General Secs. & Inv.

TAMPA, Fla.—Fred L. Katz is conducting a securities business from offices at 108 East Columbus Drive under the firm name of General Securities & Investments.

THE SECURITY I LIKE BEST...

Continued from page 2

plant efficiency, storage areas have been decreased and selling area increased. More inventory is displayed and pilferage is down sharply. To improve capital efficiency, inventory turnover is being raised by greater concentration on fast moving items. Lower cost fixtures, which also improve merchandise layout, are being designed. To lift efficiency of labor and lower distribution costs, visual inventory control is being introduced, the number of non-selling personnel has been reduced, effective self-service and self-selection methods with central check-out counters have been established. Most significant is the creation of a huge and unique warehousing program which promises to lower costs of handling merchandise by millions of dollars annually.

These basic improvements in operations are expected to lift earnings to \$7 million after taxes and preferred dividend requirements in 1962 as against \$4 million in 1961 and \$3 million in 1960. Warehousing and revitalization savings should permit further improvement to \$10 million in 1963. Additional acquisitions would raise these projections. Rapid-American has announced plans to expand its stock ownership of McCrory Corp. from 36% at present to 51%. Leverage will be utilized to accomplish this purchase of about 800-850,000 additional McCrory common shares. The Ford Foundation recently agreed to lend Rapid \$5 million of long-term money. In addition, Rapid is in the process of completing several long-term financing with further insurance companies and other institutions. Once Rapid owns 51% of McCrory, it will report results on a consolidated basis.

Rapid's operating divisions are expected to make significant progress this year. American Merchandising has expanded its catalog and sales were running 20% ahead of last year in the first

quarter. American Art Works has received significant contracts recently which will sharply boost its business. Rapid Electrotape has realigned certain of its operations and should be well in the black this year. With the aid of two small acquisitions, Cellu-Craft should vastly improve its sales and profitability. Under consideration is a possible public offering of 30-40% of the common stock of Cellu-Craft within the next 12 months which would result in a sizable capital gain for Rapid. The children's wear division is expanding its licensees and going into new lines.

Including equity in the earnings of McCrory Corporation and special items expected, Rapid-American could show earnings of \$3-\$4 per share on its 2,050,000 common shares this year. Further improvement in the earnings of McCrory Corporation and Rapid's own operating divisions combined with continued implementation of its philosophy of acquisition and improvement, should permit Rapid-American to expand its earnings and assets at a healthy pace beyond fiscal 1963.

Rapid-American Corp. is listed on the American Stock Exchange.

A. G. Becker Officer

CHICAGO, Ill.—Karl A. Stegemeier has been elected an Assistant Vice-President of A. G. Becker & Co., Inc., 120 South La Salle St., members of the New York and Midwest Stock Exchanges.

Named Director

James H. Harris, Jr., of Spear, Leeds & Kellogg, members of the New York Stock Exchange, has been elected a member of the Board of Directors of United Industrial Corporation, diversified industrial and defense manufacturer, Bernard Fein, President of United, has announced.

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

Taking Another Look At the Business Trend

By Walter W. Heller,* Chairman of the Council of
Economic Advisers, Washington, D. C.

Administration's economist explains the basis for his optimistic appraisal of the economy's direction; avers the Administration fully appreciates the importance of profits; and takes a firm stand against "wistful whispers that perhaps a little inflation is good for us." Disagreeing with the stock market's post-March 15th appraisal, Dr. Heller declares "the economy has shifted into a higher gear and I expect to see a sustained advance in the months ahead." He states real profits are better than paper profits, and that the steady pressure of demand on capacity is preferable to speculative anticipation of price increases as the way to stimulate investments and to conquer rather than lose export markets.

I The Outlook for 1962, Revisited

A significant step-up in the pace of economic expansion during the past two months has removed much of the January - February tarnish on the bright economic outlook for 1962. We can now look for larger gains in production and income in succeeding quarters than those achieved in the first quarter of 1962. The slow start of this year was reflected in the less-than-\$7 billion increase in the annual rate of GNP for the January-March quarter. This advance, while not negligible, just about matches the growth of our economic potential that comes from normal expansion of the labor force and from rising productivity. It cannot be considered satisfactory, however, since it made little or no contribution to the task of narrowing the gap between potential and actual output.

But the remaining gap—estimated at \$25 to \$30 billion and reflected in a 5½% rate of unemployment and industrial operating rates averaging about 85% of capacity—need not be a permanent feature of the economic landscape. Expansionary forces now present in the economy will surely narrow the gap during 1962. It is not yet clear whether the pace of expansion will step up sufficiently to realize the expectations of a \$570 billion GNP which we expressed in January—let alone the higher output of which the economy is readily capable at a 4%-unemployment level of operation. But it is clear that the economy has shifted into a higher gear, and I expect to see a sustained advance in the months ahead.

It has been particularly encouraging that the two weakest spots of the first quarter—housing and autos—are now showing renewed vigor. Declines in these two components alone subtracted \$2 billion from the GNP rate in the first quarter. Their current performance suggests they will add at least that much to the current quarter's GNP. Auto sales jumped up in mid-March and have maintained their high level for five consecutive 10-day sales periods. Sales of domestic automobiles exceeded 620,000 in April—that is, they rose to a seasonally adjusted annual rate of 7.2 million cars—surpassing even the bright figures of last Fall. In this case, I think it is safe to conclude that recent events are good for both GM and the country. Housing (non-farm) starts rebounded to a 1,383,000 annual rate in March. Because January and February starts were considerably lower, the level of total home-building activity rose only modestly in March and April, but it will show

further gains if starts stay up. And the performance of building permits and construction contracts supports the expectation that starts will be maintained near the March levels.

Recent data suggest little danger that the American consumer is developing miserly tendencies. Retail sales expanded by 3.2% from January to April—an annual rate of 13%. While furniture and household appliances have not yet reflected these advances, most other areas of retail trade have improved significantly.

The inventory picture looks good too. Rising sales have outpaced inventory accumulation in both manufacturing and retail trade in recent months. In both of these areas, inventory-sales ratios at the end of March were at a low point for the current expansion. Including wholesale trade, the inventory-sales ratio for total manufacturing and trade was 1.49 in March—a bit above the November figure but well below normal levels. If the inventory totals contain some excessive stocks of steel—as the current decline in steel production suggests—then the remaining manufacturing inventories are lean indeed. I see on the economic horizon none of the clouds that normally portend a storm of inventory-liquidation.

Doubts Our Recovery Advance Will Be Cut Short

Some economists with a macabre sense of humor are fond of the fact that the last three expansions have lasted 45, 35, and 25 months respectively. By this sequence, the current recovery is obviously slated to last only 15 months! The expansion has gone on for 15 months and I am happy to note that it is very much alive—and kicking. Indeed, I expect the present advance to reverse the trend of shorter expansions and more frequent recessions.

Both the renewed vitality of private demand discussed here and the character of public policy discussed below contribute to this prospect. The stronger tone of consumer markets, the favorable inventory positions, the evidence from the McGraw-Hill survey that investment plans are strengthening—all of these point to continued expansion. These favorable developments should help to resolve business doubts and uncertainties in an expansionary direction. The state of business confidence will improve as sales and profits prospects improve with the aid of Administration programs to stimulate investment, expand markets, and promote competition—programs whose beneficial intent and effect may have been temporarily obscured by the recent steel episode.

Just as one cannot dismiss the state of business confidence as a factor in the economic outlook, one cannot overlook the February-March decline in new orders for durable goods; one of the few recent pieces of poor economic news. Also, we must recognize that unemployment remains higher than at corresponding points of previous postwar expansions, and even on the brightest

expectations will remain too high throughout 1962. These soft spots in the economy are a restraint on the basic optimism generated by the favorable economic indicators for recent months.

Bullish Economics and Bearish Stock Market

Some may wonder about the divergence between the current economic indicators emanating from Pennsylvania Avenue and the current price quotations from Wall Street. So do I at times. The stock market's constant reappraisals of its own verdicts produces some interesting mysteries. I cannot tell you whether price-earnings ratios were too high a few months ago or whether they are too low today. It is not that I am keeping a secret, the fact is that no mortal man knows the answer.

But the things I do know suggest that the market's downturn since March 15 is not a reflection of current disappointments and downward revision in the near-term economic outlook. For one thing, the \$52.4 billion profits figure for the final quarter of 1961 and the preliminary earnings statements for the first quarter of 1962 have on the whole, exceeded the projection of most business and financial experts six months ago.

Secondly, there is encouraging direct evidence on business expectations. The majority of businessmen expect improvements in sales and earnings, according to surveys conducted recently—after the steel price episode—by the National Association of Purchasing Agents and by Dun and Bradstreet. According to the Dun and Bradstreet findings, business optimism has increased in the past three months. We share that optimism.

II

Profits and Investment—The Facts and the Future

The favorable over-all economic outlook just presented—particularly the good prospects for prolonged expansion—provides solid support for business fixed investment. Investment plans now indicate an 11% increase over last year, and investment will respond to further gains in sales. In January and February, manufacturers reporting investment plans expected a 7% gain in sales from 1961 to 1962; but the annual rate of manufacturers' sales in March was already 8% over 1961.

Investment demand in the current expansion has been marked by a rather cautious, wait-and-see, approach. This is understandable. The nation's businessmen have had their share of disappointments in the past five years. They saw markets contract in 1957 just as they were adding new capacity to meet expected growth in demand. Much of the expanded capacity had to remain on the sidelines when the 1958-60 expansion fell short of full use of the nation's great productive strength. It is expensive to be caught long on plant and equipment and short on markets, and business seems determined to avoid that error. On the other hand, if the current expansion is solid and durable, it will improve business confidence in the future. Success will breed success and will support the conviction that higher operating rates and higher employment rates will once again become normal in the American economy.

Of course, in a free market economy, investment does not happen automatically. It is consciously undertaken by businessmen in the expectation of securing future profits. This Administration fully appreciates the importance of adequate profit levels—and business confidence—in generating the increased investment that is so vital to speed our lagging rate of economic

growth and to promote full use of our current economic potential.

Profits are among the most sensitive reactors to economic slack. In periods of rising economic activity, they climb vigorously, as demonstrated by their one-third rise from the first to fourth quarters in 1961. But even a slowdown, let alone a slump, can cut into profits painfully. In the first quarter of 1962, the recovery did not register the kind of buoyant gains we had hoped it might, nor did profits continue their rapid rise. But the stepped-up pace of expansion points to profits gains ahead.

In the final analysis, the outlook for profits and investment is tied to the outlook for continued expansion—and vice versa. The Administration realizes that no expansion can last without substantial help from private investment—and the Administration's economic policies and programs reflect this awareness. The outlook for profits and investment gains will be supported by revision of depreciation guidelines—a reform awaited by the business community for more than 20 years—and, I trust, by enactment of the investment credit. The accounting profession will have an important responsibility for speedily digesting and interpreting these measures for their clients and employers—and thereby, for speeding their favorable impact on investment.

Stimulus to investment through continued stability of interest rates and ease of borrowing—unmatched in previous recoveries—also contributes to the outlook for a long-lasting expansion. The President's proposals for a comprehensive anti-recession package—consisting of stand-by temporary tax reduction authority, stand-by authority for public capital improvements, and strengthening of unemployment compensation—are designed to sustain prosperity by underwriting the markets for the products of business investment. Congressional action on these proposals is vitally needed, but the President's advocacy of these measures is in itself a highly significant demonstration of this Administration's determination to avoid recessions and to reverse them promptly and vigorously if they should occur.

III

Inflation or Expansion?

The Kennedy Administration has fought inflation—as well as recession—and fought it to a standstill. When the President took office in January of last year, the Wholesale Price Index stood at 101.0 (1957-59=100); in April, 1962 it was 100.4. Industrial prices—which are so central to our competitive success in world markets—have also dropped a bit—from 101.2 to 100.9. The Consumer Price Index was 103.8 in January, 1961; the most recent figure is 105.0 for March. This 1.2% increase in 15 months—mostly arising in the service sector—is modest by past standards.

But as inflation has become more of a memory than a reality, I have noticed a very peculiar development. I have begun to see and hear suggestions that perhaps the reason the economy has not shown more bounce and buoyancy is precisely because prices are so strangely stable. There are even wistful whispers that perhaps a little inflation is good for us.

There is an element of poetic justice in the spectacle of the Chairman of the Council of Economic Advisers in a Democratic Administration lecturing a meeting of Certified Public Accountants on the evils of inflation. But I want to go further and convince you that inflation is unnecessary. We all know that in fiction—perhaps also in fact—a little fever contributes to the appearance of health; red cheeks, bright eyes, hyperactivity. But there is another and healthier way to redden the

cheeks and brighten the eyes, and this is by fresh air and exercise.

Without fear of contradiction, I claim that anything inflation can do for business and the economy, a good solid expansion can do better—and with healthier long-run results. Paper profits are perhaps better than none, but real profits are better yet, and the surest guarantee of high profits is a high level of economic activity. The speculative anticipation of price increases may stimulate investment, but the steady pressure of demand on capacity is even surer, and the investment that results is more likely to be responsive to the community's needs for goods and services. Price increases may generate optimism, but expansion generates productivity increases, and while the one will cost us export markets, the other will conquer them.

I do not want to leave the impression that price stability, like virtue, is its own reward. Despite the price stability that has ruled since the middle of 1958, the last few years have not been an especially glorious chapter in America's economic history. The best you can say for them is that they may have put an end to confident expectations that creeping inflation will be the rule of economic life for all future time.

If that is so, then there is now a real victory to be won. We need no longer accept inflation as a poor substitute for expansion, nor need we fear that a reasonable rate of expansion will lead to inflation. If inflationary expectations are dying, then we have more elbow room for expansion without inflation. We cannot—and will not—relax our determination to end the price-wage spiral. But we have won some freedom not only for the economy to expand but for the economic policies to help it expand.

Let us hope that we have cast aside the fools' gold of illusory and self-defeating wage and profit gains achieved by inflationary means. The way is now open to us to gain the solid gold of higher real output for all to share.

*An address by Dr. Heller before the New York State Society of Certified Public Accountants, New York City, May 14, 1962.

Bond Club Stock Offering Oversubscribed

The Bond Club Stock Exchange offering of 2,500 shares of "not very common stock" has been substantially over-subscribed and the books closed. It was announced by John W. Callaghan, Goldman, Sachs & Co., Chairman of the committee in charge of the issue. Trading in the shares will be the feature of the Bond Club Field Day at the Sleepy Hollow Country Club on June 1.

Form Tri-Line Planning

GARDEN CITY, N. Y.—Tri-Line Planning Corp. has been formed with offices at 600 Old Country Road to conduct a securities business. Officers are Howard P. Ross, President; Marvin Orenstein, Vice-President; and George Weisenberg, Secretary and Treasurer.

Prescott Adds to Staff

(Special to THE FINANCIAL CHRONICLE)
COLUMBUS, Ohio—William Y. Meade has been added to the staff of Prescott & Co., Huntington Bank Building. He was formerly co-manager of the Newark, Ohio, office of Vercoe & Co.

Hodgdon Opens Branch

GREENSBORO, N. C.—Hodgdon & Co., Inc. has opened a branch office at 111 West Gaston Street under the direction of Arnold S. Marks.



Walter W. Heller

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Commonwealth Edison Company

Commonwealth Edison supplies electricity to a population of about 6.8 million people, of which a little more than half are in the city of Chicago and the balance in the outlying sections. The service area, a compact 11,000 square mile area between Lake Michigan and the Mississippi River, is one of the most important and diversified manufacturing sections, although rural areas also contain substantial farm operations. 1961 revenues were about 36% residential, 39% small commercial

	1961	1960	1959	1958	1957
Kwh Sold	5.3%	4.0%	10.2%	0.8%	2.6%
Revenues	4.9	3.4	12.0	6.6	5.5
Net Income	6.4	7.9	14.8	17.8	4.6
Earnings per Share	4.1	5.5	11.6	15.5	4.4

The company has been active in promoting electric heating and other special residential services. In 1958 the company had only 140 electrically heated homes and apartments but a year ago there were over 4,000, largely as the result of promotional rate reductions plus coordinated sales and advertising programs. Increasing numbers of homes and apartments are going all-electric for cooking, water heating, air conditioning and comfort heating. Chicago's famous Marina City—the largest all-electric, high-rise apartment project anywhere—is now under construction; each of the 896 apartments in the twin 60-story cylindrical towers will be completely electric, including comfort heating and air conditioning.

Commonwealth had generating plants with net capability of 5,507,000 kw at the end of 1961 compared with the summer peak load of 4,840,000, indicating reserve of about 14%. Savings in power costs of new generating plants, together with the rather moderate reserve, probably have resulted in substantial savings in power costs. However, the company expects to increase its plant capability some 42% between 1962 and 1966 (680,000 kw being added in 1962). Commonwealth is also interconnected with neighboring systems in Illinois, Wisconsin and Indiana and is a part of a 32-state power grid. A firm purchase of 300,000 kw over one of the interconnections has been arranged for the summer of 1964.

Commonwealth owns the Dresden Nuclear Power Station which resumed full operation last December after a two months' shutdown for overhaul. The annual report states: "The plant continues to operate satisfactorily at a net output of 184,000 kilowatts, and there is every indication that it can be considered a dependable part of our power supply system."

The regulatory atmosphere in Illinois seems to remain favorable. In a 1958 rate case the state commission allowed the company a 5.85% return on a fair value rate base. The company was not required to use flow through of tax savings resulting from the use of liberalized depreciation.

Share earnings have made a good showing, almost doubling in the past decade from \$1.03 (adjusted) in 1952 to \$2.01 in 1961; earnings increased in each year except 1955 when there was a slight setback. The gain in earnings reflects the rise in the earned rate of return on net plant from 3.9% in 1953 to 6.3% in 1961, due in part to the 1958 rate increase. A further increase in earnings in 1962 to around \$2.15 has been forecast. In the first quarter of 1962 share earnings were 62 cents compared with 57 cents (adjusted for split) in the first quarter of

and industrial, 17% large commercial and industrial and 8% miscellaneous.

Over the past decade population in the area has increased by about 1,100,000 or some 19%; however, the outlying areas are growing about 9 times as fast as the city of Chicago and in 1961 (for the first time) sales outside the city exceeded those in Chicago. The company's growth in recent years is indicated by the following annual percentage gains:

Effective March 5, 1962 the company made a rate reduction of \$4.2 million primarily to promote the sale of electricity for heating, with the anticipation that the resulting increase in load will gradually offset the rate reduction. If there were no such offsets in 1962 earnings per share might be reduced about 4 cents by the rate cut.

1962 earnings are favored by a rather substantial credit for interest on construction, estimated at \$4.5 million compared with \$4.7 million in 1961. In 1963 the credit may drop to around \$2 million (a reduction of about 6 cents a share); estimates for 1964 and 1965 are \$4 million and \$3.5 million respectively.

No new financing is scheduled for this year, and while some outside financing may be required during 1963-5 no sale of preferred or common stock is anticipated during that period. Funds from the sale of \$40 million debentures in December 1961 were used to

redeem the \$4.64 preferred stock in January 1962. The tax savings resulting from the substitution of debentures for preferred are estimated to be more than sufficient to retire the \$40 million debentures over the life of the issue through the \$800,000 sinking fund. It seems possible that the company may later decide to retire the remaining \$25 million preferred stock by another issue of debentures. At the end of 1961 the capital structure was 37% mortgage debt, 16% debentures, 2% preferred stock and 45% common stock equity.

For some years the company has had a liberal dividend policy, designed to minimize equity financing. A base rate of \$2 in cash (before the split) was maintained, with nearly all of the remaining earnings being paid in the form of a stock dividend, easily cashable through the company's agent. More recently, following a stock split, the \$1 rate has been increased to \$1.20, and it is assumed that the usual stock dividend will be paid at the year-end. The company's dividend record goes back to 1890.

The stock has been selling recently around 41 to yield nearly 3% based on the cash dividend alone. The price-earnings ratio approximates 19 based on estimated 1962 earnings.

Blair Absorbs Beil & Hough

ST. PETERSBURG, Fla.—Blair & Co. Incorporated, members of the New York Stock Exchange, have announced the opening of a branch office in St. Petersburg, Fla., with substantially all of the personnel of Beil & Hough, Inc. in the quarters formerly occupied by them, at 350 First Avenue North.

New Balogh Branch

ATLANTIC CITY, N. J.—Balogh & Co., Inc. has opened a branch office at 1315 Atlantic Ave. under the management of Morris Parzow.

DIVIDEND NOTICES

BENEFICIAL FINANCE CO.

132nd CONSECUTIVE QUARTERLY COMMON STOCK CASH DIVIDEND

The Board of Directors has declared per share cash dividends payable June 30, 1962 to stockholders of record at the close of business June 8, 1962.

Common Stock—Quarterly—\$.25

5% Preferred Stock—Semi-annual—\$1.25

\$4.50 Dividend Convertible Preferred Stock—Semi-annual—\$2.25

Over 1,350 finance offices, 400 company-owned and 3,700 associate Western Auto stores



Wm. E. Thompson
Vice-President & Secretary
May 24, 1962



AMERICAN BANK NOTE COMPANY

PREFERRED DIVIDEND No. 225
COMMON DIVIDEND No. 215

A quarterly dividend of 75¢ per share (1½%) on the Preferred Stock for the quarter ending June 30, 1962 and a dividend of 17½¢ per share on the Common Stock (which was split 2 for 1 effective May 1, 1962) have been declared. Both dividends are payable July 1, 1962, to holders of record June 6, 1962. The stock transfer books will remain open.

LOUIS T. HINDENLANG
Secretary and Treasurer

May 23, 1962

J. J. Flannery Forms Inv. Co.

FAR HILLS, N. J.—Joseph J. Flannery is conducting a securities business from offices on U. S. Route 202 under the firm name of J. J. Flannery & Co. Mr. Flannery was formerly manager of the underwriting department of Myron A. Lomasney & Co.

Bernstein to Admit

SCARSDALE, N. Y.—D. J. Bernstein & Co., members of the New York Stock Exchange, on June 1 will admit Carol U. Bernstein to partnership in the firm.

DIVIDEND NOTICES

CITY INVESTING COMPANY

980 Madison Ave., New York 21, N. Y. The Board of Directors of this company on May 23, 1962, declared the regular quarterly dividend of \$1.375 per share on the outstanding 5½% Series Cumulative Preferred Stock of the company payable July 1, 1962, to stockholders of record at the close of business on June 15, 1962.

HAZEL T. BOWERS,
Secretary



DIVIDEND NO. 216

May 24, 1962

The Board of Directors of THE ANACONDA COMPANY has today declared a dividend of Fifty Cents (50¢) per share on its capital stock of the par value of \$50 per share, payable June 27, 1962, to stockholders of record at the close of business on June 4, 1962.

R. E. SCHNEIDER
Secretary and Treasurer
25 Broadway, New York 4, N. Y.

ELECTRIC BOND AND SHARE COMPANY

New York, N. Y.

Notice of Dividend

The Board of Directors has declared a quarterly dividend of thirty cents (30¢) a share on the Common Stock, payable June 29, 1962, to shareholders of record at the close of business on June 8, 1962.

B. M. BETSCH
Secretary and Treasurer
May 25, 1962.

404th Dividend

Pullman Incorporated

96th Consecutive Year of Quarterly Cash Dividends

A quarterly dividend of fifty cents (50¢) per share will be paid on June 14, 1962, to stockholders of record June 1, 1962.

W. IRVING OSBORNE, JR.
President

Division and Subsidiaries:

Pullman-Standard division
The M. W. Kellogg Company
Trailmobile Inc.
Trailmobile Finance Company
Swindell-Dressler Corporation
Transport Leasing Company

Now B. J. Gomberg

The firm name of Atlas Securities Corporation, 200 West 34th Street, New York City, has been changed to B. J. Gomberg & Co., Inc.

DIVIDEND NOTICES



COMMERCIAL SOLVENTS Corporation

DIVIDEND NO. 110

A dividend of twenty cents (20¢) per share has today been declared on the outstanding common stock of this Corporation, payable on June 29, 1962, to stockholders of record at the close of business on June 8, 1962.

H. B. DURBIN
Secretary
May 28, 1962.

INTERNATIONAL HARVESTER COMPANY

The Directors of International Harvester Company have declared quarterly dividend No. 189 of sixty cents (\$.60) per share on the common stock, payable July 16, 1962 to stockholders of record at the close of business on June 15, 1962.

GERARD J. EGER, Secretary

SERVING HOME AND INDUSTRY WITH ESSENTIAL BASIC PRODUCTS

EASTERN GAS AND FUEL ASSOCIATES



DIVIDENDS

COMMON STOCK — A regular quarterly dividend of 40 cents a share, payable June 28, 1962 to shareholders of record June 8, 1962.

4½% CUMULATIVE PREFERRED STOCK — A regular quarterly dividend of \$1.12½ a share, payable July 1, 1962 to shareholders of record June 8, 1962.

R. P. TIBOLT
Chairman of the Board and Chief Executive Officer
250 Stuart St., Boston 16, Mass.
May 24, 1962

Our stock is listed on the New York Stock Exchange. Symbol is EFU.



SUNDSTRAND CORPORATION

DIVIDEND NOTICE

The board of Directors declared a quarterly dividend of 25¢ per share on the common stock, payable June 22, 1962, to shareholders of record June 7, 1962.

G. J. LANDSTROM
Vice President-Secretary

Rockford, Illinois
May 22, 1962

Adding Foreign Exchange To Our Gold Reserves

By Hon. Robert V. Roosa,* Under Secretary of the Treasury for Monetary Affairs, Washington, D. C.

A longer run strategy involving accumulation of convertible foreign currencies is proposed to supplement our relatively recent successful experience with foreign exchange spot and forward sales. Dr. Roosa points out that foreign exchange operations do not solve balance of payments problem, but that they can provide a breather against unwarranted speculative and capital flows producing unnecessary diversion of gold reserves. Noting that other countries do not readily sell gold, Dr. Roosa explains why it would be advisable for us to accumulate in time of surplus moderate holdings of convertible exchange of various leading countries. This, he adds, should be accompanied by international arrangements to direct newly mined gold into monetary reserves and to provide a means of further economizing on gold reserves. These measures, he concludes, should obviate the need for a world central bank and loss of countries' sovereignty in order to build up long run liquidity.

Over the past 14 months the United States has, for the first time since the later 1930s, entered into foreign exchange transactions

for monetary purposes—as distinct from the more or less routine handling of foreign exchange to meet the Government's operating needs abroad. The Treasury began limited operations in March 1961, acting through the Federal Reserve Bank of New York as its fiscal agent. In February of this year the Federal Reserve System announced its decision to enter the exchange markets for its own account.

To date, United States action in the foreign exchange markets has been largely exploratory in character, designed to probe and possibly to limit temporary disturbances in the exchange markets. All operations have been carried out in close consultation with, and usually jointly with, the financial authorities of the other countries involved.

These activities in the foreign exchange markets have sometimes been referred to as the financial component in the outer perimeter defenses of the dollar. This is probably a good characterization, since of course the inner defenses depend upon the productivity, production, and competitiveness of the American economy. But in what we have been doing, both basically and peripherally, to defend the dollar, we have also been defending, in concert with others, the whole system of convertibility at stable exchange rates that has been so painstakingly reconstructed since the end of World War II. And the effective functioning of that system is, in turn, essential for diversified growth and integration among the free, capitalist economies of the World.

Longer-Run Implications

In addition to the short-run objectives of our foreign exchange operations, on which I shall say a bit more in a moment, there are longer-run implications and potentialities of an approach in which a key currency country becomes an active participant in the international exchange markets. As we go along we are also, therefore, trying to think through some of these possible implications for the long-run—can such participation aid in assuring the stability of the international financial mechanism? Can it, if properly executed, reinforce the fundamental work of the International Monetary Fund? Does it afford a helpful means toward providing sufficient international liquidity for the continued growth of

the world economy? Does it strengthen the role of gold as the base of our international reserve arrangements?

These are the kinds of questions that central bankers, and commercial bankers and treasuries can usefully ponder together, in our joint efforts to find the combination of private and governmental monetary facilities that a flourishing capitalism needs. While I cannot presume to suggest any of the answers, it may be of some help as background for others who can, if I discuss two themes that seem to run through our American experience of these recent months. First, what has thus far been the nature of our foreign exchange operations within the framework of the system of convertibility based on fixed exchange rates? Second, what possibilities seem at this early stage to be suggested, concerning the accumulation by a key currency country of balances in the convertible currencies of other leading countries?

Our Recent Experience in Foreign Exchange Intervention

Other countries have long accepted direct intervention in the exchange markets as a customary way of life. At the least, they must be buyers or sellers as exchange quotations reach the acceptable limits of variation around their own fixed exchange rates. The United States, on the other hand, was—and still is—the only country that maintains complete inter-convertibility between gold and its own currency at a fixed price, and, until recently, was content to leave all operations concerning the exchange relations between the dollar and other currencies to the officials of those other countries. The recent decision to participate in the international markets in cooperation with other financial authorities reflects, as do many other governmental and private actions, a growing awareness within the United States of the dual nature of our own balance of payments problem.

We must not only respect and fulfill the balance of payments disciplines to which other countries have been accustomed for so long; but we must do this while also keeping our own currency and gold equally and alternatively available as reserves for all other countries. We must gain and keep the initiative for influencing the factors that affect our balance of payments, but we must do so in the impeccable manner that assures and retains bankers' confidence. This means that, both as trader and as banker, the United States has to keep its markets open and free. We have therefore a major stake, which the Western World shares with us, in resolving our balance of payments problem within the framework of a free international economy, with stable exchange rates and an immutable gold price of \$35 an ounce.

Not a Basic Solution

Let me make it absolutely clear, again, that there is no thought that foreign exchange operations can provide the solution to the United States balance of payments deficit. More fundamental correctives are necessary for this end, and I know that you are all familiar with the many-sided program of American business, finance and government that is moving forward toward a restoration of equilibrium, and surplus, in the American balance of payments.

Our foreign exchange operations have so far been mainly designed to help in providing a breathing space during which these basic programs could have a chance to become effective. In our judgment, they have been most helpful in deterring unwarranted speculation and unwanted capital flows, and in reducing the drain on our gold stock, which stands as the bulwark of the whole international currency system.

I should emphasize that our operations have not at any time involved an attempt to "rig" markets or "peg" prices. Within the relatively narrow band which is, in any event, permitted for exchange fluctuations under the rules of the International Monetary Fund, there must be room for market prices to demonstrate the basic strength or weakness of any currency. We could not, of course, have pegged exchange rates even if we had wanted to. In March 1961, the United States held no reserves of convertible foreign exchange—and the balance of payments was in deficit. As a result, there was no opportunity to support the dollar in the exchange market through spot sales of other currencies in the way that European monetary authorities customarily do when their own currencies come under pressure.

Some minor limited selling operations in the spot market have been undertaken more recently to alleviate temporary pressures, using foreign exchange acquired by borrowing in Switzerland and Italy (or limited amounts acquired at times when the rate would not be adversely affected). Operations have been mainly concentrated, however, in forward exchange. These markets can at times be quite thin and even a relatively limited volume of market demand can have an excessive impact on rates, which are not subject to limitations under IMF regulations but which can generate great pressures upon the spot rates. When the forward rate—whether because of expectations concerning future currency values or for other reasons—moves conspicuously out of line with its interest parity, short-term private capital movements can be set off that may be disturbing to both the country receiving and the country losing funds. It is useful to have facilities for testing out whether the particular developments are in fact deeply rooted and sustained, or whether they are short-lived and may soon be reversed.

Deutschemarks Revaluation

It was precisely this sort of situation, in fact, that provided the immediate motivation for Treasury operations—in conjunction with the Bundesbank (and actually in response to a very constructive initiative on the part of the Bundesbank)—in the forward market for deutschemarks in March 1961. You will recall that the revaluation of the mark and the guilder at that time led to a state of great uncertainty in the markets and there were widespread expectations that further appreciation of these, and perhaps other, currencies would shortly be forthcoming. In these circumstances forward rates moved to substantial premiums, the deutschemarks approaching a 4%

per annum premium for a time, and incentives were created for heavy flows of funds out of the dollar and into the mark. Actually, in providing marks to the forward market, we made it possible for the recipients to continue holding their dollars, while assured of later convertibility into marks if their acquisitions did in fact prove to be sustained. Our own forward sales of marks reached a peak of about \$350 million in mid-June and aggregated considerably more as some initial contracts were rolled over once or twice more. But now, they have all been paid off, as the excessive flow of funds into Germany first subsided and then was reversed when the Berlin situation deteriorated during the late summer of 1961 and expectations of further appreciation disappeared.

Operations were also undertaken in Swiss francs beginning in May 1961 on a small scale, and accelerating in July when the Berlin crisis encouraged a stepped up flow of funds into Switzerland. The Swiss were anxious to encourage an outward flow of short-term Swiss capital to offset inflows from other sources that were creating domestic problems of excessive bank liquidity and inflationary pressures, and the United States was glad to cooperate, since we were equally anxious to defend the dollar by lessening the pressure on the Swiss National Bank to absorb more dollars. Early this year, for roughly similar reasons, forward sales of guilders and Italian lire were made. To give you an idea of the magnitudes involved, sales of forward Swiss francs reached a maximum of something over \$150 million. Sales of Italian lire have been larger, while guilder sales have been quite modest. All in all, total forward exchange operations undertaken by the Treasury in the four currencies that I have mentioned, including the roll-over of maturing contracts in some cases, have amounted to about \$1½ billion in the 14-month period.

One of the main results of these sales of forward exchange, as is obvious from what I have said so far, has been to encourage foreign private investors to stay invested in dollars (or to increase their holdings) and thus restrain the piling up of dollars in central banks abroad. As long as the United States continues to run a sizeable deficit in its balance of payments it is unlikely that we can or should expect that some part of the dollars pumped into the international financial stream will not reach central bank hands. Nor should we expect to avoid some resulting drain on our gold stock. And the disciplines which such movements imply are fundamental and clear.

Avoiding Unnecessary Gold's Dispersion

At the same time we must be constantly mindful that the dollar is not just another currency, but that it is a key reserve currency—not only for foreign monetary authorities but also for foreign private banks and corporations. We must remember that foreign monetary authorities adjust their own balance of payments position day-by-day and week-by-week by the purchase and sale of dollars in the exchange market. Irrespective of our balance of payments position, the shift of dollars from countries with traditionally low gold ratios to countries with high ratios can result in a gold drain for the United States. Similarly, with 8½ billion of liquid dollar holdings in the hands of private foreigners, we must make sure that speculative forces are not fed by uncertainty about either the ability or the determination of the United States to stand firmly behind the inter-convertibility of the dollar with gold at the fixed price of \$35 per fine ounce.

A clear distinction has to be

drawn—and it is not always easy to convey this readily—between the absolute and unconditional availability of gold to foreign monetary authorities for legitimate monetary purposes and the compulsion on us—in cooperation with foreign monetary authorities—to avoid any unnecessary dispersions of the United States gold reserve, on which our existing international system, in the last analysis, depends. The United States would, in fact, be just as derelict in its duty to help support and sustain a growing and viable international economy if it failed to defend the gold stock through improved techniques of monetary cooperation as it would be if it failed to make gold available to foreign monetary authorities on demand.

Other Countries Do Not Readily Sell Gold

A solution of the balance of payments deficit is fundamental if we are to ward off a steady attrition of the United States gold stock. But, the problem goes even beyond this. The United States is a ready seller of gold on demand, but other countries are not necessarily sellers to us when they have exchange deficits, partly indeed because their own gold reserve is cushioned—and in many cases substantially—by dollar reserves.

It is consequently a matter of first priority for us to develop methods that will minimize our gold losses whenever our balance of payments swings into deficit—by no means avoid them, but certainly avoid conditions that exaggerate them. Under present procedures, we cannot be sure that gold will return to us when we move into surplus—and we must and will have surpluses from time to time.

This kind of consideration leads directly into my second main theme—the potential uses of foreign exchange holdings by a key currency country. As I had mentioned earlier, our exchange operations to date have been largely dictated by clear, current opportunities and needs. We have acted in response to market developments and have not sought to become permanent and regular participants in the market for any currency. Our spot exchange holdings—which, on the latest published figures were about \$150 million, built up partly from borrowing and partly from purchases in the easier markets that have prevailed for some currencies so far this year—have mainly been acquired to back up our forward sales. But looking ahead to the future, there may well be good reason for more or less continuous holding by the United States of some moderate amounts of the convertible exchange of various leading countries.

Acquiring Foreign Currencies During Future Surplus Periods

While it is premature to see clearly where we may be heading so far as the currency holdings of the United States are concerned, it may well turn out that some contribution toward resolving a part of our problem may be found in building up—in time of surplus—holdings of other currencies that are not thought of as reserve currencies in the same way that the dollar and the pound sterling are viewed. Should we do that, either with open holdings or through hedged forward positions, our exchange holdings might be able subsequently to handle a considerable part of the normal swings in payment patterns, leaving the gold reserves available to cover more fundamental and lasting adjustments. There would be no commitment to hold any particular currency, of course, and the relative size of any such holdings would presumably be comparatively small. Nor would there be any lessening of the needed balance of payments



Robert V. Roosa

disciplines upon us or upon others. For changes in our combined reserves of gold and foreign exchange, taken together with changes in our short-term liabilities to foreigners, would then become as significant to the determination of our policies as changes in gold alone have been over recent years.

Directing Gold Production and Economizing Its Use

If such a system were bolstered by suitable international arrangements to ensure a steady and orderly distribution of newly-mined gold into monetary reserves, much of the pressure — both psychological and real — that arises from the accident of shifts in reserves among other central banks would be lifted from the United States gold stock. With such a system we might perhaps be able to view in better perspective our gold loss of the past five years as a basic and healthy redistribution of available world gold reserves, a redistribution that has added to the strength of the international financial community.

What I am suggesting is that we need to build further the outer defenses around the liquidity of the International Monetary Fund, which will be substantially augmented by the stand-by agreement on which progress toward ratification is going ahead with gratifying despatch. We need to provide a means of further economizing on gold reserves, while ensuring that the liquidity needs of our expanding world economy will be met in a manner consistent with the sovereignty of individual countries and with heavy reliance on the discipline provided by the balance of payments.

No World Central Bank Seen Needed

The net effect, if this line of development should be followed, would be to multilateralize a part of the role performed now by the two key currencies, within a framework that would place great stress on still further cooperation among monetary authorities of the type that has been so successfully developed over the past year or so. It is clear that the attributes of a key currency involve many things—its use in international trade, its relationship to gold as the ultimate reserve, the existence of broad and deep capital and money markets. In all these respects the dollar is now unique, although we hope to see further progress in the freeing up of European money and capital markets. But what makes a currency good basically is the way the country manages its economy. Where there are a number of strong countries—as there are today—a plausible case would seem to exist for some sharing of the burdens placed on the key currency.

It may be, too, that a system such as I have outlined would be a sensible way to provide for any large increase in long-run liquidity requirements. Long before there can be any agreement on any of this, however, there are many knotty problems that will have to be resolved by our own policy makers and through international consultations — through the Basle Group, through the Organization for Economic Cooperation and Development, and through the International Monetary Fund. But explorations along these lines are far preferable, it seems to me, to the often proposed types of action (involving still more difficult decisions and negotiations) that basically involve an oath of allegiance by all Governments and Central Banks to a synthetic currency device, created by an extra-national authority bearing neither the responsibilities nor the disciplines of sovereignty.

Conclusion

On the other hand, a system where countries maintain some

mutual holdings of foreign exchange has the extreme advantage of using existing institutions and practices. Within such a system the patterns of reference are known to all; no one will be asked to do things that fall outside the realm of his experience. A system erected on established currencies and mores, would surely have a firmer foundation than one based on artificial devices. At the least, I suggest, there is food for thought in such a possibility—and that, along with the excellent cuisine, is what I have understood to be the provocative aim of these meetings.

*An address by Dr. Roosa at the Monetary Conference of the American Bankers Association, Rome, Italy, May 17, 1962.

Copenhagen Telephone Co. Debs. Offered

Public offering of \$15,000,000 Copenhagen Telephone Co., Inc. (Copenhagen, Denmark) 5% sinking fund dollar debentures due June 1, 1977 is being made by an underwriting group managed by Smith, Barney & Co. Inc., Kuhn, Loeb & Co. Inc., Harriman Ripley & Co., Inc. and Lazard Freres & Co. The debentures are priced at 96.80% plus accrued interest, to yield 5.95%.

The offering represents the first public sale of the company's securities in the United States since 1929.

Copenhagen Telephone, 50.65% owned by the Danish Government, is the sole supplier of telephone service on the Danish Islands of Zealand, on which the City of Copenhagen is located, Lolland-Falster and Bornholm. The area served by the company covers approximately 3,700 square miles and has a population of some 2,160,000 inhabitants, or about 47% of the population of Denmark.

Principal and interest on the issue are payable in New York City in United States currency.

The debentures are not redeemable prior to June 1, 1972 except through operation of the sinking fund which will commence in 1968 and will retire all the debentures by maturity.

Net proceeds from the sale of the debentures will be applied to the financing of the company's construction program to meet the demands of new subscribers for telephone service and to continue conversion of the telephone system to automatic operation.

In 1961 Copenhagen Telephone sold \$10,000,000 of debentures privately in the United States and 25,000,000 Dutch Guilder (approximately \$6,900,000) 4 3/4% debentures publicly in the Netherlands. In 1959 it sold in Switzerland a 15,000,000 Swiss Franc (approximately \$3,400,000) 4 1/2% debenture issue.

Stetson Named Sales Vice-Pres.

BOSTON, Mass. — Crosby Corporation, 35 Congress Street, national distributor of the Fidelity Group of Mutual Funds, has announced the appointment of Warren B. Stetson as Vice-President and New England regional representative.

Mr. Stetson, a veteran of 17 years in the investment field, started his career as a securities analyst.

Forms American Inv. Co.

(Special to THE FINANCIAL CHRONICLE)
OAKLAND, Calif. — Louis A. Schreppel is engaging in a securities business from offices at 1706 Broadway, under the firm name of American Investment Co.

MUTUAL FUNDS

BY JOSEPH C. POTTER

With Their Stocks and Hair Down

One night last week two score gentlemen; among them the shrewdest and most experienced on the business-and-finance scene, assembled in a private club in midtown Manhattan. The food was high in price and low in quality, but it escaped their attention. The barman left early, as this group was in no mood for revelry.

Wall streeters, business men and financial editors — they were completely absorbed by the subject that has gripped the entire country for several weeks: Was the panic on in Wall Street?

Before the waiters had even finished serving the dessert, the chief of a mighty mutual fund keyed the evening's discussion by asking: "What would it take to bring on a panic in the market?" The brilliant editor of one of this country's leading business magazines shot back: "Heavy selling of stocks by a leading fund."

The audience was solemn, if not stunned. On one side a fellow was saying to his neighbor: "He's right. Imagine the Dow stocks and other blue chips coming out in big blocks tomorrow morning at sharply lower prices and trading suspended in some of these issues to match buy-and-sell orders. Once the word got out that the funds were dumping, you'd have a panic."

"This is the talk of old men," whispered a fellow, about 35, although the alarmist talk was coming from the middle-aged and elderly alike. One thing was sure: it was not the kind of talk that the market writers of the daily newspapers were putting into their stories. These fellows were saying that this is a bear market and they went on to place the blame on the White House. Even a Democratic adherent, associated with a major securities exchange, offered only a feeble defense of the Administration.

While these men, conservative by nature, probably cast an overwhelming Republican vote, they are not professional politicians. Their overriding interest is in prospering through adjustment to whatever political dispensation happens to prevail. Many of them remembered they had fared well in the Truman years — the last Democratic Administration. If anyone in this audience knew how the business and financial community was to blossom under the present Washington crowd, he certainly was not telling it to his neighbors.

The day following this dismal clinic the mail brought a useful statistical summary from the Investment Company Institute that was of coincidental interest. It showed among other things, that from 1941 to 1961 there had never been a year in which the funds had had to repurchase more of their shares than they had sold.

Back in 1941, when mutual funds counted for little, their sales were some \$53 million and repurchases amounted to \$45 million. With few pauses during the 20 years intervening, sales have bounded ahead, so that by 1961 they were nearly \$3 billion — nearly three times the total bought back. And that ratio is not far from the 20-year summary: new capital totaling up to \$18.4 billion, compared with less than \$6.8 billion of capital repurchased.

The Investment Company Institute figures help to explain why there is so much interest in what the funds are doing and what is being done to the funds. "Public ownership of equity securities of U. S. corporations, for example, is now estimated to be

valued at more than \$450 billion. The holdings of mutual funds represent approximately 4% of this total."

Not since the funds attained measurable stature has there been such havoc in the stock market. The course of this market may well be determined by the stewards of the funds and the millions of folk who own fund shares. Any mutual fund executive can claim major attention these days by simply announcing it is in there buying. Older witnesses of the marketplace will have no difficulty in recalling that John D. Rockefeller and other tycoon also got attention in another day by reporting that they were buying common stocks.

Plus ca change, plus la meme chose. (The more it changes, the more it's the same.)

The Funds Report

Total net assets of **Affiliated Fund, Inc.** were \$766,836,272 at April 30, close of the first half of the fiscal year. This was equal to \$7.88 a share. At Oct. 31, 1961, close of the last fiscal year, comparative figures were \$804,149,201 and \$8.83.

In the six-month span five new stocks were added: Continental Baking, Standard Oil of California, Standard Oil Co. (New Jersey), Union Oil of California and United Shoe Machinery. These stocks were eliminated; Beneficial Finance, General Motors, Halliburton, International Telephone & Telegraph, National Biscuit and Zenith Radio Corp.

Andrew W. Eberstadt was elected to the board of **Chemical Fund, Inc.** He joined F. Eberstadt & Co. in 1955 and became a partner in 1958. In 1959, he was elected a vice-president and director of F. Eberstadt & Co., Managers & Distributors, Inc., a wholly-owned subsidiary which manages the investments of Chemical Fund and distributes its shares through investment dealers.

Total net assets of **Dividend Shares** amounted to \$312,146,612 or \$3.31 a share, on April 30. On Oct. 31, 1961, end of the last fiscal year, assets amounted to \$331,325,411 or \$3.52 a share. The report states that at April 30 investments costing about \$178 million had a market value in excess of \$311 million.

Chemical Bank New York Trust Co. has been appointed by **Franklin Custodian Funds, Inc.** to act as transfer agent and dividend disbursing agent for its issuance and transfer of its utilities series, income series, common series, bond series and preferred series.

Ivest Fund, Inc. has elected William A. Coolidge and Nathan E.

Corning as directors. Mr. Coolidge is chairman of the board of National Research Corp. Mr. Corning, a vice-president of the fund, previously was associated with Merrill, Turben & Co. of Cleveland and was a security analyst for John P. Chase, Inc., Boston.

Elected Director

John L. Weinberg, a partner in Goldman, Sachs & Company, 20 Broad Street, New York City, has been elected a director of The B. F. Goodrich Company, it is announced by J. W. Keener, President and chief executive officer.



John L. Weinberg

Weinberg, on the B. F. Goodrich board and continues the 50-year association—which began in May, 1912—of Goldman, Sachs and the rubber company.

Four With Morgan Co.

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Aaron M. Binder, William D. Joye, Theodore T. Sackett and Leon G. Shahanian have joined the staff of Morgan & Co., 634 South Spring Street, members of the Pacific Coast Stock Exchange. All were formerly with Holton, Henderson & Co.

N. Y. Analysts Society Evening Forum

The New York Society of Security Analysts on June 14 will have a dinner meeting. Speakers will be D. A. Rhodes, President; T. J. Ready, Jr., Executive Vice-President, and Dr. Carlos A. Efferon, Director of management organization and planning, of Kaiser Aluminum and Chemical Corporation.

Tariff is \$7.50 and reservations should be made with Haskell Sweet, New York Society of Security Analysts, 15 William St., New York City.

Chicago Analysts to Hear

CHICAGO, Ill.—Edward A. White, President of Bowmar Instrument Corporation, will be guest speaker at the luncheon meeting of the Investment Analysts Society of Chicago to be held May 31 at the Midland Hotel.

With Calif. Investors

LOS ANGELES, Calif.—William S. Lyon has been added to the staff of California Investors, 3544 Olympic Boulevard, members of the Pacific Coast Stock Exchange.

Newburger, Loeb to Admit

As of May 31 Sydney R. Golde becomes a limited partner in Newburger, Loeb & Co., 5 Hanover Square, New York City, members of the New York Stock Exchange.

Affiliated Fund

A Common Stock Investment Fund

An investment company seeking for its shareholders possibilities of long-term growth of capital and a reasonable current income.

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The Market . . . And You

BY WALLACE STREETE

Urgent liquidation in this week's stock market wrote finis to history's longest bull market which ran from 1949 to mid-December of 1961 when the record peak of 734 was seen in the industrial average. It had taken off from 160 on the record run and breezed by the 1929 peak of 381 in 1954.

Chilling sentiment were the sharp drops of the last five weeks, capped off by a 38-point setback last week after five down sessions. Then to start off the new week, sell orders poured in from all quarters and in one session nearly 35 more points disappeared from the reading and, in the process, more than 150 points had been trimmed from the historic peak.

It gave the market one of its sharpest breaks in history, even eclipsing the 30-point setback of Oct. 25, 1929, when the record one-day sales volume of 16,400,000 shares was posted. This record is untouched, since the latest deluge brought volume of 9,350,000 shares.

There has been nothing like this Monday's frantic dumping of issues since late in September, 1955, when the President had a heart attack. That deluge came to 7,700,000 shares, and the industrial average was clipped for 31 points. The difference at that time was that it was emotional selling that interrupted a market which had just posted a brand new, all-time peak the trading session before the news hit. And after that brief reaction, the upside progress was resumed once more.

This week's crash came at a time when much of the stock list had been in trouble for more than a year, the average faltering for half a year and the investment climate jittery and worried.

So far, the business picture, while not provoking much in the way of cheers, was not a dreary one. And, unless the market sees something in the business picture not apparent at the moment, eventually good business could be expected to restore investment confidence. But it will take time to do so. Particularly after a frantic unloading of 9,350,000 shares, as was done in one session this week.

The Case of A. T. & T.

As usual, there were all sorts of estimates of how many billions were wiped out of paper values. For the general public, the tendency is to regard such figures as actual cash lost by investors which is an erroneous assumption. One of the selling targets was American Telephone. But its standing after the deluge at around par means a price tag the equivalent of 300 for the old shares prior to its split. And the old shares never reached that price since 1929 when they had hit 310.

For years A. T. & T. was available at around 160 and 170, and as recently as 1951 could have been acquired for 150. These were the shares subsequently split 3-for-1 so the use of the word "losses" in connection with anyone who had acquired them at the far lower prices is somewhat inexact. Anyone who had acquired the old shares even at the modern-day peak of 265 in 1959, isn't necessarily out any money at the moment.

I.B.M., Too

The hard-hit item pricewise was International Business Machines. But many of the followers of this issue were attracted to the company back before the subsequent and frequent stock splits and stock dividends which lower the cost basis considerably under the going values seen in this week's market. The present shares, which were last split via a 3-for-2 division in

1961, sold up to 607 and this week were down to 355. So at the low the equivalent value on the pre-split shares was well into the 500 area. And as recently as 1960 the old shares sold down to 407.

Real "Losses"

For some other issues the losses were plain. Texas Instruments a familiar, although overworked, sample, its shares jumped to 250 in 1961 but it has been a faltering item since and this week sold down to 74. Without any split involved to complicate the price pattern, that loss is stark. Even harder hit, and also in the electronic section, is Transiron. These shares reacted from a peak of 63, again posted in 1960, followed by more than a year of more-or-less constant troubles. This week they dipped under 8 for another case of a drastic retreat.

Some well-known, blue chip issues have been having troubles of a constant nature, too. Union Carbide which had reached 150 in 1959 has been unable to approach anything resembling that level recently and this week had trouble holding above 91 which is a fair-sized cent in the market value of a top grade holding. Du Pont was also in the category of issues that had dropped some 50 points from their market tag, although this case is complicated by all the confusion and uncertainty surrounding its forced disposal of 63 million shares of General Motors.

Vulnerable Issues

The auto shares, except for Ford, haven't had much popularity for years after their last record output spree. So there wasn't too much in the way of excesses for them to correct. Although they were cut back by the selling, they don't show the drastic price action of some of the other recent favorites. Ford had quite a runup, anticipating in part a pending stock split. So they were somewhat vulnerable and carried down some three dozen points from their peak price, most of it in easy stages although a one-day setback this week accounted for five points of the total decline.

Similarly the rails were depressed sympathetically, but don't show much in the way of wide price breaks common to the industrial high-flyers. Chesapeake & Ohio, which is more of a conjectural item pending its merger bid for Baltimore & Ohio, was an obvious loser when the selling was urgent. The uncertainties arise from, first, whether the merger will be permitted; and, secondly, whether the combined lines will prove a drain on the profits of C. & O. or whether the union will enhance profits. The one thing that can be stated unequivocally about the stock market is that it never thrives on uncertainty.

Where Now?

The two debates that the market sell-off left to occupy the idle time of Wall Street devotees were over where the bottom would be established and when and how soon could a technical rally be expected to give some even momentary comfort to a badly-shaken Wall Street.

The air was thick as it was, largely because the uncertain action of many key issues for periods running back 10 months or more made a spotty background for a seeming advance which was a changed status from earlier rallies. Throughout the upsurge of last year, many commentators had noted that since the business picture then was a bleak one, the rally was antici-

pating the much better economic climate of the moment. And, anticipating such a development in advance left little to be nailed, once the prediction came true. On top of that the general pattern is of good sales but a heavy sprinkling of profit showings to indicate that the profit squeeze was acute. Additionally, there came the threat to profits of the steel companies when the Administration with its full weight forced rescinding of a price increase that was designed, not only to relieve future profits pinches but to help atone for the one started by the wage raises of 1958.

As has happened in other periods of market distress, the belief is general that the margin rate, now at 70%, will be liberalized, probably down to half cash. But here again the fear is that this move, which helped in other uncertain periods to bolster market confidence, might be powerless in view of the changed circumstances of the present market and the sentiment so important to the well-being of any buoyant stock market.

[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.]

Financial Analysts Elect Officers

DETROIT, Mich.—David D. Williams, Vice-President and Assistant Trust Officer of the National Bank of Detroit, has been elected



David D. Williams

President of the Financial Analysts Federation for 1962-63 at the organization's 15th Annual Convention in Detroit.

Other officers named at the federation directors' annual meeting in the Statler Hotel are William C. Norby of Chicago,

Executive Vice-President, and George M. Hansen of Boston, Executive Secretary-Treasurer. The new officers will take over July 1.

Mr. Williams, who has been Executive Vice-President of the federation for the past year, succeeds George Stevenson Kemp, Jr. of Richmond, Va. He was with the investment banking firm of Campbell, McCarty & Co. Inc. until he entered the U. S. Army Corps of Engineers in 1942.

Mr. Norby is Vice-President of the financial and research section of Harris Trust & Savings Bank of Chicago and a past President of the Investment Analysts Society of Chicago.

Mr. Hansen is a founder and charter director of the Financial Analysts Federation. He was President of the federation in 1950-51 and has served as Secretary or Secretary-Treasurer since 1953.

The 1963 convention will be held in Chicago's Palmer House May 12-15.

With Stephen Securities

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Peter E. Kimmes is now with Stephen Securities Corporation, American National Bank Building. He was formerly with Amos C. Sudler & Co.

With A. C. Allyn

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Philip D. Baler is now affiliated with A. C. Allyn & Co., 30 Federal Street. He was formerly with Coburn & Middlebrook, Incorporated.

BANK AND INSURANCE STOCKS This Week — Insurance Stocks

Early reports of first quarter underwriting results of fire and casualty insurance companies indicated mixed results. However, it appears that the first quarter of 1962 will be somewhat improved over the first three months of 1961, although still not on a profitable basis. Quarterly underwriting trends in recent years have clearly established the first quarter as the worst of the calendar year due to the heavy fire losses and increased number of automobile accidents which reflect more severe weather conditions experienced throughout the country.

The improvement in underwriting is principally attributed to better experience in the casualty lines. Automobile, fidelity & surety, workman's compensation and general liability insurance results benefitted by earlier rate increases. Property insurance results were approximately the same as a year ago, although fire losses continue to rise to record levels. Estimated fire losses in the United States rose 6% during the first three months to \$353.8 million.

Both premiums written and net investment income increased moderately. Higher premium volume resulted from both rate increases and higher insurable values. Most volume increases were less than 5%. Net investment income (pre-tax) increases ranged from 2 to 10%, with the average around 5%. Increases, after Federal income taxes, were greater as portfolio managers continue the trend of switching from corporate and U. S. Government bonds to tax-exempt securities and common stocks.

The decline in stock market values during the first quarter was reflected in the book values of the majority of insurance company stocks. The degree of the drop varied with the importance of common stocks to the overall investment portfolio. Few companies were able to generate an operating profit sizable enough to offset the decline in market values.

FIRST QUARTER 1962 UNDERWRITING RESULTS

	Loss Ratio	Expense Ratio	Profit Margin	1st Quarter 1961 Profit Margin
Aetna Fire	62.9%	36.8%	0.3%	0.2%
American	71.8	36.9	8.7	2.9
Criterion	93.8	22.3	16.1	N.A.
Employers' Group	57.0	31.4	8.9	5.4
Fidelity & Deposit	23.7	58.0	13.3	19.0
Glens Falls	64.4	41.5	5.9	7.3
Government Employees	20.0	16.1	3.9	6.9
Home	63.8	37.3	4.1	6.9
Insurance Co. of N. America	66.5	35.3	1.8	2.7
Maryland Casualty	62.8	34.7	2.5	5.3

N.A. Not Available.

INSURANCE STOCK HOLDINGS OF MUTUAL FUNDS

A recent study of investment company management results during the first quarter points out the superior performance of insurance stocks relative to the stock market in general over the first three months of the year. In a study of 1963 funds by Arthur Wiesenberger & Company measuring the approximate net change in net assets per share plus capital gains (reinvested) and income dividends taken in cash, the investment trusts specializing in insurance stocks fared the best of the group.

The fund with the top record for the three month period was Life Insurance Investors with a gain of 9%. It was followed by National Securities-Bond Securities Fund, which was up 5%, while Capital Life Insurance & Growth Stock Fund shared the third spot with three other funds with a gain of 4%. Century Shares Trust, the third fund specializing in insurance stock holdings, was close behind with a gain of 3%.

The gains recorded by the insurance stock funds was in sharp contrast with the declines in net assets experienced by virtually all of the common stock funds. Only the balanced and bond funds were able to post gains in asset values.

Individual insurance company purchases by mutual funds during the first quarter included Life Insurance Company of Virginia, Western Casualty & Surety, Liberty National Life, Fireman's Fund, National Life & Accident, Maryland Casualty, and the new issue of Marsh & McLennan common stock. Insurance stocks sold on balance were Aetna Life, Connecticut General Life, Hartford Fire and Travelers.

Form Reliance Inc.

HONOLULU, Hawaii—Reliance Incorporated is engaging in a securities business from offices in the International Savings Building. Officers are Henry Y. Segawa, President; James M. Horiuchi, Vice-President, and Thomas S. Matsuura, Secretary and Treasurer. All were formerly with Schmidt, Sharp, McCabe & Co., Inc.

Now Proprietor

ST. PAUL, Minn.—Ray F. Weidenborner is now sole proprietor of Henderson-Weidenborner Company, First National Bank Building.

BANK and INSURANCE STOCKS

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Members American Stock Exchange
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Telephone: BARclay 7-3500
Bell Teletype NY 1-1248-49
Specialists in Bank Stocks

Form Securities Mgmt.

SAN JOSE, Calif.—Securities Management Corporation is engaging in a securities business from offices at 1671 The Alameda. Officers are Ben D. Mann, President; John F. Spindler and Jack I. Raichart, Vice-Presidents, and Don A. Ward, Secretary and Treasurer. All were formerly with Securities Research Corp.

Today's Perplexing Problems

By Matt S. Szymczak,* Consultant, C. J. Devine & Co., N. Y. and
 Professorial Lecturer in Economics, Georgetown University,
 Washington, D. C.

Former Federal Reserve Governor comments on the principal domestic and international situations engendering public discussions and official policy decisions at this stage of our recovery. Mr. Szymczak is confident we are making progress in adapting and adjusting our debt, fiscal and monetary policies to the changing conditions, and he points out that the success of decisions made usually depends upon their emphasis and timing.

It is understandable and, of course, proper that during a period such as this many different views and opinions are expressed as to public policy. Whether monetary, fiscal or debt management policies or any other economic policy is right or wrong, depends on a great many considerations and it is very difficult to consider all factors involved. Those responsible for policy formulation usually have better access to the factors involved and to be taken into account.



Matt S. Szymczak

This paper considers some of these factors, which keep changing, especially now, because of international influences—not to speak of our own economic changes—at this stage of our recovery.

The basic deficit in our balance of payments and the outflow of gold has real as well as psychological reactions. Attempts to reduce the basic deficit, due to defense expenditures abroad, financial aid to developing economies, as well as long term capital investment abroad, are closely followed by the public. Ours is a key currency. Gold and dollars have long been one and the same. We are down to more than \$16 billion of gold and over \$11 billion of that is a reserve and collateral behind Federal Reserve notes and the member banks deposits at the Federal Reserve Banks. More than \$4 billion of gold is free. The public understands that to a large extent our position in international councils is related to the position and strength of our economy and our ability to manage our economic affairs effectively. The strength of our dollar here and abroad is therefore not only important, but significant.

Should the Fed Continue "Operation Nudge"?

Should the Federal Reserve supply less reserves to the banking system through its open market operations? Time and savings deposits in all savings institutions including commercial banks, have been increasing—due partly to the high interest return on time and savings deposits, and partly to increased personal income and increased consumer thrift tendency. Time and savings deposits are very close to money—if we define money as currency in circulation and demand deposits in banks. Banks as well as other financial institutions are liquid. Banks seek to put this money to work to get a return. Interest rates are relatively low. The Federal Reserve's "Operation Nudge" is intended to remove some of the demand pressures from short term government securities while supplying reserves through open market purchases. If our short term rate does not go too low in relation to short term rates abroad, more of the credit can be used in our domestic economy and thus help the economic upturn. Should the

Federal Reserve continue its "Operation Nudge" in the open market—and buy more long term government securities to help keep long term rates low—or should its monetary policy become somewhat less easy—especially now that the banks are so liquid and therefore putting the money to work wherever they can—even abroad? These questions are receiving more and more public attention, especially since the economy is moving upward but not at a rapid pace, and the deficit in our international payments is large and the gold outflow is continuing.

The announced deficit figure in our balance of payments for the first quarter of 1962 is \$450 million. It is less favorable than the figure for the first quarter of 1961, but less unfavorable than the figure for the last quarter of 1961. During the second quarter of 1961, we had the prepayment of government debts by Germany and other nations. Also the announced figures for the first quarter of this year and the second half of last year reflect increased imports which reduced the surplus of exports over imports.

In trying to estimate the deficit for the balance of this year, it is to be remembered that there may be further prepayments of government debts by European countries and by their sharing some of our defense burdens. On the other hand, if imports continue to rise and exports do not rise as much or are reduced—and if short term funds flow out of the United States in increased amounts, the deficit may show an increase.

The volume of our gold losses for the balance of the year will depend not only on the size of our deficit but also on the way it is distributed among countries abroad. If the major part of our deficit is in countries where the banks do not keep large foreign exchange balances but turn the dollars over to their central banks, then, of course, the central banks may convert all or most of the dollar balances into gold. And as they do so the gold part of our deficit increases. On the other hand, if our deficit is largely in countries that keep their reserves in dollars, our gold outflow does not increase.

The Federal Reserve obviously is fully aware of the money and credit needs of our economy at this stage of its recovery, and the liquidity position of our banks as well as the nature of the international payments situation and the strength of our dollar at home and abroad. It is also aware of the gold outflow. The Federal Reserve has been operating in the Foreign Exchange Market in support of our dollar, and is therefore operating in that market as well as the government security market. The Federal Reserve is constantly in touch with the Bank for International Settlements in Basle, Switzerland and the Organization for Economic Cooperation and Development. On the basis of my experience in the Federal Reserve I feel certain that within the Federal Reserve System, the same questions arise that are asked in public discussions, and on the basis of its total and up-to-date information the Federal Reserve System makes its decisions. It's usually a matter of emphasis and, of course, timing.

Current Tax Proposals

The Administration's tax proposals are now being discussed in Senate Hearings—tax on cooperatives, withholding tax on dividends and interest, tax allowances for modernization of equipment, increased taxes for savings and loan associations and mutual savings banks, taxes on earnings of U. S. industries established and operating abroad. Discussions in the Senate Finance Committee will continue with witnesses appearing on all sides of the proposals. It will take some time before there will be a clarification of developments within the Committee—but in the meantime there is the depreciation allowance for industry which is about to be announced by the Treasury. Also in the background but not in Congress is the overhauling of the tax structure—closing loopholes but also the possible reduction of tax rates for corporations and individuals. Some would have Congress consider both the overhauling of the tax structure as well as the tax reduction at the same time. Others would prefer Congress to consider the tax reduction first. As of now, there seems to be no inclination to announce a proposal for Congress to consider a tax reduction first. The economy is moving forward—according to latest announced figures.

Production in March was 116%. In April production was 117%. Personal income rose in April by \$2.8 billion to \$438.7 billion. Unemployment is still at 5.5%. Non-agricultural employment for April was 55.1 million (seasonally adjusted) up from 54.9 in March. Total employment in April was reported at 67.5 million; off from 67.9 million in March. However, this may or may not be a drop in total employment because, it is explained, the formula for arriving at the figure was changed for this month and adjusted to a more up-to-date population figure. So, while the figure indicates a drop in employment, this may or may not actually be the case. Agricultural employment was off 250,000 in April from March. Employment as a whole is up 1,300,000 from April of last year.

The Gross National Product reached a new high of \$548 billion for the first quarter of 1962—up \$6 billion from the last quarter of 1961.

While department store sales in April decreased somewhat from March, retail sales rose 1% in April. Automobile sales as well as sales of other durable goods increased.

The Federal Reserve announced a continuing expansion, during April in total commercial bank credit, an increase in loans and an increase in holdings of state and municipal securities. It also announced an increase in time deposits at commercial banks (at a less rapid rate) and an increase in the money supply, seasonally adjusted.

Financing the Coming National Debt

In addition to concern about the balance of payments and the economic situation, the Treasury must be concerned about its financing for the balance of this year—not only large and continuing refunding, but also cash financing.

The national debt on a statutory permanent basis is \$285 billion. \$15 billion additional (bringing the debt ceiling to \$300 billion) is on a temporary basis. This \$15 billion expires on June 30. As of May 17, the Treasury had outstanding securities (debt) of \$297 billion. To do its financing, the Treasury has asked Congress to authorize a national debt ceiling of \$308 billion. This is pending in the Senate Finance Committee.

On the international front, Congress has before it the new trade proposal which too requires action by June 30.

Also in the international area, is the change in the United Kingdom discount rate which by successive steps, was reduced to 4½% on April 26. On the other side, just the day before that, the Netherlands discount rate was increased to 4%. The Canadian dollar, after having a period of fluctuating exchange rate policy, was officially announced on May 2 at 92½ cents to the U. S. dollar.

On the basis of these and many other considerations, it is obvious that many different views, opinions and suggestions will develop. However, on balance, it seems to me that, taking the international and national situations as they are, and as they are likely to be, there is reason to believe that we are making progress in adapting and adjusting our policies—both monetary and debt management, as well as fiscal, to the changing conditions. And that our economy continues to show an upward stable trend though, of course, not booming expansion. I repeat, therefore, what I said before, namely, that it is a matter of emphasis and timing.

*An address by Mr. Szymczak before the Association of Customers' Brokers, New York City, May 24, 1962.

Thomson & McKinnon Branches

Thomson & McKinnon has opened two additional branch offices in New York City, at 625 Madison Avenue under the management of Matthew Greenwald, and at 20 East 46th Street, under the management of Bernard Katz, Mr. Greenwald and Mr. Katz were formerly branch managers for Sutro Bros. & Co.

L. I. Dealers Ass'n Meeting

WESTBURY, N. Y. — The newly formed Long Island Security Dealers Association will hold its monthly meeting at the Skyway Room, Franklin National Building, 600 Old Country Road, Westbury on Wednesday evening, June 6 at 8 p.m. The meeting will be addressed by a speaker from the National Association of Security Dealers and the Investment Company Institute.

The Association is composed of Security Dealers located on Long Island. Among its members are Brokerage Firms, Mutual Fund Dealers, Over-the-Counter Firms and Underwriting Firms.

Shearson, Hammill Branch

ORLANDO, Fla.—Shearson, Hammill & Co. has opened a branch office at 100 East Robinson Ave. under the management of Alexander M. Robinson.

New Hemphill, Noyes Off.

MINNEAPOLIS, Minn.—Hemphill, Noyes & Co. has opened a branch office in the Roanoke Building under the direction of John F. Detmer.

J. B. Dickey Forms Co.

PARAGOULD, Ark. — John B. Dickey is engaging in a securities business from offices at 1 Crestview Drive under the firm name of John B. Dickey & Co. Mr. Dickey was formerly with A. G. Edwards & Sons.

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Mutual Fund Industry Should Police Itself

By Jack M. Whitney II,* Commissioner, Securities and Exchange Commission, Washington, D. C.

SEC Commissioner voices regrets that in the two decades since the passage of the Investment Company Act, the industry has neglected to set up its own self-policing organization comparable to the NASD in the securities industry. Warning "time is running short," Mr. Whitney alludes to the current fact findings and the soon to be published Wharton School study in asking the industry to accept responsibility for the industry's conduct and to present to the Commission its side on the investigation now being made. Favorable comments are made on some of the Institute's recent activities, including its Guide to Business Standards, and cooperation in current studies being made.

I think nearly everyone in the mutual fund industry is familiar with the name of Alfred Jaretzki, and the part he played in the drafting of the Investment Company Act. Following the enactment of the statute he published an article in the Washington University *Law Quarterly* in which, among other things, he concluded that "In the long run it will be



Jack M. Whitney II

the measure of good faith with which the industry endeavors to live up to the spirit of the Act which will determine to what extent moderate governmental regulation can be successful and to what extent, granting the need for regulation, extreme measures may be necessary."

The Investment Company Act is the consequence of a study which the Congress, in Section 30 of the Public Utility Holding Company Act of 1935, directed the Commission to make. That study really was not in full swing until, as Garry Moore would put it, "that wonderful year, 1937." As a consequence of that investigation and the several reports which the Commission submitted to Congress, the Commission produced its own draft of an Investment Company Act and an Investment Advisers Act. Thereafter representatives of various parts of the industry and their able counsel, including Mr. Jaretzki, joined the act. The Senate report probably understated the matter when it said: "Representatives of the companies affected expressed considerable opposition to some features of the Bill." However, those representatives joined with the Commission in advising Senator Wagner that it might be possible for them to reach a common ground and submit a joint recommendation as to the scope and provisions of the Bill. This joint effort was remarkable if for no other reason than that five weeks of intensive work produced a substitute Bill which was, again in the words of the Senate report: "strongly endorsed both by the Securities and Exchange Commission and by almost every company which appeared in opposition to the Bill as originally drafted."

It is no longer helpful to decide whether the Act should be characterized as a "compromise," "a shotgun wedding," or by the use of any other catch phrase. The most significant fact is that this Act was accorded the blessings, the laying on of hands, if you please, of both the industry and the Commission officially and out loud. The Congress accepted and relied on this joint effort in good faith, and enacted the statute.

Two Decades of Experience

One may ask why the statute cannot be said to represent the

happy end of a rather difficult and tedious story. Why should not both the Commission and the industry now be able to take a backward glance over two decades and beam with pardonable pride on a record of growth achieved within the confines of this Act? Indeed, why not, when at the least that record reflects, in my unsophisticated judgment, an almost unparalleled vote of confidence by the investing public?

Well, for one thing, we started together in 1940 in an atmosphere characterized by a large measure of harmony. However, one of the problems with harmony is that it permits everyone to sing a little off-key and still sound good. If, today, we play back in hi-fi stereo the record of our last 20 years and listen with more critical and sensitive ears, we might find that it is high time to weed out the choir. On a more serious note, however, it seems to me that the structure of the Act and its history provide the answers.

The Act does not purport to be a model statute for all time, but is, and this was implicit in Mr. Jaretzki's comment, a point of departure for the industry and the Commission for a continuing effort to determine how best to achieve the purposes of the Act. In effect, the Act prescribed for the industry a structure which the parties concerned, depending on their own points of view, assumed, hoped, predicted, speculated or gambled would achieve the statutory purposes. It was an experimental solution to a set of problems which the Congress was persuaded had to be solved. Time and experience were to test the effectiveness of the solutions—and certainly enough time has run. The policies and purposes set forth in Section 1 of the Act are broad and sweeping. On the other hand, the operative provisions of the Act, while complex, are nevertheless restricted in their scope. It could well have been expected from the outset that the gap between broad purposes and tightly drawn working provisions would constitute an area to be filled in part by the voluntary application of developing standards of business ethics. Such voluntary action would be a valued supplement to the Commission's obligation to exercise its powers under the Act so as to further its purposes.

In an article in *Esquire* Magazine for the month of April of this year, Mr. Burton Crane, a financial writer for the *New York Times*, attributes to a general partner of a Wall Street firm this statement: "90% of the people in Wall Street are shoe clerks. There is no question of ethics. If you give them a high enough fee they will undertake to sell almost anything." The rest of the quotation is not suitable for a co-ed audience, but even so much as I have quoted is to me an irritating statement. I suspect the writer was rather irritated when he made it. I am not prepared to admit the truth of it and I am sure that the industry is not either. Still we might at least

concede that any slice of humanity almost invariably assumes the form of a pyramid because the very best are always in the minority, and those who are merely good are the more numerous. Implicit in the Act has been and is the challenge to both the industry and this Commission to raise continuously the standards which are observed in the conduct of the business. None of us can be content with mere conformance to the literal and minimum operating provisions of the Act. And so, although it would be foolish optimism to suggest we can eliminate the pyramid, we are most assuredly required and able to change its shape by narrowing its proportions and raising its base. This pyramid should tower and not squat.

Some Distressing Situations

Of course, after more than 20 years it must now appear improved in our eyes to the extent that those in the industry who were not observing the standards of the Act prior to 1940 have since jacked themselves up or else have departed from the scene. More significant is the contribution of those who have already responded to the challenge, those who have applied an ethical standard to the conduct of their business which would make the Act, to the extent directed at them, a gratuitous insult. I have faith that both categories of persons exist. My difficulty is simply one of ignorance. How effective have the house-cleaning chores of the Commission and the industry been? How pervasive has been the influence of the most responsible elements of the industry? If we already had answers to show that the operative ethical standards of the industry have achieved the purposes of the Act then, in truth, our task would be done. I hesitate to assume that the Commission has these answers. On the contrary, the Commission's inspection program occasionally discloses distressing facts concerning the operations of some funds which, I am confident, represent the base of the pyramid. To the extent the industry has these answers, I can only ask that it pass on its knowledge—and promptly.

The Congress has made very clear to the Commission its obligation in this context. Legislative directives to us not to rest on our oars can be found in several places in the Act. For example, Section 14(b) authorized the Commission to make a study and investigation of (and to report on) effects of size on the investment policy of investment companies and on security markets, on concentration and control of wealth and industry, and on companies in which investment companies are interested. Also, Section 46 directs that the Commission's annual report to Congress shall include such information, data and recommendations for further legislation in connection with matters covered by the Act as the Commission may find advisable. More recently, it appears from the hearings held in connection with the Mack Resolution that certain activities of the industry may appropriately be considered under the authority of that Resolution.

From time to time the Commission has recommended further legislation to the Congress. Some amendments to this Act were enacted in 1954 but they were largely technical or clarifying in character. The amendments of a more substantive nature which were before the Congress in 1959 and 1960 failed of enactment because of differences between the House and Senate versions of the Bill which were not resolved in conference.

So far as the study of the consequences of size is concerned, I would be surprised if everyone in the investment company industry had not at one time or another had occasion to examine the

questionnaire forms used by the Wharton School in its study which has been conducted over the last several years pursuant to a contract with the Commission.

Wharton Study Due End of May

That study is substantially complete and is expected to be delivered to the Commission in final form later this month. Speaking for myself, I have been doggedly slogging my way through an earlier draft of the report and the only reaction on which I would be willing to be quoted at this point is that I have not had to use many exclamation points in my marginal notes.

In a more general way the Commission uses its routine inspection and enforcement program as a source of continuing and current information about the industry and its affairs. We are trying to shorten our cycle of inspections. Our budget for the current year and also for next year reflect this effort. We still need much more money to do the job properly. Early last year the Commission directed the Division of Corporate Regulation to undertake a general survey of the investment companies, their underwriters and advisers, an activity which is, of course, superimposed upon the routine inspection program.

Also, we are keeping a close watch on the so-called 50 cases which are suits brought by private parties in which various charges have been leveled against particular investment companies or affiliates. Plaintiffs in three of these cases have made application to the Commission for a determination whether certain unaffiliated directors of each of the investment companies involved are in fact controlled by someone else. Such a determination is of considerable moment in each case and is novel, so far as the Commission's exercise of its powers under the Act is concerned. Accordingly, the Commission has determined to settle certain legal issues presented by the applications before proceeding, if at all, to the resolution of the delicate factual questions presented. You know, we might be entitled to think, when we read Shakespeare or Sean O'Casey or even Ernest Hemingway, that the English language is God's gift of tongues. On the other hand, and with all deference to the distinguished draftsmen, when we read certain sections of the Act, it would seem that they are emissions from the Tower of Babel.

Finally, in the current Special Study certain projects have been undertaken which are designed to supplement the information available from the other sources I have just mentioned.

It should be apparent that the Commission intends today, as in the past, to discharge its obligation to the Congress and to the investing public seriously and responsibly.

Industry's Obligation

What then is the corresponding obligation of the industry? Whatever else your spokesmen did in 1940 in urging the adoption of the Act, they conceded in your behalf that the conduct of the business of investment companies, their advisers and underwriters is "affected with the public interest" and those words cannot receive too great an emphasis. It is appropriate to refer at this point to the Invest in America program which is being celebrated this week. The investment company industry has, at the very least, an enlightened self-interest in the consequences of such a program. Even more, however, it has a responsibility so to conduct itself as to justify its assertion of that self-interest. It is also worth noting that the very existence of the Investment Company Institute serves as a recognition of the industry's responsibilities. I gather from published materials that the

Institute and its predecessor share a table of genealogy tracing back to 33 individual "parents." A fledgling organization, the National Committee of Investment Companies, immediately picked up where informal industry cooperation in the drafting and enactment of the Act had left off, to assist the Commission in the drafting of forms and regulations required to implement the Act. The helping hand extended by the industry to the Commission has continued without interruption to the present day. One of the most conspicuous recent examples of this assistance relates to the Wharton School Study. The Institute's representatives have had a substantial and constructive role in that project from its inception. Starting with a collaborative review of the scope of that Study and of each of the questionnaires which the School has used, and continuing until recent weeks during which a select group of your representatives has had the opportunity of making a critical review of the draft of the several volumes to be issued, the Commission and its staff have had the benefit of your resources of talent and experience and we are most grateful.

Praises Recently Issued Business Standards Guide

Another recent activity of the Institute which deserves particular mention is the Guide to Business Standards which has recently received the endorsement of nearly all of your members.

What Should the Industry Do?

What more should the Institute or its membership be asked to do in the discharge of their duties to the investing public? At this point it might be helpful to take another look at the statute itself. Contrast its structure for a moment with that of the Securities Act of 1933. The 1933 Act is a disclosure statute which states, with reasonable specificity the character of the disclosure to be required of each issuer. The burden is on the individual issuer with the assistance of his financial advisers, attorneys and accountants and with the final assistance of Commission review to produce a registration statement meeting the statutory standards. Since the spectrum of disclosure is as broad as that of all American industry, these issuers have little in common which suggests a grouping of them for any self-regulatory purpose. The mutual fund industry by contrast, although it contains elements of variety, is much more closely bound together. The various components of the industry, investment companies, their advisers and their underwriters do share many common problems. The Act itself by regulating the relationships among these different elements of your industry, creates in large part their common bond. The existence of this Institute and the broadening of its membership in the last year reflect this situation.

Now look if you will at the Securities Exchange Act of 1934. That statute too reflects and indeed intensifies the bond between securities dealers generally and also that between those broker-dealers who are members of securities exchanges. Both as to securities dealers generally and as to exchanges and their members, the 1934 Act provides the Commission and the public and indeed the members of the industry, the assistance of organizations armed with specific statutory powers and responsibilities. Under that Act there came into existence the National Association of Securities Dealers, Inc., as a national securities association registered under Section 15A. Also under that Act we have the principal stock exchanges registered as national securities exchanges under Section 6. In each case groups of private firms and individuals whose business has been found to

be affected with the public interest have been afforded the opportunity of accepting the authority and responsibilities spelled out in the statute.

More importantly, those private groups have responded to the challenge and seized the opportunities afforded to them. It seems to me, a novice in the field, that the absence of a similar organization in the scheme of things in the investment company industry may have been an unfortunate omission. If the absence of such an organization in the industry has done nothing else, it has placed a greater burden on the Commission in assessing the effectiveness of the regulatory scheme set up by the Act and in carrying, largely unassisted, the full responsibility for enforcement. These difficulties are compounded by the fact that the Commission's role is somewhat more limited under this Act than it is under the others that I have mentioned. I seem to get the feeling in the course of a few months of service on the Commission that all too much of the daily grist of work under the 1940 Act consists of considering and acting upon requests for exemption.

I come back again to the quotation from Mr. Jaretzki. The thoroughgoing examination in which the Commission is now engaged will have as its principal result the reaching of conclusions as to the success of moderate governmental regulation as demonstrated by the history of the last two decades. In reaching that result the Commission is entitled to ask for, and indeed it must have, the benefit of an intensive self-examination by the industry itself even as the Commission must appraise its own performance as well as the industry. As I have suggested, I believe our parallel tasks would be much simpler if this Institute or its predecessor had been occupying a status loosely comparable to that of the NASD. However, even in the absence of such an organization, there is no question in my mind as to the resources of talent and, if you will, funds available for the purpose of such a self-examination. Without doubt there is already available as a result of this industry's own research and fact-finding activities, a valuable accumulation of information and judgments. I am not prepared, of course, to suggest the manner in which it should afford to the Commission and the investing public, the benefit of such a process of self-examination. Some may charge me with presenting a hard question without providing an easy answer, and I can only plead guilty. If lacking the expertise and experience of others whom I could name, I cannot define in full measure the extent of the industry's responsibilities and obligations under the statute, I nevertheless think it appropriate to call attention to one facet of that responsibility which has the quality of immediacy to distinguish it. Time is running short. I would hope that the Commission would have the benefit of a self-portrait to take into account as it considers the other materials and information which are in the process of being gathered. We should not be asked to risk a false judgment on any aspect of the conduct of the industry's affairs for lack of the benefit of information and judgment which lie peculiarly and especially in its own hands.

Toynbee tells us that civilizations survive and prosper only as they succeed in responding to the challenges of their times. It is fair to assume that the continued prosperity of a great industry such as the investment company is subject to a like test. In this testing process, it will I trust, justify my congenial optimism.

*From a talk by Mr. Whitney before the Investment Company Institute, New York City, May 3, 1962.

COMMENTARY...

BY M. R. LEFKOE

"Private rights are important but the public interest is a greater right." This statement, made by Paul Rand Dixon, Chairman of the Federal Trade Commission, has been uttered in one form or another by President Kennedy and his advisors in almost every public appearance they have made in defense of their policies. If, in fact, we have here the fundamental principle guiding all of the Administration's actions, perhaps the concept—"the public interest"—can give us a clue to the path down which our President is leading us.

First, what does the phrase mean? Congress creates regulatory bodies whose function it is to regulate industry in "the public interest" but it always leaves the meaning of the phrase to be decided by the men responsible for the operation of each specific commission. The courts have approached the issue many times but have never been able to hand down a workable definition. The President and members of his Administration use it constantly but always seem to take it for granted that their listeners know what they mean by the term and thus, they never bother to define it. It is a phrase which is used by all, and understood by none.

If taken literally, "the public interest" would refer to the sum total of the personal, private, self-interest of each and every citizen. However, as can be seen in the above statement quoted from by Mr. Dixon, this is not what is meant; he and his colleagues use the concept to refer to a conflict between private interests and public interests. This being the case, perhaps those who use it mean that there are some things which are in the interest of all of the people, i.e., the "public," which are not simultaneously in the interest of individual citizens. An examination of the contexts in which the term is commonly used seems to imply that this is precisely what is meant.

Irreconcilable Contradiction

This definition, however, results in what appears to be an irreconcilable contradiction: How can there be a conflict between the interests of an individual standing alone and the interests of an individual when considered as part of a group?—i.e., how is it possible for anything whatsoever to accrue to a group which has not previously accrued to the individuals within that group? The answer is that the contradiction is, in fact, irreconcilable and those who so righteously mouth the phrase are fully cognizant of that fact. Their motive entails the attempt to negate individual rights while keeping the individual from knowing that they are slipping away.

If you tell an individual that his profits are not his to keep because you say so—if you tell him that he cannot produce a particular television show because you say so—if you tell him that his property is not his to keep because you say so—if you tell him that his happiness is not his to seek because you say so—if you tell him that his life is not his to live because you say so—he will look at you with horror and disgust and risk his life fighting for what he will consider his inalienable rights. If, however, you can convince him that he is not really sacrificing his rights—that he is only having his rights defined in broader terms in terms of the general public, he may not fight for what he is losing since he may not realize that anything is being taken away from him.

Since the concept of "the public interest" is meaningless when used in opposition to individual rights, making it the standard of government policy and action results in the granting of arbitrary and dictatorial power to those whose job it is to set the policy and take the action, since they then have the right to define the term as they please.

In an article entitled "His Master's Voice?" which appeared in *Barron's Magazine* on Jan. 1, 1962, Shirley Scheibla points out that "The [Communications] Act gives the [Federal Communications] Commission a broad grant of authority to regulate broadcasting 'in the public interest.' Since neither Congress nor the courts have ever been able to agree on a working definition of what constitutes the 'public interest,' the commissioners need decide only that it is served by the way they happen to vote." In other words, "the public interest" is created *ex post facto* by the way they vote.

The "Medicare" Issue

The King-Anderson Bill, which would provide medical care for the aged under Social Security, was recently defended by the President with the statement, "This bill serves the public interest." It involves the government because it involves the public welfare. The Constitution of the United States did not make the President or the Congress responsible; it gave them definite responsibilities to advance the general welfare—and that is what we are attempting to do." (Italics mine.) In a statement of only 50 words, he justified his program on the basis of serving the interest of "the public" three times. Today he says that this plan would not include the payment of doctors' fees and that it is "different" from the British Plan of Socialized Medicine. Even if we were to take him at his word, what is to prevent him from deciding tomorrow that "the public interest" requires, not a "different" plan, but the same plan as the British.

By using an indefinable and contradictory concept as its standard of action, the government not only obtains the right to decide, as it sees fit, what is in the public interest, but also—who is the public.

Several weeks ago President Kennedy opened his news conference by saying: "Simultaneous and identical actions of United States Steel and other leading steel corporations increasing steel prices by some six dollars a ton constitutes a wholly unjustified and irresponsible defiance of the public interest." (Italics mine.) In this instance Mr. Kennedy decided that "the public" was everyone other than the 1,200,000 individuals who own shares in the various steel companies. Everyone's interest was considered but the shareholders—the owners of the "irresponsible" steel companies.

Road to Dictatorship

By what standard do the rights of the owners of the steel companies become individual rights—subject to government prosecution, while everyone other than the owners become the public—entitled to government protection? By what standard is the right of a doctor to engage in his profession of saving lives an individual right—subject to government shackles, while his patients receive the privileges accruing to the public—entitling them to government aid in enslaving their benefactors? By what standard is the right of the producer, the actor, and the writer to create and present a performance an individ-

NEWS ABOUT BANKS AND BANKERS

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

First National City Bank opened its 91st metropolitan branch May 25 in the Trans World Flight Center at New York International Airport. This is the Bank's fifth branch at Idlewild.

Chemical Bank New York Trust Company, New York has promoted Richard A. Erbacher and Fred J. Raichle from Assistant Secretaries to Trust Officers, Chairman Harold H. Helm announced May 24. Marc Patterson, Jr. has been named Assistant Secretary. All are with the Bank's Corporate Trust Dept.

Kenneth Adler and James A. Golden, formerly Assistant Managers, have been appointed Assistant Treasurers, it was also announced May 23. James E. Keenan, Raymond F. Koehn, William F. Sullivan, Jr. and William C. Walker, Jr., formerly Assistant Managers, have been named Assistant Secretaries. All are with the Bank's Metropolitan Division.

Chemical Bank New York Trust Company, New York, has elected Henry U. Harris, Jr. to its Lower Manhattan Advisory Board, it was announced May 28 by Chairman Harold H. Helm. Mr. Harris, partner of Harris, Upham & Co., succeeds his father, Henry Upham Harris, Sr., who resigned from the advisory board but continues as a director of the bank.

The Federal Deposit Insurance Corporation May 25 approved the merger of the **Peoples National Bank of Brooklyn, N. Y.** into **Commercial Bank of North America, New York**, G. Russell Clark, Chairman of Commercial Bank, announced.

The merger recently received the approval of the New York State Superintendent of Banking, and joins two institutions having combined total assets of \$283,000,000 and deposits of \$224,000,000. It will become effective at the close of business, May 31.

Chartered in 1908, Peoples National Bank is the oldest bank in Brooklyn with deposits as of March 31 of \$13,419,000. Charles Oldenbittel, who has served as President of the Brooklyn Bank, will become a director and a Senior Vice-President of Commercial Bank of North America.

The Commercial Bank of North America had deposits of \$210,546,000 on March 31.

The exchange of stock will be on the basis of two and a half shares of Commercial Bank stock at \$5 par for one \$20 par share of Peoples National stock.

First Westchester National Bank of New Rochelle, New Rochelle, N. Y., has received approval from the Comptroller of the Currency to drop the town name from its corporate title, leaving its official

name merely **First Westchester National Bank**.

The change, to be acted on by stockholders at the next annual meeting.

Edward A. Jesser, Jr., President of **Peoples Trust Co. of Bergen County, Hackensack, N. J.** will also assume the duties of Chief Executive Officer of the Bank, effective July 1, succeeding Cesar J. Bertheau. Mr. Bertheau, will continue as Chairman.

Kenneth H. Fisher, Executive Vice-President, will become Vice-Chairman of the Directors Executive Committee and the advisory Board of Associate Directors.

John Carlyle Barbour died May 25 at the age of 67.

Mr. Barbour organized and was the only President of the **Clifton National Bank, Clifton, N. J.** In 1949 when the Bank was merged with the **Passaic National Bank and Trust Company, Passaic, N. J.** to form the **Passaic Clifton National**, Mr. Barbour became a Senior Vice-President. He was named President in 1955.

Two years later the Bank and the **County Bank and Trust Company** were merged to form the **New Jersey Bank and Trust Company**, with Mr. Barbour as President. He retired as Chairman of the board last January.

It was announced May 23 that the organizers of **The First State Bank of Lantana, Fla.** have received approval from the Florida Banking Commission and the Federal Deposit Insurance Corporation to proceed with the construction and operation of a new commercial bank in Lantana with an authorized total capitalization of \$650,000. A November opening date has tentatively been scheduled.

The new Bank will have 200 feet fronting on Osborne Road with additional access to 15th St.

The Board of Directors of The First State Bank of Lantana includes William E. Benjamin II, Chairman, James C. Dean, Director of the **Wilton Manners National Bank** and the **Lauderdale-by-the-Sea Bank**, Stuart W. Hopkins, Jack C. Lee, Donald E. Lilenthal of McCoy & Love, Carlton R. Melear, Doyle Rogers, and W. Durham Sullivan.

Wells Fargo Bank, San Francisco, Calif. has made James K. Dobey Vice-President and Manager of the main office in San Jose, Calif., and Vice-President in charge of the San Jose-Santa Clara district. He succeeds Fred J. Oehler, who will retire June 1.

The Bank of Nova Scotia, Toronto, Canada elected John S. Proctor, and J. Douglas Gibson, Directors.

J. L. Hibler Opens

LOS ANGELES, Calif.—Julius L. Hibler is engaging in a securities business from offices at 2003 South Central Avenue under the firm name of Julius L. Hibler & Company.

Admits Partner

BOSTON, Mass.—William W. Mabilia has been admitted to partnership with C. Parker Simpson in Security Planning Company of New England, 141 Milk Street.

Birr Opens Branch

EUREKA, Calif.—Birr & Co., Inc. has opened a branch office at 517 F St. under the direction of Robert H. Wotherspoon.

The State of TRADE and INDUSTRY

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

The May 25 Cleveland Trust Co. *Business Bulletin's* Analysis of Manufacturers' Sales and Profits delineates the marked attrition in profits since the fourth quarter record high in 1955. Using Securities and Exchange Commission and Federal Trade Commission jointly compiled data, the study shows 1962's first quarter net income does not compare favorably with the rise in sales.

The *Bulletin* notes that "many people seem to think that industrial concerns enjoy a fat margin of profit on their sales volume. For example a public opinion poll taken some years ago reported that one-fourth of the respondents believed profits to be more than 40% of sales. This is very far from the truth. In 1961, when their sales reached an all time high, manufacturing corporations as a whole made a net profit (after taxes) of 4.3 cents per dollar of sales.

"Profit margins vary as between different industries and companies. But the composite picture for 1961 shows that 92.3 cents — or over nine-tenths of the sales dollar — went for wages, salaries, materials and supplies, and other costs and expenses (including 3.3 cents for depreciation). Next came the provision for Federal income taxes, which sliced off 3.4 cents. Costs and Federal taxes added up to 95.7 cents, leaving a net profit of 4.3 cents. Of that amount, 2.4 cents were paid out as dividends to the stockholders, who are the owners; and the remaining 1.9 cents were retained for expansion, improvements, and other business purposes.

"In spite of a record volume of business in 1961, the ratio of net profits to sales was one of the lowest for the postwar period. In fact the over-all profit margin has been in a declining trend for several years, though with upward spurts during periods of rising business.

"Comparisons with the 1950-53 Korean War period are not entirely satisfactory. Thereafter the business recession of late 1953 and early 1954 brought a dip. Then came a rise to 5.6% in the fourth quarter of 1955, a figure which has not been equalled since. During the next business recession the curve dropped to a new low point in early 1958. Subsequent recovery did not reach the 1955 high. This was followed by a decline to 3.5% in the first quarter of 1961, the next lowest so far. The business upswing which began early last year was accompanied by a rebound in the profit margin, which reached 4.8% in the fourth quarter.

Durable Goods Hit Hardest

"While the downward trend in profit margins has been quite general, the profit squeeze of the past several years has been most noticeable in the durable goods industries. Taking the data for the last five years from the government report already mentioned, the ratio of net profit to sales for all manufacturers combined was 5.3% in 1956 and 4.3% in 1961. For durables the decline was from 5.2 to 3.9%; and for nondurables, from 5.3 to 4.7%. As examples of the former group, the ratio for machinery producers dropped from 4.7% in 1956 to 3.8% in 1961; iron and steel, from 6.7 to 4.6%; and primary nonferrous metals, from 9.3 to 5.3%.

"Most earnings reports thus far published for the first quarter of 1962 show sizable gains over the same 1961 period, which was the

low point of business recession and a poor quarter for profits. Below is a compilation made by this bank covering sales and net profits as reported by 250 large manufacturing corporations.

	No. of Companies		Percent of Total No.	
	Up	Down	Up	Down
Sales	229	21	92%	8%
Net income*	207	43	83	17
Profit margin†	170	80	68	32

*After taxes. †Net income ÷ Sales.

"Proceeding from sales to net income to profit margin, the comparison of 1962 with 1961 becomes progressively less favorable.

"If an individual saves part of his income he is praised as being thrifty and a worthy citizen. But if he consistently spends more than his income, the end result is insolvency. A corporation is no different. If it expects to stay in business it must develop a margin between income and outgo. Without this margin, or profit, our private enterprise system could not exist."

Bank Clearances Increase 5.7% 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 26, data from all cities of the United States from which it is possible to obtain weekly figures will be 5.7% above those for the corresponding week last year. Our preliminary totals stand at \$29,870,590,853 against \$28,272,810,565 for the same week in 1961. Our comparative summary for some of the principal money centers follows:

Week Ended	(\$000s omitted)		%
May 26—	1962	1961	
New York	\$16,119,535	\$15,601,737	+ 3.3
Chicago	1,377,005	1,310,049	+ 4.3
Philadelphia	1,220,000	1,148,000	+ 6.3
Boston	856,474	833,312	+ 2.8
Kansas City	517,765,074	470,137	+10.1

Underestimated Steel Inventory Build-Up Clouds Present Picture

Steel consumers are liquidating their inventories at a rate of 1.5 million tons of steel a month, The *Iron Age* reported. This is the extent shipments are lagging behind estimated rate of chew-up as steel users work off high stocks. In a special steel inventory study, The *Iron Age* stated that steel in the hands of consumers will be down to about 14.1 million tons by the end of June. At the high point, in April, steel stocks totaled 17 million tons.

The 14.1 million tons of steel is equal to an industry-wide average of a 65-day supply. In April, the inventory level was 75 days.

Steel shipments to metal-using industries in May will total 5.5 million tons. At the same time, the higher rate of consumption indicates some 7 million tons will be consumed. In June, the outlook is for shipments of 5 million tons against consumption of 6.5 million tons.

Compared with a year ago, inventories of steel in June are up 2 million tons from 12.1 million tons in June, 1961. At that time, monthly consumption was running at about 6 million tons, compared with the estimated chew-up rate of 6.5 million tons this June.

The imbalance of steel shipments and consumption is the leading factor in the present steel market weakness, The *Iron Age* reported. It is compounded by excessive stocks of steel held by

the mills. The mills themselves are working off their own inventories, further depressing steel production.

Steel executives are now lowering their estimates of total production for the year. While at one time, 110 million tons was not considered out of line, many now believe that 105 million tons is on the high side.

One thing is sure: The cumulative effect of the inventory buildup in advance of labor negotiations has generally been underestimated.

This tends to make the present picture, as indicated by sagging production and shipments, appear much worse than it actually is.

But even the comparatively good rate of steel consumption won't save the steel market from sagging further. The low point will be in July, when plant vacations and other seasonal factors aggravate the situation. No real upturn in the market is expected until mid-August at the earliest. At that time automakers will be starting up their 1963 production lines. The big hope here is that the momentum of excellent sales of 1962 models (far better than had been hoped for) will carry over into the next model year.

Meanwhile, the market grows increasingly competitive, and mills are shaving extras and absorbing freight, particularly on flat-rolled. The effect to the buyer is a considerable savings, possibly as high as \$6 a ton in some areas and for some products.

Minor Fluctuations in Steel Output Seen for Several Weeks

Only minor weekly fluctuations in the nation's steelmaking output are likely over the next several weeks, *Steel* magazine said this week.

The downslide in steel production has stretched to eight weeks, but the rate of decline is diminishing as steelmakers book new orders at a steady rate.

Look for the ninth consecutive drop in ingot output this week. Output will be slightly less than the 1,650,000 tons that *Steel* estimates were poured last week. Output then was less than 1% below the previous week.

Scrap prices are also declining. *Steel's* price composite on No. 1 heavy melting grade dipped 34 cents to \$26.33 a gross ton.

Steelmakers during June will continue to trim inventories and so will customers. It will probably take users 90 to 120 days to liquidate an inventory surplus of 3.5 million tons. There's almost no chance for a pickup in steel demand before August.

Nevertheless, the current high rate of steel consumption bodes well. Items:

- (1) Housing starts appear to be above 1961's.
- (2) Total construction awards are ahead of those in the same 1961 period.
- (3) New car sales in April were the second largest on record for the month.
- (4) Shipments of durable goods by manufacturers in April set a record.

Steel ingot production in May was about 7.5 million tons, off sharply from April's 9.2 million. June's production will probably be about 6% less than May's, or about 7 million tons. Output for the second quarter will be about 23.7 million tons (vs. 30.6 million in the first).

Freer Trade Favored Even Though Steel Import Prices Slip

As steel production declines in the U. S., operations are following the same trend in Europe and Japan.

Foreign producers are trying to increase export sales by cutting prices of wire rods, reinforcing bars, and some types of merchant

bars. Japanese export prices have been cut \$2 to \$7 a metric ton on such products as angles, bars, I-beams, and galvanized wire.

The U. S. is also busy in the world market, a *Steel* magazine survey of 4,400 metalworking executives shows.

Two-thirds of the 1,300 respondents favor freer trade policies at this time. Seven out of ten indicate they now export. Other opinions:

About half (47%) say their companies would benefit from liberalization of other countries' trade barriers.

About two out of five believe their companies would be injured by liberalization of U. S. tariffs and other trade barriers.

Only 27% favor some form of government assistance to companies that are hurt by increased imports.

Only 31% favor some form of government assistance to workers who lose their jobs because of increased imports.

Over half (55%) say freer trade policies would encourage them to begin exporting or emphasize exports more.

Steel Production Data for the Week Ended May 19, 1962, Shows 1.0% Decline Against Previous Week

According to data compiled by the American Iron and Steel Institute, production for the week ended May 26, 1962, was 1,646,000 tons (*88.4), as against 1,662,000 tons (*89.2), in the week ended May 19.

Production this year through May 26, amounted to 46,595,000 tons (*119.1), or 32.8% above the period through May 26, 1962.

The Institute concludes with index of Ingot Production by Districts for week ended May 26, 1962, as follows:

	Index of Ingot Production for Week Ended May 26, 1962
North East Coast	82
Buffalo	71
Pittsburgh	83
Youngstown	70
Cleveland	94
Detroit	123
Chicago	91
Cincinnati	99
St. Louis	87
Southern	101
Western	99
Total	88.4

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

Auto Output by Summer's End Put at 23% Above 1961 Total

Ward's Automotive Reports said that the U. S. auto industry's production of its 1962 model cars would reach 5,295,000 units by the close of last week's operations. This figure is equal to 98% of the 5,408,625 cars it fashioned for the 1961 model period.

Factory output last week, the statistical agency said, will reach 154,561, increasing slightly from 153,110 assemblies last week as the auto industry races on to meet record demand.

Ward's said that output thus far in May, of 585,000 units, has already eclipsed volume for the same month of 1961 (542,305). Previously, *Ward's* projected upwards of 660,000 cars for entire May, which would stand as second-best output for the month on record.

Sales of the industry's cars, which for the first 20 days of this month ran at a rate equal to 94% of production, indicate a strong pace for auto making through June. When the industry concludes assembly of its 390 differently-priced 1962 cars in July and August, output will total some 6,650,000 units, *Ward's* has predicted. This would be about 23% above the 1961 total.

Production by the industry since Jan. 1 shows an even more impressive gain. The 2,968,991 units

completed thus far in 1962 is 38.7% above 2,140,401 cars made in the same period of 1961.

This Week's Truck Tonnage Exceeds Last Year's Week By 6.8%

Intercity truck tonnage in the week ended May 19, was 6.8% ahead of the volume in the corresponding week of 1961, the American Trucking Associations announced. Truck tonnage was 1.4% behind the volume for the previous week of this year.

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

The terminal survey for last week showed increased tonnage from a year ago at 30 localities, while four points reflected decreases from the 1961 level. Memphis, Charlotte, Jacksonville and Louisville terminals reflected year-to-year tonnage gains ranging from 16 to 18.6%. Five other terminal cities showed tonnage increases of more than 10%.

Compared with the immediately preceding week, 23 metropolitan areas registered decreased tonnage, while only 11 areas showed increases.

Lumber Output 0.4% Above 1961 Level

Lumber production in the United States in the week ended May 19, totaled 240,040,000 board feet, compared with 243,781,000 in the prior week, according to reports from regional associations. A year ago the figure was 239,025,000 board feet.

Compared with 1961 levels, output rose 0.4%, shipments 1.8% less, and orders 13.4%.

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

	May 19, 1962	May 12, 1962	May 20, 1961
Production	240,040	243,781	239,025
Shipments	243,106	274,093	238,767
Orders	248,503	264,842	219,219

Electric Output 12.6% Higher Than in 1961 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, May 26, was estimated at 16,202,000,000 kwh., according to the Edison Electric Institute. Output was 194,000,000 kwh. more than that of the previous week's total of 16,008,000,000 kwh. and 1,812,000,000 kwh., or 12.6% above that of the comparable 1961 week.

Business Failures Lowest Since January

In a strong downturn, commercial and industrial failures fell to 285 in the week ending May 24 from 329 in the preceding week, reported Dun & Bradstreet, Inc. At the lowest level since the first week of January, this year, casualties were substantially lower than the comparable year-ago level of 368, and were off slightly from the 299 in 1960. As well, 6% fewer failures occurred than in 1939 when the prewar toll was 303.

There was practically no change in casualties involving liabilities of \$100,000 or more—they stood at 43 as against 42 last week and exceeded 36 of this size a year ago. All of the reported week's decline was concentrated in failures with losses under \$100,000, which dropped to 242 from 287 in the previous week and from 332 in the similar week last year.

The toll among retailers fell to 134 from 160 a week earlier, while mild dips brought wholesaling mortality down to 26 from 32, construction to 42 from 49, and commercial service to 24 from 31. In contrast, manufacturing casualties inched to 59 from 57. No industry or trade group had as

many failures as last year, but services and manufacturing came close to 1961 levels.

Wholesale Commodity Price Index Lowest Since Mid 1961

With wheat, corn and oats prices moving down, the general wholesale commodity price level dipped the lowest in any week since June 1961, reported Dun & Bradstreet, Inc. The substantial declines registered in grains from their week-ago levels outweighed the increases in prices at wholesale for steers and tin.

On May 28, the Daily Wholesale Commodity Price Index dropped to 269.66 from 271.14 in the preceding week and from 272.06 on the comparable day last month. While the index continued above the corresponding 1961 level of 268.51, the year-to-year margin narrowed considerably from that shown in most weeks so far in 1962.

Wholesale Food Price Index Hits Another New Low for 1962

Continuing to edge downward, the Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., dipped to \$5.74 on May 28 and reached not only a new low for this year but also fell short of the level in any week since Jan. 6, 1960. The index inched 0.7% below the \$5.78 registered in the preceding week and was down 2.4% from the \$5.88 on the comparable date a year ago.

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.

Consumer Buying Holds to Good Pace

Although weather played both hero and villain depending on region, over-all retail purchases again in the week ended Wednesday, May 23, pushed moderately ahead of volume in the comparable week last year. Subnormal temperatures and rains hurt some areas and delivery strikes hindered another region. But elsewhere, sizzling weather sparked buying of summerwear, air conditioners, fans, refrigerators, outdoor furniture and garden supplies. Mid-May auto sales maintained their record-breaking pace.

The total dollar volume of retail trade in the reported week ranged from 3 to 7% higher than in the previous 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; Mountain -1 to +3; Middle Atlantic and Pacific 0 to +4; East South Central and West South Central +3 to +7; West North Central +4 to +8; South Atlantic +5 to +9; and East North Central +8 to +12.

Nationwide Department Store Sales Up 7% From 1961 for Week Ending May 19

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported a 7% increase for the week ended May 19, 1962, compared with the like period in 1961. For the week ended May 12, sales were up 8% compared with the corresponding 1961 week. In the four-week period ended May 19, 1962, sales were 8% above the corresponding period in 1961.

According to the Federal Reserve System department store sales in New York City for the week ended May 12, were 4% more than in the corresponding 1961 week. Data for the latest week ending May 19 are still unavailable as we go to press a day earlier because of the Memorial Day holiday.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Want To Catch Some Fish?

This is a column for security salesmen—not fishermen. But the first time I met my friend "Lou" I had been told that he knew where to go, how to hook 'em, and when was the best time to run into some Florida Snook which is one of the best, pound for pound, gamest all around, little old fish that you'll find anywhere. But the trick is to boat them, and bring them home. Not one or two, and a story about those that got away; but enough to put a meal on the table the likes of which you never tasted before, even if you just ain't never been a fish eater.

Having heard about this fellow from my daughter, who is her biology teacher; how he keeps his records about (his students) and his snook; how he has a place for everything and everything in its place, I was all anticipation. Lou said, "Be ready at 3:45 a.m. Bring a long sleeve shirt, some mosquito oil, a raincoat, your tackle, your lunch, and I'll be at your door ready to go." At exactly 3:45, with the moon shining like a certificate for a hundred shares of A.T.&T. in the early western Florida morning sky, I stood outside my door and Lou's car rolled around the corner.

You Have to Be Prepared

On top of his car, perched as neatly as a hat on Jackie Kennedy's head, was strapped a boat weighing exactly 110 pounds. Lou made it himself, after completing six drawings, and disposing of another boat he had made that was about ten inches too wide for the narrow streams he sometimes traversed in the Florida Everglades. The bottom was laminated plexiglass, so smooth the sharpest stones and mangrove roots wouldn't rip it open. It did not protrude an inch from the front or the back of his old fishing car (1949 model that still ran like a 23-jewel watch). Three nylon detachable ropes hooked to the bow, and three to the stern, securely anchored it on the roof of his car. Underneath it was a cut out circular side of a truck tire, that someone had disbanded, and Lou had made it into an easily detachable rest for his fishing boat. In the back of the car he had removed the entire rear seat and covered it with a piece of metal. Herein rode two short oars, a long-handled gig for many uses in the water as well as entangling gear from low hanging brush and trees, a plastic container for water, a small ice box that was just large enough to carry cleaned fish filets, an air-boat motor he had made himself out of an abandoned, four horse power, motor, and 11 hours of work carving a mahogany propeller, standing about 2½ feet high and weighing all of 45 pounds. Also a snake bite kit, two seat cushions, two (removable) plywood floor boards for the boat, two cans of gas (just enough to last a full day's fishing) his hip boots, tackle box, an extra wooden fishbox, his lunch, and two rods. I put my gear in the back of the car, and off we went for an 80 mile drive westward toward the Gulf of Mexico. Stopping on the way we loaded the ice box at one of those automatic ice dispensers and the piece that came tumbling out of the machine just fit the box leaving about three inches still available for storage of water, or some fresh fruit drinks that were left in the can till we needed them.

Low Water

This trip came at a time when

there had been an absence of rain for about six weeks. Along the way, Lou noted the low water in the canal near the old Tamiami trail. He spotted bare cracked earth where there had been a small pond only a few weeks before. And as dawn broke, and the Florida sky emerged into a rich, blue purple, we stopped by a stream that was about 40 feet wide. Driving off the road and parking the car, Lou said, "I have a special way to load this little boat. Where we are going, the weight has to be balanced just right. We won't have any extra room, so follow me and do what I tell you." Working together we unloaded the car, piled our gear on the bank, unhooked our guide lines, and easily launched our little craft, with the bow in the water. Looking at me, Lou had said, "You know I am a little younger than you (he's a lot younger and that isn't all mates, he's quite a man, this fellow); you take the front end of the boat, it only weighs 45 pounds, the stern weighs 65. I followed instructions. Then we fitted everything properly in the boat and Lou walked over to the bridge with a paddle in his hand. I watched him hold the paddle right at the top of the water and measure the distance on the paddle to the bottom of the little concrete bridge. I asked him, "Lou, why did you do that?" "We'll make it, that water line is 17 inches from the bridge bottom." You see he had marked an eighteen inch line on his paddle, and 17 inches would still give us the clue of how shallow our little river would become as we were soon to discover.

Suddenly our river narrowed almost to a 4-foot pathway, but humming along on the stern of our Queen Mary was our air-motor. We took our short paddles and pushed our way through the rapidly gathering density of grasses, and the two to three inches of water that still supported our craft. Finally we came to a stop. The river widened, but in front of us was a sand bar that even we couldn't cross. Slipping on his hip boots, Lou said, "Now you sit in the center of the boat, here's the only place where we have a little trouble." Taking one of the guide lines in his hand, he sloshed ahead, pulling me and the boat behind him for about 35 feet. Getting back into the boat he took off the boots. He washed them carefully in the water in order to keep our little boat clean of the Florida mud. He spun the prop of our air motor again and off we went.

If you ever want to see this country when it was the way it used to be, take a trip like this. The river widened, then it narrowed again. Overhead hung vines, mangroves, huge trees strung with exotic flowers. Around us perched herons, drakes, and wild life I couldn't describe; but Lou told me what they were. Finally we came to an open lake. This one's no good, he said. We went on. He took off the air-motor and I helped him lift it into the bow of the boat next to the ice-box. Then we replaced it with the 3-horse outboard. Through more dense jungle, small rivers, and then another lake, next a short piece of narrow river again and finally we came to lake number three. Lou said, "We'll troll it a while. It used to be good, but the last few times I've been here I've had no luck." We didn't—and we went ahead. I forgot to tell you, on this first trip, we had also brought

along an axe and a saw. When I asked him if we were going to build a cabin, he said, "You'll find out why." Soon I was to learn. Continuing our journey through a river that varied between ten feet and about 40 feet in width, we saw our first few swirls of "Snook." We cut off the motor and as silently as possible we paddled our way and hooked our boat to a mangrove bough about 30 feet this side of our first Snook hole.

Taking a short rod, with a 10 pound test line, a 15 foot, 20 pound leader, attached to another 5 foot, 30 pound test extra leader, Lou shot a home-made, 2½ inch, red headed, silver, wooden lure, at a spot between some brush and a stump. As the plug hit the water, he let it sit for a moment. Then he gave it two sharp wrist jerks, and started his retrieve. "Bang," it hit! What a strike, and what a fish. Straight for the mangrove roots it headed; but Lou's rig held, and as he pumped, and his rod bent almost double, I stood ready with the net. "When I get him to the boat," he said, "net him at his head." You try it, with a fighting, darting snook, standing under mangrove trees, in a boat less than four feet wide. But somehow I, (or we), got him into the boat. Lou cast several times more.

Meanwhile I was tangling my gear in bushes, trees, and trying to imitate the action of his rod with my whippy, long spining gear. But Lou was patient. Turning to me he smiled, and said, "Do it this way, do it like this. It's O. K. Keep trying." By 12 o'clock we had boated about seven big snook; had thrown back more that were too small, and Lou had sawed and chopped his way through a barricade of fallen mangroves that were still left from hurricane Donna, that were lying across our little river and had blocked our path that led to his special Snook hole number four. When I first saw that pile of brush and looked at the huge trunk of the tree with its branches in the water, I expressed doubt about exerting all the effort needed to go through such an obstacle. Smiling at me, Lou said, "Give me the saw. I didn't come all this way to let any old hurricane stop my fishing." In about ten minutes he had hacked and sawed his way through, and our little 3-horse kicker did the rest.

Not Ready to Quit

Lou headed the boat back. We finally reached our starting bridge again, but only after he had stopped in a shady spot, put a wooden board on top of his fish box and made as neat a job of filleting those snook as you ever saw at the Waldorf. They went into the ice box and out came a jar of ice-water that tasted better than any drink you have ever tried. We dipped a towel in the ice water and mopped our hot, perspiring faces; while under our hats we draped the still cold towel just to keep our heads from getting too big with all those fish in the boat. Looking at me, Lou said, "How are you taking it? Would you like to quit and go home, or would you care to try another spot about ten miles down the road? It's open water and there is a nice canal we can troll when the tide will be changing (and that should be about two o'clock). Then if you are not too tired we can fish till dark at another spot where I got 15 the last time out."

Who was tired? Who would admit it? Not a fellow that sits at a desk all day and does nothing more than answer a telephone. Not me. I wasn't going to let this young Daniel Boone show me up. So we unloaded the boat, filled the car, put the boat on top of the car again, and off we went.

We unloaded once more, we trolled, and we fished until dark. This time he showed me what kind of deep lure to use; how to count to three seconds till it hit the bottom; how to retrieve it. I lost a

whopper because I didn't tie my lure on just right. I lost another because my drag was too tight. He got 20 strikes to my one. But finally we finished the day, with more fish in the box; the boat unloaded again, the car packed, the boat on the roof, and wham—out came the mosquitos. They hit us just about dark. Like a horde of darting, stinging, atomic blasts they came at us in droves, and in gusts. With what remaining strength I had left I jumped into the car. "Open the windows," Lou yelled, as he shot the car down the road, "that will blow them away," and it did.

Driving home, back east for 80 miles that full Florida moon came up again. The same moon we had seen that morning in the early western sky. "Look in the glove compartment, I've got my dinner there," Lou said to me. As I opened it, a special bright light he had inserted disclosed a can of luncheon meat. He handed me a wax paper container with four slices of bread in it, a knife, and there was even some paper to put on the opened door of the glove compartment where I prepared his sandwiches while he drove the car. In a small container there was also some instant coffee already mixed with the proper amount of sugar, a small spoon, and a plastic cup. "Four heaping spoonfuls," he told me. I put the coffee in the cup, stirred it with some water that was still available in one of his plastic jugs. "Want some?" he asked. "No," I replied. "I'll just relax a while and have some hot coffee when I get home." "If you don't mind," he told me, "I'd rather drive right home than stop at one of these roadside places. I sometimes like to sit with my wife for an hour before I go to bed and we watch television." O. K. I thought—you watch television—when I get home I am for the shower and for the bed; and I love my wife's company too, but even the S.E.C. couldn't keep me awake tonight.

Back Home

We made it—we had fish for breakfast the next morning. Not a bone in a piece of it—the sweetest, best tasting fish that ever sat on a plate. You see I had caught one "keeper" one was mine! The rest Lou generously gave me. Now I am trying to learn about this Snook fishing. I've got a new rod. I've learned how to tie the right knot on a lure, how to join two leaders together so they will still follow through a guide line when you cast (and not break). I am practicing casting in my back yard. I am going to catch some Snook too. It is just like selling. I've been out with an "old pro." He's been studying those fish for five years. He keeps records of the catch he has made every time he went out. The moon, the tides, the hour of the day, when to cast, what to cast, when to troll, and where they are. And do you remember something else? When I suggested to him that possibly we should turn back and not try to chop our way through the Everglades, he said, "I didn't come all this way to let any old hurricane spoil my fishing." He had his saw, and when that didn't work he used an axe. A guy like that can teach you a lot about selling—or just about anything else you do in this life.

P.S.—Positively no questions regarding "hot spots," lures, or guide tours will be answered by this column. We don't recommend any stocks here, and we ain't going to give you any of our hard learned fishing secrets either! You do it the hard way like I did—then you'll learn it better. How's that?

R. E. Crowley Opens

FT. WORTH, Texas — Robert E. Crowley is engaging in a securities business from offices at 1201 West Central.

As We See It

Continued from page 1

vide for a steadily increasing economy, what we can do about the flow of gold, how we can prevent periodic recessions at every two or three years, how we can maintain full employment as other free countries have, what's the proper relationship between government and business and labor, what should be our budget policies, our debt policies. These are all matters which concern us today and about which we must do something.

"And I would like to have their views on it. Not so much their views on questions which have been debated, about which we're fully informed of the point of interest of each of the parties, but rather these new, and as I've said, rather sophisticated and technical questions.

"It is my understanding that in the private meetings there was discussions heading in this direction. I hope, therefore, we will have another conference quite soon so that we can continue to talk about these things. I will be very appreciative to the Business Advisory Committee which is now looking into giving us some suggestions on the flow of gold and the C. E. D.'s committee which is going to study the economy of several European countries.

"I have asked our Council of Economic Advisors to consider particularly the case of France which has had rather extraordinary economic vitality so that I hope we can begin to focus our attention on these matters in the next few months."

At a somewhat later point, the President repeats his desire to have all those interested in the country's welfare concentrate upon a number of technical problems "and not merely concentrate our attention on these rather old slogans and fights which shed heat but not too much light on the matters which are directly before us."

What the President seems to us to be saying is essentially this: The country is deeply divided on most of the basic issues and so let us assume that those who have the floor (the New Dealers and neo-New Dealers) are right, and proceed from there on to see how we may build a glorious future for ourselves on the foundations thus provided. Clearly, the President believes that a more or less complete labor monopoly exists in this country—and is here to stay. Any plans that we may make must therefore take this fact, or alleged fact, into consideration and acceptance. So it is, if ordinary rules of inference hold, with

a number of the other "older" issues about which the country is divided. Basic questions having to do with the fundamental matter as to whether it is humanly possible to proceed with success upon such a basis are to be ignored or perhaps we should say pretended out of existence.

Turning to Europe

Strangely enough to the thoughtful mind, but probably naturally enough to those who simply read the headlines and let others do their thinking for them, the President is now much disposed to turn to recent European history for clues leading to the solution of these problems he says face us urgently at this moment. Most of the Western European countries have, of course, had much economic success in the post-war years, and to the unthinking may have solved the mystery of how to stimulate and perpetuate a rapid rate of growth. Let us, therefore, see (the President believes) if we can not discover their secret and apply it here. There may or may not be a good deal to learn from the policies of these countries in recent years, but we must, of course, remember that most of these lands were recovering from war devastation with the massive assistance of the United States. Any comparison of their growth rate during these years with ours—assuming it can somehow be measured with accuracy—must take all this into consideration, and, *a fortiori*, great caution must be exercised in drawing inferences with respect to policies suitable for this country.

But why, in Heaven's name, must we go to Europe for leads of this sort. We have right here at home almost a century and a half of growth which the world seldom if ever has matched elsewhere. Why not inquire how we did it in those days rather than go to a foreign land or lands where customs and conditions are radically different from those which exist in this country? The truth is, though, that the President himself by excluding certain fundamental questions has rendered it all but impossible for us to take our own experience as a guide. We had no labor monopoly in this country until the emergence of the New Deal, although we must say that one was apparently on the way. We never had to contend with a number of other conditions or handicaps which the President now is ready to accept and does accept as here to stay. The first lesson that we should have to draw from any open-minded

study of our own experience is that notions now accepted in this country—and which the President seems to think are to be taken for granted—must be discarded. The real question is how to proceed in their absence in the milieu that has now been established in this country.

Recent events have made

it abundantly clear that those in control of the labor monopoly have ideas drastically at odds not only with common sense, but also with the more "modern" notions of the President himself. The President has bitten off more than he or any other man can chew.

Factors Which Could Change The Interest Rate Outlook

Continued from page 3

As a result, after 14 months of recovery interest rates in all markets are close to or below the recession lows. This is unprecedented in the post-war period.

What were the causes of this surprising behavior of interest rates? I believe there were several:

- (1) A substantially easier monetary policy than in previous recovery periods.
- (2) A change in expectations with respect to inflation.
- (3) A disappointment in the fact of the business recovery and its prospects.
- (4) A marginal switching from stocks to bonds as a result of (2) and (3).
- (5) The change in Regulation Q for the commercial banks.

Role of the Federal Reserve

(1) The most important factor has been Federal Reserve policy during the recovery. The annual rate of change of monetary reserves supplied by the Federal Reserve started to increase sharply before the onset of the recession and has remained at a high level throughout the recession and the recovery period. In April, 14 months after the end of the recession, the annual rate of change of monetary reserves was at the very high level of 10%. At a comparable period in the 1958-60 recovery, the rate of change was a negative 3½%. Thus the contrast between Federal Reserve policy during this recovery compared to previous post-war recoveries has become more marked as the recovery progressed. This has been reflected in the market impact of commercial bank investments. In the first year of recovery from April, 1958 to April, 1959, total loans and investments of all commercial banks rose \$10.1 billion versus \$14.9 billion from February, 1961 to February, 1962. More important than the increased total is its composition—loans comprised \$7.7 billion of the total in the 1958-59 period and \$7.2 billion in the 1961-62 period, a difference of relatively small magnitude, whereas commercial bank purchase of investments in the 1961-62 period was \$7.7 billion versus only \$2.3 billion in the 1958-59 period. The impact of the commercial banks on the money market was thus more than three times as great in the 1961-62 period. Moreover, between the 12th and 15th month of the 1959 recovery the banks were forced to sell \$3.2 billion of investments to meet loan demands as a result of a Federal Reserve policy of curtailing the expansion of monetary reserves. This bank selling touched off the dramatic rise in bond yields in 1959. We are now in the 15th month of this recovery, with bank loans rising more than seasonally, but the Federal Reserve system is still supplying monetary reserves at rates near the high of the recession period.

Inflation and Recovery Prospects

(2) Changes in inflation expectations—Wholesale prices of all

commodities have shown no rise now since the beginning of 1958, and 15 months after the beginning of the recovery these prices are lower than at the bottom of the recession. Further, pressures of the present administration, of world competition, and of a substantial increase in young entrants to the labor force during the 60's, have combined to substantially reduce the certainty of those who for long have considered inflation inevitable. This, in turn, is leading to at least a marginal upward appraisal of bonds as an investment medium and a lower appraisal of stocks.

(3) Disappointment with recovery pace and prospects—There is considerable skepticism among most economists as to the extent and duration of the present recovery. An increasing number have come to the conclusion that the recovery will soon start slowing down and that a reversal may take place in the first half of 1963 without full employment of resources having been reached. Whether or not one agrees with this forecast, it has had its effect upon expectations, leading to a downward revision of estimates of the pressures of demand on the interest rate structure, and calling into question the high price earnings ratios in the stock market. This set of expectations is just the opposite of those prevailing in the second quarter of 1961 when business hastened to bring issues to the market and investors were hesitant buyers. Currently investors press to invest funds as soon as possible and business feels no pressure to bring issues quickly to market. This change in expectations accounts for an appreciable part of the market change this year.

Effect of Rise in Fixed Return Yields

(4) Marginal switching from stocks to bonds as a result of (2) and (3)—There is scattered evidence that some pension funds and trust funds have cut back the proportion of new funds flowing into equities in favor of a more liquid position or bond investment. Likewise the mutual funds have become much more in evidence since the first of the year as bond buyers. As an indication, a mutual fund was the largest institutional purchaser of the large A.T.&T. bond issue.

(5) The change in Regulation Q raising the rate which commercial banks may pay upon time deposits has played an extremely significant role in the bond market behavior of the last six months. It set off a competitive scramble for savings deposits which was surely unanticipated and the rates offered for such deposits rose sharply over this period with the savings banks and savings and loans raising their rates to meet the new competitive situation. Time deposits rose strikingly in commercial banks—six billion dollars in the first quarter—and with higher rates to pay on savings, all savings institutions, particularly the commercial banks, strove to put the money out in

higher yielding (of necessity, longer term) investments. The favorite investment areas were the mortgage market for the savings banks and savings and loans, and the municipal market and the mortgage market for the commercial banks. The result of this injection of aggressive rate seeking funds into the markets was to rapidly lower the market rates. Banks particularly caused havoc in the municipal market, where in the first quarter of 1962 it is estimated that they alone invested an amount equal to the total increase in municipal debt during that period, with the inevitable result of a drastic decline in yields to levels below the recession lows. Lower quality higher-yielding bonds were most affected, some issues rising 10 points and more.

Some extremely interesting, challenging and unanswered questions have been raised by the behavior of time deposits and Federal Reserve policy. How much of the increase in time deposits represented a switch of existing assets and how much represented new saving? If the increase represented a switch from demand deposits with a consequent decline in money supply, what are the implications of this for monetary policy? Should the Federal Reserve treat the loss of demand deposits as a loss of money supply and, therefore, expand reserves to make up for the loss, or should it ignore a switch from demand deposits to time deposits within the commercial banks?

Reduced Demand Deposits Contract Money Supply

There is insufficient evidence at hand to arrive at any firm conclusions, but it is interesting to speculate on some possibilities. It does not appear reasonable that ingrained savings habits would respond dramatically in such a short period to a change in interest rates of the magnitude involved; on the other hand, we have had repeated evidence of the volatility of existing savings from one type of asset to another in response to interest rate differentials. Consequently I am forced to conclude, on a very tentative basis, that in the absence of any evidence of material switching from savings banks and savings and loans, that such switching must have come from demand deposits and other short term liquid assets. This, in turn, tends to reduce the money supply defined as currency plus demand deposits, and it would appear that the Federal Reserve has undertaken to offset this by expanding the money supply through the provision of increased reserves. The net result has been a really substantial increase in reserves, money supply, money supply plus time deposits, and total bank credit. Thus the seasonally adjusted annual rate of change of the money supply in March and April was at a level as high as during the recession, over 9%; the annual rate of change in money supply plus time deposits was at a higher level than during the recession, at about 9%, and the annual rate of change of bank credit was likewise higher than during the recession, over 10%.

If the bulk of the increased time deposits represents a transfer of demand deposits and other short-term liquid assets into time deposits, with a consequent pressure on the banks to invest long to cover the higher interest on time deposits, the question arises as to whether an artificially inflated situation has been created; how long the Federal Reserve can afford to supply reserves as liberally as in the past few months; and what will happen if they cease to do so. In addition, it is questionable as to how profitable or sound the increase of time deposits has been for the banks in view of the poor showing of bank earnings in the first quarter,

Cruttenden, Podesta Acquires Hill, Darlington & Grimm



Robert A. Podesta (seated, center), managing partner, and Ernest A. Mayer (standing, left), general partner in charge of sales of Cruttenden, Podesta & Miller, complete arrangements for that firm's acquisition of the securities business of Hill, Darlington & Grimm. With them are (seated, left and right), Thomas W. Hill and Peter Darlington, and (standing, center and right), Henry Darlington, Jr., and A. J. Morison, general partners of Hill, Darlington & Grimm.

and steps may be taken to discourage the inflow to some extent. These considerations raise the question of the adverse market effect of such developments.

Interest Rate Outlook

With these developments as a background, let us consider the implications for the outlook for interest rates over the year ahead.

The behavior of interest rates over this period, in my opinion, will be dominated by the behavior of business, actual and prospective, over this period, the behavior of the balance of payments, and the behavior of the banks and the Federal Reserve with reference to time deposits.

As to the first—the behavior of business—let us take purely as an assumption the standard business economist forecast which visualizes a continued expansion of business for the balance of 1962 and well into 1963. Such an expansion would be a moderate one leading to a \$560 billion GNP for 1962 and a fourth quarter rate of \$570 billion, and a turn into a moderate recession around the middle of 1963, short of full utilization of resources.

Such a forecast implies an increasing demand for funds from governmental and private sectors but does not imply any great pressure on productive capacity, the capital market, or prices. Under normal circumstances such additional demands would not be met with bank credit as freely supplied as in the recession period, and this would lead to moderate upward interest rate pressures. This situation has been the case for the past year, however, and the Federal Reserve has continued to supply credit about as freely as in the recession period. The reasons for supplying reserves freely are largely tied up with a desire to encourage the recovery, which has been below expectations, in the absence of any immediate evidence of inflationary pressures, and in the presence of a stubborn unemployment problem. In a recovery such as assumed above, these same factors would continue to be present—the recovery would be considered unsatisfactory by the administration, and there would be little price pressure and continued relatively high unemployment. Thus it might be assumed that the Federal Reserve will continue to supply reserves as freely as in the past. There is some question about this, however; the balance of payments which behaved nicely in the first quarter due to possibly temporary factors, will be more of a factor to contend with in the balance of the year. Already the sharp downward adjustment in long term bond yields, and the high degree of credit availability in our long term market, is producing some capital outflow in the long term bond market; numerous Canadian, Japanese, European and Mexican bond issues have been floated or are in the process. This may well give pause to the Federal Reserve authorities, in providing too easy a situation in the bond market, and coupled with an expectation of a worsening short term balance of payments outlook may well cause them to modify their recent credit policy in the direction of less ease. Such a change coupled with increased demands would lead to a modest increase in interest rates.

Furthermore, one must consider the question of expectations and the technical situation of the bond market. In view of a sharp change in expectations from December of 1961 to the present time, the bond market has moved from a strong technical position to a weaker one. Thus investors have pressed to put funds out even at declining yields, and dealers inventory positions are considered to be fairly high. In tax-exempts where we have a rough inventory figure, it is near a record high. Coupled with this we have had what may prove to have been a one shot

injection of additional buying power as a result of the change in Regulation Q and the resulting confusion which it engendered. If this stimulus is withdrawn, it would leave the market in a vulnerable position.

Therefore, it is important in assessing the outlook for interest rates, to weigh the possibilities of a change in expectations in view of the weaker technical position of the bond market. Should, for example, this recovery turn out to be more vigorous or more sustained, reaching toward full capacity utilization, a fairly sizable adjustment in the bond market would be likely. Another possibility which cannot be closely measured, is a more critical balance of payments question with its consequent effects upon Federal Reserve policy.

*An address by Mr. Conklin before the National Industrial Conference Board, New York City, May 18, 1962.

NYSE to Expand Training Course

The Board of Governors of the New York Stock Exchange has voted to expand training requirements for personnel of member firms seeking limited registration, it has been announced.

Keith Funston, President of the Exchange, described the Board's action as part of a continuing program to strengthen training and testing standards for those seeking Exchange approval as registered representatives.

The changes approved by the Board become effective July 1. They provide that limited registrants—who may temporarily handle sales of mutual funds or the Monthly Investment Plan only—must:

Complete an approved member firm trading course in subjects prescribed by the Exchange of at least three months, before taking a special limited registrant examination. (This minimum training period was previously one month. For full registration, the minimum training period is six months and there is a separate, more comprehensive examination.)

Devote at least half of their business time while limited registrants to training for full registration.

Complete at least eight months of training from the time of employment before becoming eligible for full registration, and serve in limited registration status for not more than seven months.

The Board also said that these training requirements may be reduced or waived for adequately trained candidates with previous experience in the securities industry with broker-dealers or other financial institutions.

Mr. Funston noted that limited registration, introduced in 1948, is primarily a training device which has been successfully integrated into a number of member organizations' training programs.

All candidates for registration—whether full or limited—must be employed full-time by member organizations, be at least 21 years of age, and undergo investigations of their personal and business histories. The separate examinations they must pass for limited and full registration are administered for the Exchange by the Psychological Corporation at university testing centers throughout the country.

The Exchange noted that limited registrants' securities selling is limited to a carefully controlled solicitation of mutual funds and Monthly Investment Plans from a securities list specifically provided by each firm for this purpose.

Cruttenden, Podesta & Miller has acquired the securities business of Hill, Darlington & Grimm, according to a joint announcement from the two New York Stock Exchange-member firms.

The transaction includes the head office and ten branches of Hill, Darlington & Grimm, which are located in New York City (head office at 2 Broadway, plus a branch at 150 Fifth Avenue), Latham, N. Y., Boston, Mass., and seven Florida cities: Clearwater, Delray Beach, Miami Beach, North Miami Beach, Orlando, St. Petersburg, and Sarasota.

With these additions, Cruttenden, Podesta & Miller now has a total of 36 offices in 15 states, coast to coast, approximately 800 employees, and more than 300 registered representatives (NYSE-licensed securities salesmen).

"Cruttenden, Podesta & Miller's impressive record of carefully planned growth was the major factor in our decision to sell these offices to this fine firm," said Peter Darlington, general partner of Hill, Darlington & Grimm. "Beyond the many evident mechanical advantages of the move, we are confident that it will benefit

both our customers and staff members, in terms of broader, deeper geographical coverage of the securities markets and across-the-board investment services."

Robert A. Podesta, managing partner of Cruttenden, Podesta & Miller, announced the appointments of Harold W. Jacobsen, as director of Eastern operations, and Lee B. Peterson, Jr., as Southeastern regional manager, in charge of the seven Florida offices. Mr. Jacobsen joined the Chicago-based firm in 1959 as administrative director, after extended service as president of Horder's, Inc., and Associated Stationer's Supply Co. Earlier, he was operating vice-president of United Whelan Corp., in New York. Mr. Peterson is a former general partner of Hill, Darlington & Grimm, and has been active in the investment business in Florida for many years.

Mr. Podesta also announced that "our Research Department will be augmented, in depth, by the addition of Eugene E. Peroni," formerly a general partner in Hill, Darlington & Grimm, and the author of its widely read, twice-monthly market letter *Investor's*

Timing Guide. Mr. Peroni will be proposed for admission as a general partner of Cruttenden, Podesta & Miller.

"The large service and trading operation which our firm has maintained at 37 Wall Street since 1953 will be phased into an overall administrative and retail office at 2 Broadway, in Hill, Darlington's former main office. This expanded and completely modern facility will be the focal point of our East Coast operation."

Mr. Podesta recalled that the firm "went retail" in the East last November, when it acquired four offices in New Jersey and one on Long Island.

"Our experience since then," he continued, "has convinced us that we are on the right track, and we are particularly pleased that—beyond a substantially expanded and strengthened operation in the Greater New York area—our firm is now represented, under its own name, in New England and throughout Florida. These are outstanding growth sectors in the financial community, and we believe—more strongly than ever—that we are moving to keep pace with that growth."

Lewis Steinhorn Opens

Lewis Steinhorn is engaging in a securities business from offices at 2170 University Avenue, Bronx, N. Y., under the firm name of Lewis Steinhorn & Co. He was formerly with Investors Planning Corp. and A. G. Edwards & Sons.

G. L. Shulman Opens

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

Scientific Inv. Corp.

SILVER SPRING, Md.—Scientific Investment Corporation has been formed with offices at 10605 Kinloch Road to engage in a securities business. John W. Roberts is President.

Form Selective Secs.

LANCASTER, Pa.—Selective Securities Company is conducting a securities business from offices at 219 West Chestnut Street. Partners are Robert A. Dana and Maurice Weinstock.

Universal Economics

The Universal Economics Company, Univec, is engaging in a securities business from offices at 120 Liberty Street, New York City. Henry G. Hoffman is a Principal of the firm.

Now Willard Securities

The firm name of Willard Co., 111 Broadway, New York City, has been changed to Willard Securities, Inc. Willard Malkan is a Principal of the firm.

Anderson & Strudwick Br.

VIRGINIA BEACH, Va.—Anderson & Strudwick is opening a branch office at 3110 Pacific Avenue, effective June 18.

Form Eagle Corp.

BISMARCK, N. Dak.—Eagle Corporation has been formed with offices in the Professional Building to engage in a securities business. Officers are Keith M. Minette, President; Irvin J. Wilhite, Vice-President; Ann Sease, Treasurer; and Russell R. Mather, Secretary.

W. E. Hutton Adds

(Special to THE FINANCIAL CHRONICLE)
CINCINNATI, Ohio—James E. Heile has been added to the staff of W. E. Hutton & Co., First National Bank Building. He was formerly with G. H. Musekamp & Company.

Now With Green, Erb.

(Special to THE FINANCIAL CHRONICLE)
CLEVELAND, Ohio—Henry T. Loomis is now with Green, Erb & Co., Inc., 815 Superior Avenue, members of the Midwest Stock Exchange. He was previously with Johnson & Co., Inc.

Irving Moss Opens

ARVERNE, N. Y.—Irving Moss is conducting a securities business from offices at 63-18 Alameda Avenue.

Form Eldon Associates

Eldon Associates Corporation is conducting a securities business from offices at 176 Broadway, New York City. Officers are Jerome L. Lubin, President and Secretary, and Noel M. Nocks, Vice-President and Treasurer.

Factors Behind Stock Market's Sharp Decline

Continued from page 1

economic trend is upward, and I share this view. But the matter can hardly be left there. We have to allow for the possibility that fragments of evidence in this recovery point to a basic deficiency in our economic structure. Moreover, we should not view a succession of new record highs in economic performance as confirmation that all is well. Output gains must meet different standards. The real questions are whether the uptrend is sufficiently strong for sustainability of the movement and for satisfactory utilization of our resources. If new production highs fall persistently short of our large and constantly growing economic potential the performance is stultifying for anticipations, for investment incentives, for consumption, for the workers and communities and industries involved.

Measured in terms of potential, rather than previous performance, the economic gains of the past year leave something to be desired. More than a year after the business recovery commenced, unemployment still amounts to 5½% of the civilian labor force—even though that labor force has failed to grow as demographic factors indicated it should, probably because of lack of job opportunities. Capital facilities also are still operating below a generally satisfactory rate. According to a recent McGraw-Hill survey of manufacturers, the average rate of capacity utilization at the end of 1961 was only 83%, as against a preferred operating rate of 90%. For producers of major industrial materials, such as steel, nonferrous metals, cement, pulp and paper, textiles, petroleum and industrial chemicals, output in the first quarter of this year averaged 82% of capacity. These resource utilization rates may improve with further expansion of business activity, but it should be remembered that results must be measured against an ever-growing potential stock of labor and other resources.

Disappointed in Economy's Lag

Despite the ample availability of workers, materials and unused industrial capacity, the expansion in economic activity since the recovery commenced is not especially large for this stage of the cycle. The real GNP, for example, has risen 8% in the first year of recovery, as against 10% from the second quarter of 1958 to the record quarter of 1959. Industrial production has advanced 14½% in the 14 months since the February, 1961 low, but this compares with a 26% increase in the same interval after the 1958 low. Similarly, the 14-month rise in nonfarm wage and salary employment amounts to 3% as against 5.7% in the last recovery. These lesser gains are largely attributable to the two hesitations which have occurred in this recovery—in September-October and again in January-February—but the fact of these falterings may tell us something about the underlying strength of demands.

The significant points are that the business recovery has not been sufficiently vigorous to date, and that substantial further gains will be necessary if the economy is to reach a much higher level of resource utilization. From month to month, hopefully, we look for these gains to materialize, for consumer demands to show unusual strength and business capital expenditures to rise markedly. But the character of the business expansion, except for some strong April statistics, continues rather moderate, and the standard pat-

tern of forecasts by competent observers is cautious optimism.

The relative lack of vigor in economic performance and prospect is reflected in the behavior of financial markets thus far this year. As is well known, bond prices have risen substantially, rather than tending downward as had been widely anticipated last fall, and stock prices have fallen dramatically. No one knows how far these movements may extend, but it is apparent that they are associated phenomena and connected with the decline in inflation psychology.

Absolves the Fed for Low Bond Yields

In the bond markets, relatively moderate demands for credit have combined with large supplies of funds from current saving to produce an expected effect on yields; they have declined. It is sometimes asserted that the decline in yields is attributable to Federal Reserve policy, but this is putting the cart before the horse. It is true that the System has continued to supply additional reserves to the banks at a moderate rate, but it is the lack of vigor in credit demands which in large measure has been responsible for downward pressure on rates. The combination of Treasury debt management operations, which have increased the supply of short-term securities, and efforts to hold short-term rates roughly competitive with those available in foreign money centers, after allowance for forward exchange cover, may in fact have served to hold yields in this section of the market higher than they might otherwise have been.

The change in Regulation Q, which permitted banks to increase rates paid on time and savings deposits, does not appear to have had a pronounced impact on yields. The subsequent sharp increase in savings funds, along with the increase in costs, induced many bank managements to enlarge their investment in higher yielding assets, particularly tax-exempt bonds and mortgages. But in large part these savings funds appear to represent a shift in asset form, from idle demand deposit balances, other savings institutions, or market securities, rather than an abrupt increase in aggregate new saving. To the extent that this is so, the effect has been more to redirect than to enlarge the supply of investment funds, so that the impact has been largely on the structure rather than the level of market interest rates.

Outlines Forces Lowering Yields

The basic forces leading to the decline in yields appear mainly to lie in the normal working of supply and demand. On the supply side, the flow of funds has remained unusually large, reflecting expansion in consumer incomes and corporate earnings and possibly also some tendency to spend less relative to earnings than in the comparable stage of previous cycles. On the demand side, credit needs have been substantial but not vigorous in relation to the expanding size of the economy. Both mortgage and consumer credit have increased relatively less than in 1959 or 1955. Corporate needs for external funds also have been modest in view of relatively moderate capital spending and working capital requirements and the expanding flow of funds generated internally through depreciation charges and retained earnings.

The result has been a significant drop in yields in all sections of the credit market except for the shortest maturities. As com-

pared with the highs reached last year, after the business upturn was well under way, yields have dropped back by nearly 50 basis points for high-grade municipal obligations and also for new issues of top-rated corporate bonds. Yields on long-term Treasury bonds have dropped 25 basis points since February of this year, while yields on intermediate maturity Treasuries have declined about 40 basis points in about the same period. Only in the very short-term maturities have rates remained about where they were, with yields on three-month Treasury bills fluctuating narrowly this year between 2.60-2.80%. Maintenance of short-term rates in the face of declines elsewhere reflects largely increases in the amounts issued by the Treasury and a tendency towards diminution in demand, as investors have shifted more into time deposits and into longer maturity, higher yielding, assets.

Reason for Stock Market Decline

Disappointment with business developments and prospects also has been an important influence on the dramatic decline in the stock market, where prices on average had dropped 14% between mid-December and last week's low. Many people regard major stock market setbacks as a forerunner of general business deterioration some months hence. And it is true that stock prices have started to drop prior to each of the postwar recessions. Often overlooked, however, is the fact that the stock market has sometimes declined significantly when the underlying business trend did not change materially. Thus, the composite price averages dropped 9% in the summer of 1959, 11% in the fall of 1956 and 15% in the summer of 1950. In each instance the market had more than regained its losses before recession-related declines commenced.

Thus the stock market may not be signaling a business recession, but simply a more restrained evaluation of current and prospective developments. This possibility is reinforced by the very general character of the price decline. On May 14, nearly 500 of the stocks traded on the New York Stock Exchange reached new lows for the year. Cyclical stocks have dropped substantially, but so have stocks in virtually all other industry groups. And the percentage declines have been strikingly uniform, with the exception of a few groups where the difference seems readily explainable. Since December, stock price declines in three quarters of the individual industry groupings have been within 5% of the composite decline. In contrast, during the 19.7 decline, which was cyclical, only two-fifths of the industry groups were within 5% of the average decline, while more than two-fifths deviated from the average by 20% or more.

Notes Revaluation Was in Process

My feeling is that a general revaluation of stocks as investments has been in progress. And, although investor concern regarding government-business relations may have played a part in this decline, other influences clearly have been more important. Continued stability in commodity and product prices, and the evident intent of the Administration to resist significant increases in the future, may finally have dealt the market's inflationary psychosis a serious blow. And the moderate character of the business expansion to date, and still apparently in prospect, may have forced a reassessment of highly optimistic stock price valuations.

Business profits, more than any other economic variable, would benefit from a high rate of utilization of the nation's resources. As the residual dollar in the business profit and loss account, earnings rise much more than proportionally with expansion in

sales volume and fuller utilization of facilities; but suffer when operations are below optimum levels and competition is keen. If doubts have multiplied as to whether the economy will reach this optimum level in the near-term, investors may simply have decided that the high multiples of earnings at which stocks were generally selling were not justified.

If this analysis is accurate, it is evident that the continued shortfall of the economy relative to its potential has had broad ramifications for workers, businesses and investors alike. What underlies the apparent sluggishness of the economy, which is so unlike the experience of most other developed countries in recent years? The truth is that we don't know. It may lie in demographic factors—the changes in population distribution accompanying the postwar baby boom. Or it may be that the large buildup of stocks of capital equipment, housing and consumers' durable goods have dulled appetites for more of the same, and that the economy has had difficulty in making the transition to a different pattern of demands. Or it could be that the structure of costs and prices which has developed is incompatible with full resources utilization, or that the distribution of incomes is not conducive to sustained high-level consumption.

If the economy continues to fall well short of its potentials, however, increasingly serious consideration will have to be given

to possible remedies. Perhaps economic growth could be encouraged by a reorganization of our tax structure, which plays such an important part in business, investor and consumer planning. Perhaps additional investment incentives are needed, either directly or through stimulation of consumer demand. Perhaps the level of Federal tax revenue vis-a-vis expenditure is really not appropriate for the early 1960s, given the consumer's capacity for financial saving and the existing state of investment motivations. I say perhaps, today, but in the coming months policy makers may have to choose among these alternatives because the recovery while setting new records loses ground against its potential.

Given our economic traditions and environment, it seems clear that the aggregative needs and desires of the nation's people will remain large. It seems equally clear that continued and avoidable under-utilization of the economy's resources would represent a distressing wastage of its real wealth. The task of policy makers, therefore, subject only to the broad limitations imposed by international considerations and the requirements of longer run stabilization objectives, is to be prepared with structural proposals to deal with a new postwar problem.

*An address by Mr. Mitchell at the Annual Convention of the Indiana Bankers Association, French Lick, Ind., May 24, 1962.

World Share-owners Increase: N.Y.S.E.

The basic theme developed by the New York Stock Exchange to encourage more Americans to become shareowners, "Own Your Share of American Business," is being used—with local variations—to appeal to potential investors in such faraway places as Calcutta, Johannesburg and Melbourne.

Brokerage firms in Calcutta are advising: "Own Your Share of Indian Business"; in Johannesburg, it's "Own Your Share of South African Business"; in Melbourne, "Our Your Share of Your Country."

These developments and other data on world-wide individual shareownership are revealed in a report, "Individual Shareownership Around the World," issued May 22 by the New York Stock Exchange.

In releasing the report which covers developments in 55 nations, Keith Funston, President of the Exchange, termed the world-wide increase in shareownership "one of the most exciting aspects of economic growth throughout the free world since World War II."

The U. S. shareowner population has more than doubled in less than a decade from 6.5 million in 1952 to an estimated 15 million early last year, the study noted. And significant gains have also been reported in recent years in the following countries:

England—Shareownership has expanded from 1.5 million in 1945 to an estimated 3.1 million in 1960.

Japan—A seven-fold increase in shareowners has occurred since World War II, bringing the estimated 1960 total to 4 million.

France—Some 2 million shareowners were reported in 1957 with "considerable" growth since then.

West Germany—A total of 2 million shareowners are currently listed, with much of the impetus

due to the recent sale of Volkswagen stock.

Colombia—The number of stockholders of record increased from 36,000 in 1947 to 319,000 in 1959.

Other countries reporting noteworthy gains include India, Sweden, Hong Kong and Italy.

This is by no means the entire story, Mr. Funston noted. "In many rapidly-developing industrial countries, the capitalistic system, with its emphasis on individual risk-taking and ownership, has helped rebuild war-shattered economies to unprecedented levels of strength. . . . In other areas, newly-independent nations have emerged to embark upon notable courses of economic and social progress."

In approximately one-half of the 55 countries surveyed, stock exchanges and other groups are conducting public information and educational programs in an effort to broaden stock ownership. Some programs follow the format established a decade ago by the New York Stock Exchange. A number of countries are conducting well-defined programs including motion pictures, lecture courses and advertising in newspapers and on radio and television. Other, more modest programs, consist of stock exchange periodicals and distribution of educational literature.

Investment techniques developed in the United States are also being used abroad. Several countries (New Zealand, Israel, Sweden) report that investment clubs have been formed. The Monthly Investment Plan, launched in 1954 by the New York Stock Exchange, is being advertised in dailies and the financial press in Canada, both in English and in French.

One of the most encouraging developments, according to the study, is the growing trend among companies toward disclosing pertinent company financial data to shareowners and the public.

With R. S. Dickson

(Special to THE FINANCIAL CHRONICLE)

CHARLOTTE, N. C.—Richard M. Salisbury is now connected with R. S. Dickson & Co., Inc., Wachovia Bank Building, members of the Midwest Stock Exchange.

Indications of Current Business Activity

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

	Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:				
Indicated steel operations (per cent capacity)-----	May 26	56.5	57.0	67.0
Equivalent to-----				71.0
Steel ingots and castings (net tons)-----	May 26	1,646,000	1,662,000	1,957,000
AMERICAN PETROLEUM INSTITUTE:				
Crude oil and condensate output—daily average (bbbls. of 42 gallons each)-----	May 18	7,267,410	7,259,510	7,394,110
Crude runs to stills—daily average (bbbls.)-----	May 18	8,292,000	*7,999,000	8,136,000
Gasoline output (bbbls.)-----	May 18	29,263,000	28,419,000	27,790,000
Kerosene output (bbbls.)-----	May 18	2,930,000	2,336,000	2,758,000
Distillate fuel oil output (bbbls.)-----	May 18	12,814,000	12,762,000	12,580,000
Residual fuel oil output (bbbls.)-----	May 18	5,594,000	5,151,000	5,723,000
Stocks at refineries, bulk terminals, in transit, in pipe lines-----				
Finished gasoline (bbbls.) at-----	May 18	193,521,000	196,204,000	202,508,000
Kerosene (bbbls.) at-----	May 18	25,569,000	24,484,000	23,594,000
Distillate fuel oil (bbbls.) at-----	May 18	84,859,000	91,621,000	87,156,000
Residual fuel oil (bbbls.) at-----	May 18	41,017,000	40,822,000	40,175,000
ASSOCIATION OF AMERICAN RAILROADS:				
Revenue freight loaded (number of cars)-----	May 19	586,946	583,925	569,493
Revenue freight received from connections (no. of cars)-----	May 19	508,166	517,846	516,256
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:				
Total U. S. construction-----	May 24	\$559,700,000	\$398,500,000	\$427,100,000
Private construction-----	May 24	351,200,000	183,100,000	176,000,000
Public construction-----	May 24	208,500,000	215,400,000	251,100,000
State and municipal-----	May 24	166,500,000	175,000,000	206,700,000
Federal-----	May 24	42,000,000	40,400,000	44,400,000
COAL OUTPUT (U. S. BUREAU OF MINES):				
Bituminous coal and lignite (tons)-----	May 19	8,255,000	*8,165,000	8,700,000
Pennsylvania anthracite (tons)-----	May 19	300,000	263,000	317,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100				
EDISON ELECTRIC INSTITUTE:	May 19	156	169	165
Electric output (in 000 kwh.)-----	May 26	16,202,000	16,008,000	15,054,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.				
IRON AGE COMPOSITE PRICES:	May 24	285	329	335
Finished steel (per lb.)-----	May 21	6.196c	6.196c	6.196c
Pig iron (per gross ton)-----	May 21	\$66.44	\$66.44	\$66.44
Scrap steel (per gross ton)-----	May 21	\$25.17	\$26.17	\$30.50
METAL PRICES (E. & M. J. QUOTATIONS):				
Electrolytic copper-----				
Domestic refinery at-----	May 23	30.600c	30.600c	30.625c
Export refinery at-----	May 23	28.575c	28.575c	29.800c
Lead (New York) at-----	May 23	9.500c	9.500c	11.000c
Lead (St. Louis) at-----	May 23	9.300c	9.300c	10.800c
Zinc (delivered) at-----	May 23	12.000c	12.000c	12.000c
Zinc (East St. Louis) at-----	May 23	11.500c	11.500c	11.500c
Aluminum (primary pig, 99.5%) at-----	May 23	24.000c	24.000c	26.000c
Straits tin (New York) at-----	May 23	116.375c	116.000c	121.500c
MOODY'S BOND PRICES DAILY AVERAGES:				
U. S. Government Bonds-----	May 29	89.35	88.90	90.06
Average corporate-----	May 29	87.86	87.86	87.59
Aaa-----	May 29	92.06	92.06	91.48
Aa-----	May 29	90.06	90.06	89.23
A-----	May 29	87.32	87.32	86.91
Baa-----	May 29	82.52	82.52	82.15
Railroad Group-----	May 29	84.68	84.68	84.30
Public Utilities Group-----	May 29	89.09	89.09	88.27
Industrials Group-----	May 29	90.06	90.06	89.64
MOODY'S BOND YIELD DAILY AVERAGES:				
U. S. Government Bonds-----	May 29	3.74	3.81	3.66
Average corporate-----	May 29	4.57	4.57	4.59
Aaa-----	May 29	4.27	4.27	4.31
Aa-----	May 29	4.41	4.41	4.47
A-----	May 29	4.61	4.61	4.64
Baa-----	May 29	4.98	4.98	5.01
Railroad Group-----	May 29	4.81	4.81	4.84
Public Utilities Group-----	May 29	4.48	4.48	4.50
Industrials Group-----	May 29	4.41	4.41	4.44
MOODY'S COMMODITY INDEX				
U. S. Government Bonds-----	May 29	361.9	366.7	366.4
NATIONAL PAPERBOARD ASSOCIATION:				
Orders received (tons)-----	May 19	318,172	341,919	328,885
Production (tons)-----	May 19	358,809	353,013	351,417
Percentage of activity-----	May 19	97	94	93
Unfilled orders (tons) at end of period-----	May 19	448,637	491,708	475,747
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100				
May 25	112.43	114.07	111.70	113.48
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS				
Transactions of specialists in stocks in which registered—				
Total purchases-----	May 4	3,044,320	2,629,470	2,256,650
Short sales-----	May 4	674,290	531,470	436,550
Other sales-----	May 4	2,688,160	2,100,150	1,870,800
Total sales-----	May 4	3,362,450	2,631,620	2,307,350
Other transactions initiated off the floor—				
Total purchases-----	May 4	327,030	258,910	222,110
Short sales-----	May 4	60,180	38,700	26,800
Other sales-----	May 4	344,840	289,150	282,970
Total sales-----	May 4	405,020	327,850	309,770
Other transactions initiated on the floor—				
Total purchases-----	May 4	896,124	776,299	733,540
Short sales-----	May 4	114,630	85,660	174,200
Other sales-----	May 4	933,835	896,997	747,221
Total sales-----	May 4	1,048,465	982,657	921,421
Total round-lot transactions for account of members—				
Total purchases-----	May 4	4,267,474	3,664,679	3,212,300
Short sales-----	May 4	849,100	655,830	637,550
Other sales-----	May 4	3,966,835	3,286,297	2,900,991
Total sales-----	May 4	4,815,935	3,942,127	3,538,541
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE—SECURITIES EXCHANGE COMMISSION				
Odd-lot sales by dealers (customers' purchases)—†				
Number of shares-----	May 4	2,130,003	1,786,190	1,742,029
Dollar value-----	May 4	\$141,421,185	\$101,311,313	\$99,185,236
Odd-lot purchases by dealers (customers' sales)—				
Number of orders—customers' total sales-----	May 4	1,847,051	1,699,125	1,671,785
Customers' short sales-----	May 4	39,965	23,531	15,954
Customers' other sales-----	May 4	1,807,086	1,675,594	1,655,831
Dollar value-----	May 4	\$122,492,493	\$94,719,031	\$91,429,539
Round-lot sales by dealers—				
Number of shares—Total sales-----	May 4	513,070	506,490	504,200
Short sales-----	May 4	513,070	506,490	504,200
Other sales-----	May 4	513,070	506,490	504,200
Round-lot purchases by dealers—Number of shares-----	May 4	736,220	586,070	527,980
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):				
Total round-lot sales-----	May 4	1,138,180	849,830	791,740
Other sales-----	May 4	18,985,000	17,185,890	15,345,960
Total sales-----	May 4	20,123,180	18,035,720	16,137,700
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1957-59=100):				
Commodity Group-----				
All commodities-----	May 22	100.2	100.3	100.6
Farm products-----	May 22	95.7	*96.3	97.9
Processed foods-----	May 22	99.6	*99.7	100.2
Meats-----	May 22	92.3	93.9	94.6
All commodities other than farm and foods-----	May 22	100.9	100.9	100.9

	Latest Month	Previous Month	Year Ago
BUSINESS INCORPORATIONS (NEW) IN THE UNITED STATES—DUN & BRADSTREET, INC.—Month of April			
	15,653	17,196	14,815
BUSINESS INVENTORIES—DEPT. OF COMMERCE NEW SERIES—Month of March (Millions of dollars):			
Manufacturing-----	\$56,560	\$56,180	\$53,310
Wholesale-----	13,670	13,620	13,280
Retail-----	26,750	26,900	26,070
Total-----	\$96,980	\$96,700	\$92,660
CASH DIVIDENDS—PUBLICLY REPORTED BY U. S. CORPORATIONS—U. S. DEPT. OF COMMERCE—Month of April:			
(000's omitted)-----	\$987,800	*\$2,074,400	\$914,100
DEPARTMENT STORE SALES SECOND FEDERAL RESERVE DISTRICT FEDERAL RESERVE BANK OF NEW YORK—1947-49 AVERAGE=100—Month of April:			
Sales (average daily) unadjusted-----	142	124	125
Sales (average daily) seasonally adjusted-----	148	*148	140
EMPLOYMENT AND PAYROLLS—U. S. DEPT. OF LABOR REVISED SERIES—Month of April:			
All manufacturing (production workers)-----	12,315,000	*12,241,000	11,712,000
Durable goods-----	6,918,000	*6,857,000	6,426,000
Nondurable goods-----	5,397,000	*5,384,000	5,286,000
Payroll indexes (1957-59 avge. = 100)-----			
All manufacturing-----	112.3	110.9	100.3
Estimated number of employees in manufacturing industries-----			
All manufacturing-----	16,598,000	*16,518,000	15,904,000
Durable goods-----	9,396,000	*9,333,000	8,836,000
Nondurable goods-----	7,202,000	*7,185,000	7,068,000
FACTORY EARNINGS AND HOURS—WEEKLY AVERAGE ESTIMATE — U. S. DEPT. OF LABOR—Month of April:			
Weekly earnings-----			
All manufacturing-----	\$96.56	\$95.91	\$90.78
Durable goods-----	104.96	*104.30	98.31
Nondurable goods-----	85.75	*85.54	81.27
Hours-----			
All manufacturing-----	40.4	40.3	39.3
Durable goods-----	41.0	*40.9	39.8
Nondurable goods-----	39.7	*39.6	38.7
Hourly earnings-----			
All manufacturing-----	\$2.39	\$2.38	\$2.31
Durable goods-----	2.56	*2.55	2.47
Nondurable goods-----	2.16	*2.16	2.10
LIFE INSURANCE BENEFIT PAYMENTS TO POLICYHOLDERS — INSTITUTE OF LIFE INSURANCE—Month of February:			
Death benefits-----	\$295,600,000	\$349,100,000	\$292,200,000
Matured endowments-----	56,800,000	74,700,000	56,500,000
Disability payments-----	10,900,000	12,500,000	10,200,000
Annuity payments-----	66,300,000	91,000,000	61,900,000
Surrender values-----	140,400,000	152,700,000	139,800,000
Policy dividends-----	134,300,000	128,900,000	122,600,000
Total-----	\$704,300,000	\$808,900,000	\$683,200,000
LIFE INSURANCE PURCHASES — INSTITUTE OF LIFE INSURANCE—Month of March (000's omitted):			
Ordinary-----	\$4,749,000	\$4,145,000	\$4,722,000
Industrial-----	614,000	571,000	634,000
Group-----	1,379,000	1,130,000	3,656,000
Total-----	\$6,742,000	\$5,846,000	\$9,012,000
MANUFACTURERS' INVENTORIES & SALES—Month of March (millions of dollars):			
Inventories-----			
Durables-----	\$32,680	*\$32,330	\$30,770
Nondurables-----	24,180	*24,180	23,050
Total-----	\$56,860	*\$56,510	\$53,810
Sales-----	34,560	30,620	31,280
MONEY IN CIRCULATION—TREASURY DEPT. As of March 31 (000's omitted):			
	\$33,000,000	\$32,900,000	\$31,900,000
PERSONAL INCOME IN THE UNITED STATES (DEPARTMENT OF COMMERCE)—Month of April (in billions):			
Total personal income-----	\$438.7	*\$435.9	\$409.8
Wage and salary receipts, total-----	297.1	*294.7	274.6
Commodity producing industries-----	118.9	*116.9	109.1
Manufacturing only-----	94.3	*92.9	86.1
Distributing industries-----	76.6	*76.4	72.3
Service industries-----	45.8	45.7	42.3
Government-----	55.9	55.7	51.0
Other labor income-----	12.2	12.1	10.7
Business and professional-----	37.9	*37.8	36.1
Farm-----	12.7	*12.9	12.9
Rental income of persons-----	11.5	11.5	11.5
Dividends-----	15.3	*15.2	14.2
Personal interest income-----	29.1	28.9	26.8
Transfer payments-----	33.6	*33.5	32.5
Less employees contribution for social insurance-----	10.7	10.6	9.6
Total nonagricultural incomes-----	421.1	*418.2	392.9
PRICES RECEIVED BY FARMERS — INDEX NUMBER — U. S. DEPT. OF AGRICULTURE—1910-1914 = 100—As of April 15:			
All farm products-----	242	244	239
Crops-----	236	233	226
Commercial vegetables, fresh-----	306	317	228
Cotton-----	268	248	249
Feed, grain and hay-----	155	153	145
Food grains-----	224	223	202
Fruit-----	221	229	250
Oil-bearing crops-----	255	252	286
Potatoes-----	137	132	178
Tobacco-----	543	543	516
Livestock-----	246	254	251
Dairy products-----	241	254	247
Meat animals-----	303	307	305
Poultry and eggs-----	139	147	145
Wool-----	253	240	231
UNITED STATES EXPORTS AND IMPORTS BUREAU OF CENSUS—Month of March (000's omitted):			
Exports-----	\$1,816,800	\$1,752,500	\$1,932,800
Imports-----	1,385,900	1,224,200	1,255,200

*Revised figure. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound, a Not available.

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. 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.
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. Offering—In late July.

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 Raf-fensperger, 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. (6/25-29)
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 July.

Adtek, Inc.
May 21, 1962 ("Reg. A") 100,000 common. Price—\$1.15. Business—A general advertising and technical publishing

service. Proceeds—For salaries, sales promotion and working capital. Office—Statler Bldg., Park Sq., Boston. Underwriter—Paisley & Co., Inc., 120 Broadway, N. Y.

Advance Mortgage Corp.
April 27, 1962 filed 200,000 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. (6/18-22)
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—None.

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.

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. EDST) in Room 1600, 250 Park Ave., N. Y. Information Meeting—May 28, 1962 (2:30 p.m. EDST) 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. Note—This registration was withdrawn.

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.

Alcolac Chemical Corp. (6/11-15)
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.

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. (6/20)
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 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. (6/12)
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.

AlSCO Electronics, Inc. (6/18-22)
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. (6/4-8)
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.

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. Underwriter—Goldman, Sachs & Co., N. Y. Note—This registration was withdrawn.

American Bolt & Screw Mfg. Corp. (6/11-15)
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. (6/18-22)
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. (6/13)
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-den, Podesta & Miller, Chicago.

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● **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 Modular Manufacturing Corp. (6/18-22)**

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 (6/18-22)**

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—Provost 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. (6/15)**

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 Safety Table Co., Inc.**

May 23, 1962 filed \$100,000 common. Price—By amendment (max. \$7). Business—Design, manufacture and marketing of equipment used in the sewing industry. Proceeds—For expansion, debt repayment and working capital. Address—Mohnton, Pa. Underwriter—Reuben Rose & Co., Inc., N. Y.

● **American Southwest Realty Trust (6/25-29)**

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. (7/2-6)**

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.

★ **Arden Farms Co.**

May 23, 1962 filed \$6,000,000 of 6% conv. subord. debentures due 1990 to be offered in \$100 units; also 49,993 shares of \$3 cumulative preferred stock and 205,105 common shares to be offered for subscription by stockholders of the respective classes on the basis of one new share for each 10 held. Price—For debentures, at par; for stock, by amendment. Business—Manufacture,

purchase and sale of ice cream and other dairy products. Proceeds—For debt repayment. Office—1900 W. Slau-son Ave., Los Angeles. Underwriter—None.

● **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).

● **Arnav Industries, Inc. (7/16-20)**

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. (6/4-8)**

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. (6/11-15)**

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—To be named. 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.**

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. Offering—Imminent.

● **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. (6/5)**

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.

★ **Automatic Merchandising, Inc.**

May 24, 1962 filed 225,000 common, of which 125,000 are to be offered by company and 100,000 by stockholders. Price—By amendment (max. \$6). Business—Company operates, owns, services and leases coin-operated automatic vending machines. Proceeds—For debt repayment, inventories, equipment and working capital. Of-

fice—217 N. Willow Ave., Tampa. Underwriter—A. C. Allyn & Co., Chicago.

● **Babs, Inc. (6/18-22)**

Nov. 27, 1961 filed 100,000 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. (6/11-15)**

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.

★ **Balch Land Development Corp.**

May 7, 1962 ("Reg. A") 15,000 class B common. Price—\$20. Business—Acquisition and development of real estate. Proceeds—For general corporate purposes. Office—8050-35th Ave., Northeast, Seattle, Wash. Underwriter—None.

● **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. (6/11-15)**

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.

● **Barker Bros. Corp. (6/25-29)**

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. (7/30-8/3)**

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.

● **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—To be named. 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. (6/18-22)**

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.**

(6/11-15)
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.

● **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.

● **Bernalen, Inc. (7/2-6)**

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. (6/18-22)**

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.

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Bestform Foundations, Inc.
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. Offering—Temporarily postponed.

• **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. Offering—Expected sometime in August.

Big Top Stores, 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.
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 Fawcette St., Kensington, Md. Underwriters—Jones, Kreeger & Co., and First Investment Planning Co., Washington, D. C. Offering—Postponed.

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.

Boston Edison Co. (6/14)
May 18, 1962 filed \$15,000,000 of first mortgage bonds due 1992. Proceeds—To refund a like amount of 5¼% bonds due Oct. 1, 1989. 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.

Braun Engineering Co.
May 11, 1962 filed \$400,000 of 6½% s. f. subord. debentures due 1974; also 109,990 common, of which 100,000 will be sold by the company and 9,990 by stockholders. Price—For debentures, at par; for stock, by amendment (max. \$9). Business—Manufacture of automotive parts, lock nuts and certain aluminum products. Proceeds—For debt repayment, working capital and purchase of leased office and plant. Office—19001 Glendale Ave., Detroit. Underwriter—Watling, Lerchen & Co., Detroit.

• **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. Note—This registration was withdrawn.

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. (6/18-22)
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. Blauner & Co., Inc., 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.**
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. Offering—Indefinitely postponed.

Canaveral Hills Enterprises, Inc.
May 10, 1962 filed 100,000 common. Price—\$5. Business—Company was formed to own and operate a country club and golf course, swimming pool and cabana club, near Cape Canaveral, Fla., and develop real estate, erect homes, apartment houses, motels, etc. Proceeds—For debt repayment and expansion. Office—309 Ainsley Bldg., Miami, Fla. Underwriter—Willis E. Burnside & Co., Inc., N. Y.

• **Capital Investments, Inc.**
May 21, 1962 filed 86,370 common to be offered for subscription by stockholders on the basis of one new share for each two shares held. Price—By amendment (max. \$10). Business—A small business investment company. Proceeds—For debt repayment and investment. Office—743 N. Fourth St., Milwaukee. Underwriters—Marshall Co., and Loewi & Co., Inc., Milwaukee.

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 Dronningens Gade, St. Thomas, Virgin Islands. Underwriter—Richard J. Buck & 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—To be named.

★ **Cash-O-Matic Coupon Corp.**
May 25, 1962 ("Reg. A") 100,000 class A common. Price—\$1.25. Business—Merchandising of coupons by vending machines located in supermarkets. Proceeds—For working capital and other corporate purposes. Office—682 Main St., Stamford, Conn. Underwriter—Foundation Securities, 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.**
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. Offering—Expected in late August.

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. (6/11-15)
Jan. 26, 1962 filed 60,000 common, of which 50,000 are to be offered by the company and 10,000 by stockholders; also \$1,200,000 of 6½% convertible subordinated debentures due 1974. Price—\$5. 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.

★ **Century Food Processors, Inc.**
May 28, 1962 filed 200,000 class A, of which 165,000 are to be offered by company and 35,000 by stockholders. Price—By amendment (max. \$3). Business—Manufacture of animal and vegetable shortening products. Proceeds—For equipment and working capital. Office—3001 Michigan Ave., Detroit. Underwriter—Charles Plohn & Co., New York.

Chemical Coatings Corp. (7/16-20)
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—Arnold Malkan-Growth of Puerto Rico, Inc., Cabrer Bldg., Ponce de Leon Ave., Santurce, P. R.

• **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, co-ordinates, 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 September.

★ **Child Guidance Toys, Inc.**
May 23, 1962 filed 100,000 common, of which 70,000 are to be offered by company and 30,000 by stockholders. Price—By amendment (max. \$12.50). Business—Design, manufacture and sale of plastic educational toys. Proceeds—For working capital. Office—1125 Close Ave., Bronx, N. Y. Underwriter—J. R. Williston & Beane, New York.

Chomerics, Inc.
April 27, 1962 ("Reg. A") 36,000 common. Price—\$5. Business—Development, manufacture and sale of plastic specialties. Proceeds—For equipment, research and development, and working capital. Office—341 Vassar St., Cambridge, Mass. Underwriter—Gianis & Co., Inc., N. Y.

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. EDST) at Irving Trust Co. (47th floor), One Wall St., N. Y.

★ **Cine-Dyne, Inc.**
May 25, 1962 filed 100,000 common. Price—\$4. Business—Production of motion picture and television programs. Proceeds—For production expenses, working capital, debt repayment and other corporate purposes. Office—40 E. 49th St., N. Y. Underwriter—R. A. Holman & Co., Inc., 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. Note—This registration was withdrawn.

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. (6/25-29)**
April 27, 1962 filed \$5,000,000 of conv. subord debentures, due 1982. Price—By amendment. Business—A consumer sales finance company. Proceeds—For working capital and general corporate purposes. Office—53 N. Park Ave., Rockville Centre, N. Y. Underwriter—Brand, Grumet & Seigel, Inc., N. Y.

• **College Publishing Corp. (6/18-22)**
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 stock-

holders. **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 (6/25)
Feb. 23, 1962 filed \$30,000,000 of convertible subordinated debentures due 1987 and 1,500,000 common to be offered in units of one \$20 debenture and one share. **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.

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. EDST) at the company's office.

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. **Note**—This registration was withdrawn.

Commercial Trust Co.
May 16, 1962 filed 150,000 common. **Price**—By amendment (max. \$13). **Business**—Acquisition or administration of mortgage loans for institutional investors. Company also is engaged in the consumer loan business and acts as an insurance agent or broker in connection therewith. **Proceeds**—For debt repayment. **Office**—66 Pryor St., N. E., Atlanta. **Underwriters**—F. S. Moseley & Co., Boston and Courts & Co., Atlanta.

Commonwealth Broadcasters Inc.
May 18, 1962 ("Reg. A") 1,000 preferred. **Price**—\$20. **Business**—Operation of a commercial radio station in Waynesburg, Pa. **Proceeds**—For equipment. **Office**—First Federal Savings & Loan Bldg., High St., Waynesburg, Pa. **Underwriter**—None.

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**—To be named.

Computer Concepts Inc. (6/18-22)
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. (6/11-15)
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.

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. (6/18-22)
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.

Concours 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 Edison Co. of New York, Inc. (6/19)
May 16, 1962 filed \$100,000,000 of first and refunding mortgage bonds due 1992. **Proceeds**—For construction. **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. EDST) at company's office. **Information Meeting**—June 11, 1962 (10 a.m. EDST).

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. **Offering**—Expected in Aug.

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. (6/18-22)
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.

Container Corp. of America (6/11-15)
May 23, 1962 filed \$25,000,000 of s. f. debentures due June 1, 1987. **Price**—By amendment. **Business**—Manufacture of corrugated and solid fibre shipping containers, folding cartons, and other paperboard and plastic products. **Proceeds**—For expansion. **Office**—38 S. Dearborn St., Chicago. **Underwriter**—Kidder, Peabody & Co., New York.

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.
May 9, 1962 ("Reg. A") 200,000 common. **Price**—\$1.50. **Business**—Investment in real estate mortgages. **Proceeds**—For working capital. **Office**—Scottsdale Savings Bldg., Scottsdale, Ariz. **Underwriter**—Continental Securities Corp., Scottsdale, Ariz.

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.
Oct. 24, 1961 filed 150,000 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. **Offering**—July.

Cooke (F. J.), Inc. (6/18-22)
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.

Copymation, Inc.
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. **Offering**—Imminent.

Corporate Funding Corp. (6/4-8)
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. (6/25-29)
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.

Cost-Plus, Inc.
May 14, 1962 filed 157,000 common, of which 127,000 are to be offered by company and 30,000 by stockholders. **Price**—By amendment (max. \$5). **Business**—Importing and marketing furniture, household and art goods at discount prices. **Proceeds**—For working capital. **Office**—460 Bay St., San Francisco. **Underwriter**—Stewart, Eubanks, Meyerson & Co., San Francisco.

Country Set, Inc. (6/11-15)
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.

Courtesy Products Corp.
May 16, 1962 filed 150,000 common. **Price**—By amendment (max. \$5). **Business**—Manufacture, and sale or lease to hotels and motels of electric wall units for the preparation of coffee, and the sale of coffee, tea, cream, etc. **Proceeds**—For debt repayment, advances to a subsidiary and general corporate purposes. **Office**—1411 Palm St., San Diego, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco.

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.

Creative Ventures Corp.
May 28, 1962 filed 150,000 common and warrants to purchase 30,000 additional shares, to be offered in units of one share and one warrant. **Price**—\$2.25 per unit. **Business**—A corporate guidance and interim financing concern. Company may also act as a broker-dealer and underwriter. **Proceeds**—For investment. **Office**—733 Third Ave., N. Y. **Underwriter**—Hampstead Investing Corp., New York.

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 being offered for subscription by stockholders of record May 18, 1962 on the basis of 13 new shares for each 53 shares held. Rights will expire June 1. **Price**—\$18.50. **Business**—Production of wooden handles and paper boxes. **Proceeds**—For building and equipment. **Address**—Sandy Hook, Conn. **Underwriter**—Smith, Ramsey & Co., Inc., Bridgeport, Conn.

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.

Dart Drug Corp. (6/14)
May 10, 1962 filed \$1,000,000 of conv. subord. debentures due 1977. **Price**—At par. **Business**—Operation of 14 discount retail drug stores primarily in the Washington, D. C. metropolitan area. **Proceeds**—For debt repayment, working capital and expansion. **Office**—5458 Third St., N. E., Washington, D. C. **Underwriters**—Laird & Co., Wilmington, Del. and Jones, Kreeger & Co., Washington, D. C.

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.

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.
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**—To be named.

DeLuxe Homes, Inc.
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. **Offering**—Imminent.

Deuterium Corp.
Sept. 28, 1961 filed 140,000 common with attached warrants to purchase an additional 140,000 shares to be offered for subscription by stockholders in units (of one share and one warrant) on the basis of 3 units for each 5% preferred share held, 2 units for each 5% preferred A stock held and one unit for each 10 class B shares held. **Price**—\$20 per unit. **Business**—Company plans to manufacture and utilize all kinds of chemical materials. **Proceeds**—For start-up expenses for a laboratory and small plant. **Office**—360 Lexington Ave., New York. **Underwriter**—Alessandrini & Co., Inc., N. Y. **Offering**—Imminent.

Dextra Corp.
Feb. 28, 1962 filed 300,000 common. **Price**—By amendment (max. \$6). **Business**—Manufacture and test mar-

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keting of a vitamin-enriched sugar. **Proceeds**—For debt repayment, expansion and general corporate purposes. **Address**—Drawer A-Kendall, Miami, Fla. **Underwriter**—To be named. **Note**—This registration was withdrawn.

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**—Indefinitely postponed.

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.

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. **Offering**—Indefinitely postponed.

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. (6/11-15)

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. (6/4-8)

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. (6/18-22)

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. (6/25-29)

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. (7/9-13)

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. (6/11-15)

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**—Genesee 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.

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. **Offering**—Expected in July.

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.

★ Echlin Manufacturing Co.

May 24, 1962 filed 210,000 common. **Price**—By amendment (max. \$25). **Business**—Manufacture of replacement parts for electrical and braking systems of automatic equipment. **Proceeds**—For selling stockholders. **Address**—Echlin Rd. & U. S. 1, Branford, Conn. **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.

• Ehrenreich Photo-Optical Industries, Inc.

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. **Offering**—Temporarily postponed.

Electromagnetic Industries, Inc. (6/12)

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. (7/2-6)

Nov. 17, 1961 filed 75,000 common. **Price**—\$5. **Business**—Design and manufacture of precision nuclear magnetic instrumentation. **Proceeds**—For general corporate purposes. **Office**—Sawyer Lane, Hudson, Mass. **Underwriter**—Gianis & Co., Inc., N. Y.

Electronic Transmission Corp. (6/25-29)

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. (6/18-22)

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.

• Emerson Electric Manufacturing Co.

May 14, 1962 filed 435,784 common. **Price**—By amendment (max. \$40). **Business**—Design, development and manufacture of electrical products, and research, and development on certain military products. **Proceeds**—For selling stockholders. **Office**—8100 Florissant Ave., St. Louis. **Underwriter**—Blyth & Co., Inc., N. Y. **Offering**—Expected sometime in July.

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.

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**—Postponed.

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**—801 Market St., Youngstown, Ohio. **Underwriter**—A. J. Carno Co., Inc., N. Y.

• Fashion Industries, Inc.

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**—To be named.

• Fastline, Inc.

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. **Offering**—Indefinite.

Fastpak, Inc. (6/18-22)

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. (6/4-8)

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.

FIFCO, Inc. (6/11)

May 17, 1962 ("Reg. A") 66,666 class A common. **Price**—\$3. **Business**—Application of sprayed fireproofing and soundproofing compounds, and exterior building coatings; manufacture of plastic laminated panels, and sale of movable wall partitions. **Proceeds**—For debt repayment, inventory, advertising and other corporate purposes. **Office**—1465 N. E. 129th St., Miami, Fla. **Underwriter**—Sinclair Securities, Inc., 37 Wall St., N. Y.

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. (6/18-22)

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. (6/4-8)

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 Finance Co.

May 23, 1962 ("Reg. A") \$250,000 of 5½% capital debentures due 1964-1968 and 6% capital debentures due 1969-1973 to be offered in multiples of \$50. **Price**—At par. **Business**—A consumer finance company. **Proceeds**—For working capital. **Office**—105 W. Cherry St., Nevada, Mo. **Underwriter**—None.

First Financial Corp.

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, Waeckerle, Adams & Purcell, Inc., Kansas City, Mo. **Offering**—Imminent.

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 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.

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 consist-

ing 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.
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. **Offering**—Imminent.

Floseal Corp.
May 10, 1962 filed 169,420 common to be offered for subscription by stockholders. **Price**—By amendment

(max. \$2). **Business**—Company owns and licenses carton pouring spout patents and die patents. **Proceeds**—For debt repayment and other corporate purposes. **Office**—100 W. 10th St., Wilmington, Del. **Underwriter**—None.

• **Flower City Industries, Inc.**
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. **Offering**—Imminent. **Note**—This registration has become effective.

★ **Food & Drug Research Laboratories, Inc.**
May 24, 1962 filed 107,500 common, of which 100,000 are to be offered by company and 7,500 by stockholders. **Price**—By amendment (max. \$5). **Business**—Chemical and biological research and testing for the food, drug,

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NEW ISSUE CALENDAR

May 31 (Thursday)
Alabama Power Co.-----Bonds
(Bids 11 a.m. EDST) \$17,000,000

June 4 (Monday)
Alumatron International, Inc.-----Common
(B. C. Malloy, Inc.) \$511,000
Artlin Mills, Inc.-----Common
(Mortimer B. Burnside & Co., Inc.) \$675,000
Caley Photolabs, Inc.-----Common
(Amber, Burstein & Co., Inc.) \$302,250
Corporate Funding Corp.-----Class A
(R. F. Dowd & Co., Inc.) \$300,000
Dulany Industries, Inc.-----Common
(Blair & Co., Inc.) 400,000 shares
Federal Fire & Marine Insurance Co.-----Common
(Amos C. Sudler & Co.) \$250,000
Financial Corp. of Santa Barbara-----Capital
(Dean Witter & Co.) 200,000 shares
First Connecticut Small Business Investment Co.-----Common
(P. W. Brooks & Co.) 200,000 shares
Flex Electric Products, Inc.-----Units
(Bond, Richman & Co.) \$332,500
"42" Products, Ltd., Inc.-----Class A
(Rutner, Jackson & Gray, Inc. and Laird, Bissell & Meeds) \$300,000
Hampden Fund, Inc.-----Common
(Fulton, Reid & Co., Inc.) \$5,000,000
Illinois Bell Telephone Co.-----Common
(Offering to stockholders—no underwriting) \$75,431,540
International Plastic Container Corp.-----Common
(Amos C. Sudler & Co.) \$500,000
Kinney Service Corp.-----Common
(Bear, Stearns & Co.) 262,500 shares
Kwik-Kold, Inc.-----Common
(John W. Flynn & Co.) \$300,000
Mercury Books, Inc.-----Common
(Meade & Co.) \$247,500
Pal-Playwell Inc.-----Common
(Tyche Securities, Inc.) \$400,000
Publishers Co., Inc.-----Common
(Roth & Co., Inc.) 541,000 shares
Ridgewood Financial Corp.-----Common
(Fulton, Reid & Co., Inc.) 60,000 shares
Rona Plastic Corp.-----Common
(Arnold Malkan & Co., Inc.) \$1,000,000
Salro Manufacturing Corp.-----Units
(I. R. E. Investors Corp.) \$316,000
Shelley Manufacturing Co.-----Common
(George, O'Neill & Co., Inc.) \$357,500
Solid State Products, Inc.-----Common
(Tucker, Anthony & R. L. Day) 110,000 shares
Unison Electronics Corp.-----Common
(Gateway Stock & Bond, Inc.) \$150,000
Wade, Wenger ServiceMaster Co.-----Capital
(Laren Co.) 140,000 shares
Welcome Baby, Inc.-----Common
(Globus, Inc. and First Philadelphia Corp.) \$150,000
Western Pioneer Co.-----Capital
(Kidder, Peabody & Co.) 371,750 shares
Zayre Corp.-----Common
(Lehman Brothers) 475,000 shares

June 5 (Tuesday)
Air Reduction Co., Inc.-----Debentures
(Offering to stockholders—underwritten by Kidder, Peabody & Co. and Dean Witter & Co.) \$44,546,300
Aubrey Manufacturing, Inc.-----Common
(Pierce, Carrison, Wulbern, Inc. and A. M. Kidder & Co., Inc.) 140,004 shares
Mountain States Tel. & Tel. Co.-----Debentures
(Bids 11 a.m. EDST) \$50,000,000
Virginia Electric & Power Co.-----Common
(Bids 11 a.m. EDST) 650,000 shares

June 6 (Wednesday)
Puerto Rico Land & Development Corp.-----Units
(Lieberbaum & Co. and Morris Cohen & Co.) \$5,000,000
Southern Pacific Co.-----Equip. Trust Cifs.
(Bids 12 noon EDST) \$8,100,000
Superior Bakers, Inc.-----Common
(Balogh & Co.) \$975,000
United Gas Corp.-----Bonds
(Bids 11:30 a.m. EDST) \$40,000,000

June 7 (Thursday)
Columbia Gas Systems, Inc.-----Debentures
(Bids 11 a.m. EDST) \$25,000,000
Paul, Harris Stores, Inc.-----Class A
(Kiser, Cohn & Shumaker and Cruttenden, Podesta & Miller) \$300,000
Transcontinental Gas Pipe Line Corp.-----Preferred
(Waite, Weld & Co. and Stone & Webster Securities Corp.) 150,000 shares
Transcontinental Gas Pipe Line Corp.-----Debentures
(White, Weld & Co. and Stone & Webster Securities Corp.) \$30,000,000

June 11 (Monday)
Alcolac Chemical Corp.-----Common
(Robert Garrett & Sons) 50,000 shares
American Bolt & Screw Mfg. Corp.-----Common
(S. D. Fuller & Co.) 150,000 shares
American Gas Co.-----Common
(Offering to stockholders—underwritten by Cruttenden, Podesta & Miller) 548,532 shares
American States Life Insurance Co.-----Common
(Offering to stockholders—underwritten by City Securities Corp.) 300,000 shares
Ascot Textile Corp.-----Common
(To be named) 100,000 shares
Assembly Products, Inc.-----Conv. Debentures
(Prescott & Co. and William T. Robbins & Co., Inc.) \$1,250,000
Bacardi Corp.-----Common
(Eastman Dillon, Union Securities & Co.) \$1,750,000
Barish Associates, Inc.-----Common
(Glanis & Co.) \$200,000
Bebell & Bebell Color Laboratories, Inc.-----Common
(Stevens, Hickey & Co.) \$300,000
Bloomfield Building Industries, Inc.-----Debentures
(Lieberbaum & Co. and Morris Cohen & Co.) \$2,000,000
Central Investment & Mortgage Co.-----Common
(Joseph Walker & Sons and Clark, Landstreet & Kirkpatrick, Inc.) \$300,000
Central Investment & Mortgage Co.-----Debentures
(Joseph Walker & Sons and Clark, Landstreet & Kirkpatrick, Inc.) \$1,200,000
Computer Control Co., Inc.-----Common
(Kidder, Peabody & Co.) 157,500 shares
Container Corp. of America-----Debentures
(Kidder, Peabody & Co.) \$25,000,000
Country Set, Inc.-----Common
(Goodbody & Co.) 150,000 shares
Drever Co.-----Common
(Janney, Battles & E. W. Clark, Inc. and Stroud & Co.) 122,700 shares
Dyna-Mod Electronics Corp.-----Common
(Genessee Valley Securities Co., Inc. and H. B. Vesey & Co., Inc.) \$286,000
FIFCO, Inc.-----Class A
(Sinclair Securities, Inc.) \$199,998
Frederick's of Hollywood, Inc.-----Capital
(Garat & Polonitz, Inc.) \$750,000
Frouge Corp.-----Common
(Van Alstyne, Noel & Co.) 700,000 shares
Geriatric Research, Inc.-----Common
(Bacon, Whipple & Co. and Freehling, Myerhoff & Co.) 162,500 shares
Gotham Investment Corp.-----Common
(Rouse, Brewer, Becker & Bryant, Inc.) \$600,000
Hargrove Enterprises, Inc.-----Common
(Switzer & Co., Inc.) \$800,000
Honora, Ltd.-----Common
(Sunshine Securities, Inc.) \$286,875
House of Vision, Inc.-----Common
(Hornblower & Weeks) 150,000 shares
Index & Retrieval Systems, Inc.-----Common
(Searight, Ahalt & O'Connor, Inc.) 125,000 shares
International Protein Corp.-----Common
(Arnold Malkan & Co., Inc.) \$450,000
Joanell Laboratories, Inc.-----Common
(Searight, Ahalt & O'Connor, Inc.) 114,500 shares
Kavanaugh Corp.-----Units
(Hayden, Stone & Co.) 50,000 units
Lehigh Industries & Investing Corp.-----Common
(To be named) 2,000,000 shares
Lenox, Inc.-----Common
(Hemphill, Noyes & Co.) 172,500 shares
Lewiston-Gorham Raceways, Inc.-----Units
(P. W. Brooks & Co.) \$1,000,000
Mac-Allan Co., Inc.-----Common
(George K. Baum & Co.) \$651,300
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
Masco Corp.-----Common
(Smith, Barney & Co.) 180,000 shares
Masury-Young Co.-----Common
(Chccs, Whiteside & Winslow, Inc.) \$600,000
Metropolitan Realty Trust-----Ben. Int.
(Eisele & King, Libraire, Stout & Co.) \$6,500,000
Micro-Dine Corp.-----Common
(Irving J. Rice & Co., Inc.) \$700,000
Multronics, Inc.-----Capital
(Switzer & Co., Inc.) \$300,000
New York Testing Laboratories, Inc.-----Common
(Robbins, Clark & Co., Inc.) \$250,000
Orion Electronics Corp.-----Common
(A. D. Gilhart & Co., Inc.) \$350,000
Pearl Brewing Co.-----Common
(A. C. Allyn & Co. and Dewar, Robertson & Pancoast) 148,300 shares
Peerless Radio Corp.-----Common
(Kordan & Co., Inc.) \$480,000
Premier Microwave Corp.-----Common
(Van Alstyne, Noel & Co.) 125,000 shares
Primex Equities Corp.-----Class A
(D. H. Blair & Co. and Troster, Singer & Co.) 335,000 shares
Rego Radio & Electronics Corp.-----Common
(General Securities Co., Inc.) \$300,000

Salant & Salant, Inc.-----Class A
(Kidder, Peabody & Co. and Jessup & Lamont) 150,000 shares
Seg Electronics Co., Inc.-----Common
(Searight, Ahalt & O'Connor, Inc.) 110,000 shares
Ten-Tex Corp.-----Common
(Irving J. Rice & Co., Inc.) \$276,000
Trans-Alaska Telephone Co.-----Common
(Milton D. Blauner & Co., Inc.) \$1,590,000
Turner (J. L.) & Son, Inc.-----Common
(Bear, Stearns & Co.) 120,000 shares
Universal Industries, Inc.-----Common
(Edward Lewis Co., Inc.) \$500,000
West Falls Shopping Center Limited Partnership-----Units
(Hodgdon & Co., Inc.) \$444,000
Widmann (L. F.), Inc.-----Common
(Godfrey, Hamilton, Taylor & Co.) \$486,000
Worth Financial Corp.-----Common
(D. A. Bruce & Co.) \$305,000

June 12 (Tuesday)
All-State Properties, Inc.-----Debentures
(Bear, Stearns & Co. and Allen & Co.) \$5,000,000
Electromagnetic Industries, Inc.-----Common
(Pierce, Carrison, Wulbern, Inc.) 70,000 shares
Electromagnetic Industries, Inc.-----Conv. Debentures
(Pierce, Carrison, Wulbern, Inc.) \$250,000
Northern States Power Co. (Minn.)-----Bonds
(Bids 10 a.m. CDST) \$15,000,000
Norway (Kingdom of)-----Bonds
(Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co., Inc.; Lazard Freres & Co. and Smith, Barney & Co., Inc.) \$25,000,000
Saxon Paper Corp.-----Common
(Bear, Stearns & Co.) 200,000 shares
Schlumberger Ltd.-----Common
(Morgan Stanley & Co.) 700,000 shares

June 13 (Wednesday)
American Diversified, Inc.-----Common
(Nation-Wide Underwriters, Inc.) \$825,000
Louisville & Nashville RR.-----Equip. Trust Cifs.
(Bids 12 noon EDST) \$6,450,000
New Brunswick Scientific Co., Inc.-----Common
(John Schuss & Co.) \$300,000
Tyler Pipe & Foundry Co.-----Common
(First Southwest Co.) 120,000 shares
Wisconsin Power & Light Co.-----Bonds
(Bids 11:30 a.m. CDST) \$12,000,000

June 14 (Thursday)
Boston Edison Co.-----Bonds
(Bids to be received) \$15,000,000
Dart Drug Corp.-----Debentures
(Laird & Co. and Jones, Kreger & Co.) \$1,000,000
Radio Electric Service Co. of New Jersey, Inc.-----Common
(Lee-Mosson & Co., Inc.) \$300,000
Texas Gas Transmission Corp.-----Debentures
(Dillon, Read & Co., Inc.) \$40,000,000

June 15 (Friday)
Air-Tech Industries, Inc.-----Common
(Fred F. Sessler & Co., Inc.) \$220,500
American Plan Corp.-----Units
(Bear, Stearns & Co.) 248,000 shares
Colonial Board Co.-----Common
(Putnam & Co.) 164,000 shares
Great Plains Corp.-----Class A
(Birkenmayer & Co.) \$300,000
Martin (L. P.) Maintenance Corp.-----Common
(Johnson, Lane Space Corp.) \$500,000
Sawyer's Inc.-----Capital
(Straus, Blosser & McDowell and Hill, Darlington & Grimm) 240,000 shares
Tabach Industries, Inc.-----Common
(Costello, Russotto & Co.) \$300,000
Walston Aviation, Inc.-----Common
(White & Co., Inc.) \$562,500

June 18 (Monday)
Aerodyne Controls Corp.-----Common
(Robbins, Clark & Co.) \$180,000
Also Electronics, Inc.-----Class A
(Albert Teller & Co., Inc. and H. A. Riecke & Co., Inc.) \$300,000
American Cardboard & Packaging Corp.-----Common
(Milton D. Blauner & Co., Inc.; M. L. Lee & Co., Inc. and Hallowell, Sulzberger, Jenks, Kirkland & Co.) \$525,000
American Laboratories, Inc.-----Common
(California Investors) 200,000 shares
American Modular Manufacturing Corp.-----Common
(Equity Securities Co.) \$500,000
American Mortgage Investors-----Ben. Int.
(Hayden, Stone & Co.) \$19,500,000
Babs, Inc.-----Common
(Pacific Coast Securities Co.) \$600,000
Beauty Industries, Inc.-----Common
(Seymour Blauner Co.) \$299,970
Berne of California, Inc.-----Common
(Adams & Co.) \$255,000
Buddy L. Corp.-----Common
(Milton D. Blauner & Co., Inc.) 225,000 shares

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cosmetics, chemical and related industries. **Proceeds**—For expansion, equipment and debt repayment. **Address**—Maurice Ave. at 58th St., Maspeth, N. Y. **Underwriters**—Maltz, Greenwald & Co. and Rittmaster, Voisin & Co., N. Y.

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. (6/4-8)

April 18, 1962 ("Reg. A") 100,000 class A common. **Price**—\$3. **Business**—Manufacture and sale of cosmetics. **Proceeds**—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. **Offering**—Expected sometime in August.

Four Star Sportswear, Inc.

March 27, 1962 filed 103,000 common. **Price**—\$3. **Busi-**

ness—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 July.

Four Star Television, Inc.

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-Tegeler & Co., Inc., St. Louis. **Offering**—Indefinitely postponed.

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. **Busi-**

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- College Publishing Corp.-----Common
(James Co.) \$155,000
- Computer Concepts Inc.-----Common
(Doft & Co.) \$500,000
- Concord Products, Inc.-----Units
(M. G. Davis) \$240,000
- Consumers Mart of America, Inc.-----Common
(Rittmaster, Voisin & Co. and Midland Securities Co., Inc.) 72,000 shares
- Cooke (F. J.), Inc.-----Common
(John R. Maher Associates and Bull & Low) \$468,750
- Dunhill Food Equipment Corp.-----Common
(Carroll Co. and Paul Elsenberg Co., Inc.) \$250,000
- Ellner & Pike, Inc.-----Common
(Meadowbrook Securities, Inc.) \$300,000
- Fairway Mart, Inc.-----Common
(A. J. Carno Co., Inc.) \$300,000
- Fastpak, Inc.-----Common
(Arnold Malkan & Co., Inc.) \$625,000
- Financial Federation, Inc.-----Capital
(Kidder, Peabody & Co. and McDonnell & Co.) 75,000 shares
- Gemco-Ware Corp.-----Common
(J. R. Williston & Beane) 146,000 shares
- General Classics, Inc.-----Common
(Michael G. Kletz & Co.) \$315,000
- International Drug & Surgical Corp.-----Class A
(Seymour Blauner Co. and Wm. Stix Wasserman & Co., Inc.) \$600,000
- Investment Securities Co.-----Common
(Scherck, Richter Co. and Dempsey-Tegeler & Co., Inc.) 250,000 shares
- Iona Manufacturing Co.-----Common
(Richard Bruce & Co., Inc. and Reuben Rose & Co., Inc.) \$840,000
- Jackson's/Byrons Enterprises, Inc.-----Debentures
(Clayton Securities Corp.) \$750,000
- Jamoco Air Conditioning Corp.-----Common
(Martin-Warren Co., Ltd.) \$120,000
- Jayark Films Corp.-----Common
(Pacific Coast Securities Corp.) 72,000 shares
- Jaylis Industries, Inc.-----Class A
(D. E. Liederman & Co., Inc.) \$1,200,000
- Kenner Products Co.-----Common
(Kuhn, Loeb & Co.) 542,000 shares
- Lesser (Louis) Enterprises, Inc.-----Class A
(Morris Cohon & Co. and Leiberbaum & Co.) \$10,000,000
- Livestock Financial Corp.-----Common
(Shearson, Hammill & Co.) \$2,450,000
- Lordhill Corp.-----Common
(J. R. Williston & Beane and Doft & Co., Inc.) \$315,000
- Marin County Financial Corp.-----Capital
(Dean Witter & Co.) 102,050 shares
- Met Food Corp.-----Common
(Brand, Grumet & Siegel, Inc.) 34,200 shares
- Met Food Corp.-----Debentures
(Brand, Grumet & Siegel, Inc.) \$1,500,000
- Molecular Systems Corp.-----Common
(Stone, Ackerman & Co., Inc. and Heritage Equity Corp.) \$420,000
- Morse Electro Products Corp.-----Debentures
(Standard Securities Corp.) \$1,250,000
- National Equipment & Plastics Corp.-----Common
(Cortlandt Investing Corp.) \$525,000
- National Security Life Insurance Co.-----Common
(Underwriter to be named) \$1,750,000
- National Semiconductor Corp.-----Capital
(Lee Higginson Corp. and Piper, Jaffray & Hopwood) 75,000 shares
- Oceana International, Inc.-----Common
(Baruch Brothers & Co., Inc.) \$825,000
- Pay'n Save Corp.-----Common
(Dean Witter & Co.) 40,576 shares
- Pay'n Save Corp.-----Debentures
(Dean Witter & Co.) \$1,200,000
- RF Interonics, Inc.-----Common
(Arnold Malkan & Co.) \$200,000
- Research Products, Inc.-----Common
(Gross & Co. and Elmaleh & Co., Inc.) \$2,250,000
- Roadcraft Corp.-----Common
(Vickers, MacPherson & Warwick, Inc.) 400,000 shares
- Roblin-Seaway Industries, Inc.-----Debentures
(Brand, Grumet & Siegel, Inc.) \$1,000,000
- Security Aluminum Corp.-----Common
(Vickers, MacPherson & Warwick, Inc.) 200,000 shares
- Servotronics, Inc.-----Capital
(General Securities Co., Inc.) \$375,000
- Signalite Inc.-----Common
(Milton D. Blauner) \$567,000
- Sokol Brothers Furniture Co., Inc.-----Common
(Albion Securities Co., Inc.) \$600,000
- Steel Plant Equipment Corp.-----Common
(Joseph W. Hurley & Co.) \$208,980
- Stelber Cycle Corp.-----Common
(Lloyd Securities Inc.) \$600,000
- Stephens (M.), Inc.-----Capital
(Thomas Jay, Winston & Co., Inc.) \$300,000
- Sternco Industries, Inc.-----Class A
(Andresen & Co.) \$690,000
- Thom-Tex Paper Converting Corp.-----Common
(Meade & Co.) \$280,000
- U. S. Scientific Corp.-----Common
(Edward Lewis Co., Inc.) \$340,000

- United Telephone Service, Inc.-----Class A
(J. R. Williston & Beane) 150,000 shares
- Vendex, Inc.-----Common
(Pacific Coast Securities Co.) \$300,000
- 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
- Wyalit Pharmaceuticals, Inc.-----Common
(Andresen & Co.) 125,000 shares
- June 19 (Tuesday)**
- Consolidated Edison Co. of New York, Inc.-----Bonds
(Bids 11 a.m. EDST) \$100,000,000
- June 20 (Wednesday)**
- 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
- Automatic Controls, Inc.-----Common
(S. Schramm & Co., Inc.) \$200,000
- Ideal Toy Corp.-----Common
(White, Weld & Co., Inc.) 490,000 shares
- June 21 (Thursday)**
- Cincinnati Gas & Electric Co.-----Bonds
(Bids to be received) \$25,000,000
- June 25 (Monday)**
- Adelphi Research & Mfg. Co.-----Common
(Fred F. Sessler & Co., Inc.) \$199,875
- Admiral Automotive Products, Inc.-----Common
(Baruch Brothers & Co., Inc.) \$400,000
- American Southwest Realty Trust-----Common
(Kidder, Peabody & Co. and Rauscher, Pierce & Co., Inc.) \$11,000,000
- Barker Bros. Corp.-----Common
(William R. Staats & Co.) 200,000 shares
- Coburn Credit Co., Inc.-----Debentures
(Brand, Grumet & Siegel, Inc.) \$5,000,000
- Columbia Bancorporation-----Units
(Bear, Stearns & Co. and Allen & Co.) 1,500,000 units
- Cosnat Corp.-----Common
(Van Alstyne, Noel & Co.) 165,000 shares
- Duro Pen Co., Inc.-----Common
(Godfrey, Hamilton, Taylor & Co.) \$500,000
- Electronic Transmission Corp.-----Common
(V. S. Wickett & Co., Inc.; Thomas, Williams & Lee, Inc. and Crosse & Co., Inc.) \$375,000
- Garden State Small Business Investment Co.-----Com.
(Godfrey, Hamilton, Taylor & Co.) \$990,000
- Gaslight Club, Inc.-----Common
(Myron A. Lomasney & Co.) 100,000 shares
- Glensder Corp.-----Common
(Sprayregen, Haft & Co.) 150,000 shares
- Gould Paper Co.-----Common
(Van Alstyne, Noel & Co.) \$1,540,000
- Interstate Equity-----Ben. Int.
(Van Alstyne, Noel & Co.) 1,605,100 shares
- Jaap Penratt Associates, Inc.-----Common
(R. F. Dowd & Co., Inc.) \$300,000
- Kapner, Inc.-----Common
(Arnold, Wilkens & Co., Inc.) \$250,000
- Kelley Realty Corp.-----Class A
(Fulton, Reid & Co., Inc. and Walston & Co., Inc.) 250,000 shares
- Kreedman Realty & Construction Corp.-----Units
(Lee Higginson Corp.) 200,000 shares
- Lee Fashions, Inc.-----Common
(Godfrey, Hamilton, Taylor & Co. and Penzell & Co.) 166,666 shares
- Midwestern Mortgage Investors-----Ben. Ints.
(Boettcher & Co.) \$5,000,000
- Mosler Safe Co.-----Common
(Blyth & Co., Inc.) 260,000 shares
- Multi State Industries, Inc.-----Common
(G. K. Scott & Co., Inc.) \$240,000
- Norda Essential Oil & Chemical Co., Inc.-----Class A
(S. D. Fuller & Co.) 200,000 shares
- Packard-Bell Electronics Corp.-----Debentures
(Offering to stockholders—underwritten by Kidder, Peabody & Co., Inc.) \$5,023,800
- Perfect Photo, Inc.-----Common
(Bear, Stearns & Co.) 154,800 shares
- Regulators, Inc.-----Common
(Myron A. Lomasney & Co.) \$375,000
- Rite Electronics, Inc.-----Common
(Robbins, Clark & Co., Inc.) \$372,000
- Rosenfeld (Henry), Inc.-----Common
(Robert A. Martin Associates, Inc.) 120,000 shares
- Sampson Enterprises, Inc.-----Common
(Straus, Blosser & McDowell and Dempsey-Tegeler & Co., Inc.) 450,000 shares
- Schaevitz Engineering-----Common
(Bear, Stearns & Co.) 150,000 shares
- Skiers Service Corp.-----Common
(Pacific Coast Securities Co.) 550,000 shares
- Sun City Dairy Products, Inc.-----Common
(Finkle & Co.) \$440,000
- Thompson Manufacturing Co., Inc.-----Common
(Packer-Wilbur Co., Inc.) \$360,000

- 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
- Tujax Industries, Inc.-----Class A
(Richard Bruce & Co., Inc. and Reuben Rose & Co., Inc.) \$1,200,000
- United Packaging Co., Inc.-----Common
(Godfrey, Hamilton, Taylor & Co., Inc.) \$306,000
- Wolverine Aluminum Corp.-----Common
(F. J. Winkler & Co.) 100,000 shares
- June 26 (Tuesday)**
- Lockfast Mfg. Co., Inc.-----Common
(R & D Investors Corp.) \$297,500
- Sierra Pacific Power Co.-----Bonds
(Bids to be received) \$5,000,000
- June 27 (Wednesday)**
- Puget Sound Power & Light Co.-----Preferred
(Underwriter to be named) \$15,000,000
- June 28 (Thursday)**
- Microdot, Inc.-----Capital
(White, Weld & Co.) 170,000 shares
- June 29 (Friday)**
- Site-Fab, Inc.-----Common
(H. P. Black & Co., Inc.) 135,000 shares
- July 2 (Monday)**
- Anchor Industries Corp.-----Common
(Amber, Burstein & Co., Inc.) \$308,000
- Bernalen, Inc.-----Common
(Amber, Burstein & Co., Inc.) \$183,750
- Electromagnetics Corp.-----Common
(Gianis & Co., Inc.) \$375,000
- Kaufman Carpet Co., Inc.-----Common
(Michael G. Kletz & Co.) \$1,250,000
- Nopco Chemical Co.-----Debentures
(Offering to stockholders—underwritten by White, Weld & Co.) \$5,800,000
- Saw Mill River Industries, Inc.-----Common
(Arnold Malkan & Co., Inc.) \$500,000
- Spears (L. B.), Inc.-----Common
(Arnold Malkan & Co., Inc.) \$325,000
- July 9 (Monday)**
- Dyna Mfg. Co.-----Common
(Raymond Moore & Co.) \$300,000
- July 10 (Tuesday)**
- New England Telephone & Telegraph Co.-----Debent.
(Bids to be received) \$50,000,000
- July 16 (Monday)**
- Arnav Industries, Inc.-----Units
(Gianis & Co., Inc.) 600 units
- Biologics International, Inc.-----Common
(No underwriting) \$375,000
- Chemical Castings Corp.-----Common
(To be named) \$375,000
- General Investment Co. of Connecticut, Inc.-----Com.
(Ingram, Lambert & Stephen, Inc. and Reuben Rose & Co., Inc.) \$1,500,000
- July 18 (Wednesday)**
- Atlantic City Electric Co.-----Bonds
(Bids to be received) \$15,000,000
- July 23 (Monday)**
- United Markets, Inc.-----Common
(Moran & Co.) \$500,000
- July 30 (Monday)**
- Barogenics, Inc.-----Common
(Globus, Inc.) \$750,000
- August 1 (Wednesday)**
- Morton's Shoe Stores, Inc.-----Common
(Dean Witter & Co.) 517,122 shares
- August 7 (Tuesday)**
- Southwestern Bell Telephone Co.-----Debentures
(Bids to be received) \$100,000,000
- August 13 (Monday)**
- Hydro-Swarf, Inc.-----Common
(Raymond Moore & Co.) \$485,000
- November 7 (Wednesday)**
- Georgia Power Co.-----Bonds
(Bids to be received) \$23,000,000
- Georgia Power Co.-----Preferred
(Bids to be received) \$7,000,000
- November 28 (Wednesday)**
- Southern Electric Generating Co.-----Bond
(Bids to be received) \$6,500,000

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ness—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. **Note**—This registration was withdrawn.

● **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. (6/11-15)**

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.

● **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. **Offering**—Expected in early July.

● **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, Noves & Co., N. Y.

● **Garden State Small Business Investment Co. (6/25-29)**

Oct. 27, 1961 filed 330,000 common. **Price**—\$3. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—1180 Raymond Blvd., Newark, N. J. **Underwriter**—Godfrey, Hamilton, Taylor & Co., N. Y.

● **Gaslight Club, Inc. (6/25-29)**

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.

● **Gemco-Ware Corp. (6/18-22)**

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. (6/18-22)**

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**—1252 W. Peachtree St., N. W., Atlanta, Ga. **Underwriter**—Robert M. Harris & Co., Inc., Philadelphia. **Note**—The SEC has issued an order temporarily suspending this issue.

● **General Devices, Inc.**

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. **Note**—This registration will be withdrawn.

● **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. (7/15-20)**

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 Sales Corp.**

May 15, 1962 ("Reg. A") 20,000 common. **Price**—\$2. **Business**—Company owns and operates two discount merchandising centers. **Proceeds**—For debt repayment and expansion. **Office**—1105 N. E. Broadway, Portland, Ore. **Underwriter**—None.

● **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. **Offering**—In June.

● **Geriatric Research, Inc. (6/11-15)**

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. \$8.50). **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.

● **Gillfillan 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.

● **Glastron Boat Co.**

May 4, 1962 ("Reg. A") 33,114 common. **Price**—At-the-market. **Business**—Manufacture and sale of fiberglass pleasure boats. **Proceeds**—For selling stockholders. **Office**—9109 Reid Rd., Austin, Texas. **Underwriter**—James C. Tucker & Co., Inc., Austin, Texas.

● **Glensder Corp. (6/25-29)**

March 23, 1962 filed 150,000 common, of which 60,000 are to be offered by the company and 90,000 by the company's parent, Glen Modes, Inc. **Price**—By amendment (max. \$7). **Business**—Design, production and sale of women's fashion accessories, and sportswear. **Proceeds**—For general corporate purposes. **Office**—417 Fifth Ave., N. Y. **Underwriter**—Sprayregen, Haft & Co., N. Y.

● **Globe Industries, Inc.**

Oct. 30, 1961 filed 200,000 common, of which 100,000 are to be offered by the company and 100,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of miniature electric motors, powdered metal products and devices for the missile and aircraft industries. **Proceeds**—For debt repayment and working capital. **Office**—1784 Stanley Ave., Dayton, Ohio. **Underwriter**—McDonald & Co., Cleveland. **Offering**—Indefinitely postponed.

● **Gold Leaf Pharmacal Co., Inc.**

March 13, 1962 filed 80,000 common. **Price**—\$4. **Business**—Manufacture, development and sale of pharmaceutical and veterinarian products. **Proceeds**—For advertising, research, debt repayment and working capital. **Office**—36 Lawton St., New Rochelle, N. Y. **Underwriter**—Droulla & Co., N. Y.

● **Golden Pagoda, Inc.**

March 28, 1962 filed 260,000 common. **Price**—\$10. **Business**—Company plans to build and operate a tourist hotel. **Proceeds**—For construction. **Office**—1477 Kalaianaloe Ave., Hilo, Hawaii. **Underwriter**—None.

● **Good-Era Realty & Construction Corp.**

April 2, 1962 filed 550,000 class A shares. **Price**—\$10. **Business**—Company plans to develop, operate, construct and manage real estate. **Proceeds**—For general corporate purposes. **Office**—151 N. Dean St., Englewood, N. J. **Underwriters**—Leiberbaum & Co. and Morris Cohon & Co., N. Y. **Offering**—Expected sometime in July.

● **Gotham Investment Corp. (6/11-15)**

Nov. 21, 1961 filed 100,000 common. **Price**—\$6. **Business**—Real estate investment. **Proceeds**—For working capital and other corporate purposes. **Office**—1707 H St., N. W., Washington, D. C. **Underwriter**—Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C.

● **Gould Paper Co. (6/25-29)**

Sept. 28, 1961 filed 140,000 common. **Price**—\$11. **Business**—Manufacture of paper. **Proceeds**—Expansion and working capital. **Office**—Lyons Falls, N. Y. **Underwriter**—Van Alstyne, Noel & Co., N. Y.

● **Courmet Food Products, Inc.**

May 25, 1962 filed 100,000 common. **Price**—\$4.50. **Business**—Growing, purchasing, distributing and selling whole potatoes and processing and selling of prepared potato products. **Proceeds**—For a new plant and equipment. **Office**—915 Southeast 10th Ave., Portland, Ore. **Underwriter**—Darius Inc., N. Y.

● **Gourmet Restaurants, Inc.**

April 30, 1962 ("Reg. A") 23,213 capital shares. **Price**—\$3.50. **Business**—Operation of restaurants in Disneyland Hotel. **Proceeds**—For selling stockholders. **Office**—1445 S. West St., Anaheim, Calif. **Underwriter**—Crutenden & Co., Inc., 618 S. Spring St., Los Angeles.

● **Government Employees Financial Corp.**

Aug. 17, 1961 filed 603,000 common being offered for subscription by stockholders of affiliated companies at the rate of one share for each 15 rights held of record June 1, as follows: To common stockholders of Govern-

ment Employees Insurance Co., two rights for each share held; to common stockholders of Government Employees Life Insurance Company, one right for each share held; to common stockholders of Government Employees Corp., four rights for each share held, and to common stockholders of Criterion Insurance Co., one right for each share held. Rights will expire June 29. **Price**—\$7.50. **Business**—A consumer finance company. **Proceeds**—For working capital. **Office**—1700 Broadway, Denver. **Underwriter**—None.

● **Granco, Inc.**

March 23, 1962 filed \$600,000 of 6% conv. subord. debentures due 1977 to be offered in 1,200 units. **Price**—\$500 per unit. **Business**—Operation of jewelry stores, jewelry concessions and a liquor concession in discount department stores. **Proceeds**—For debt repayment and working capital. **Office**—182 Second Ave., San Francisco. **Underwriter**—Midland Securities Co., Inc., Kansas City, Mo. **Offering**—Expected in July.

● **Grand Bahama Development Co., Ltd.**

Jan. 23, 1962 filed 250,000 common. **Price**—By amendment. **Business**—Sale and development of land on Grand Bahama Island for residential and resort purposes. **Proceeds**—For general corporate purposes. **Office**—250 Park Ave., N. Y. **Underwriter**—Allen & Co., N. Y. **Offering**—Expected sometime in June.

● **Grayson-Robinson Stores, Inc. (6/18-22)**

Jan. 26, 1962 filed \$10,000,000 of 5% senior subord. debentures due 1985. **Price**—By amendment. **Business**—Retail sale of women's and children's apparel and photographic and audio equipment. **Proceeds**—For expansion, diversification, and working capital. **Office**—550 W. 59th St., N. Y. **Underwriter**—Bear, Stearns & Co., N. Y. **Note**—This registration was withdrawn.

● **Great Continental Real Estate Investment Trust**

Aug. 3, 1961 filed 300,000 shares of beneficial interest. **Price**—\$10. **Business**—Real estate. **Proceeds**—For investment. **Office**—530 St. Paul Place, Baltimore. **Underwriter**—To be named. **Note**—This firm formerly was known as Continental Real Estate Investment Trust.

● **Great Eastern Insurance Co.**

April 13, 1962 filed 381,600 common. **Price**—By amendment (max. \$5). **Business**—Company plans to write certain types of fire and casualty insurance. **Proceeds**—For general corporate purposes. **Office**—116 John St., N. Y. **Underwriters**—Emanuel, Deetjen & Co., and Zuckerman, Smith & Co., N. Y.

● **Great Plains Corp. (6/15)**

March 26, 1962 ("Reg. A") 60,000 class A common. **Price**—\$5. **Business**—Company plans to establish an industrial bank and an insurance agency. **Proceeds**—For working capital, debt repayment and expansion. **Office**—368 Main St., Longmont, Colo. **Underwriter**—Birkenmayer & Co., Denver.

● **Greater New York Box Co., Inc.**

Dec. 29, 1961 filed 100,000 common. **Price**—By amendment (\$7 max.). **Business**—Manufacture of corrugated board and containers. **Proceeds**—For general corporate purposes. **Office**—149 Entin Rd., Clifton N. J. **Underwriter**—D. H. Blair & Co., N. Y. **Offering**—Temporarily postponed.

● **Greater Pittsburgh Capital Corp.**

Nov. 14, 1961 filed 250,000 common. **Price**—\$11. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—952 Union Trust Bldg., Pittsburgh. **Underwriters**—Moore, Leonard & Lynch and Singer, Dean & Scribner, Pittsburgh. **Offering**—Postponed.

● **Green Acres Funtown Inc.**

Jan. 23, 1962 filed 225,000 common to be offered for subscription by stockholders of Bowling Corp. of America, parent. **Price**—\$3. **Business**—Company will operate an indoor amusement and recreation area in Green Acres Shopping Center, Valley Stream, L. I. **Proceeds**—For general corporate purposes. **Office**—120 Broadway, N. Y. **Underwriter**—R. L. Warren Co., St. Louis. **Offering**—Temporarily postponed.

● **Green (Henry J.) Instruments Inc.**

April 30, 1962 filed 150,000 common. **Price**—\$2.25. **Business**—Manufacture of precision instruments for measuring atmospheric conditions. **Proceeds**—For debt repayment, equipment and working capital. **Office**—2500 Shames Dr., Westbury, L. I., N. Y. **Underwriter**—None.

● **Greenman Bros., Inc.**

April 25, 1962 filed 150,000 common, of which 75,000 are to be offered by company and 75,000 by stockholders. **Price**—\$10. **Business**—Wholesale and retail distribution of toys, hobby lines and sporting equipment. **Proceeds**—For debt repayment, inventory and working capital. **Office**—35 Engel St., Hicksville, N. Y. **Underwriter**—J. R. Williston & Beane, N. Y.

● **Gruman-Bond Equipment Corp.**

May 28, 1962 filed 100,000 common. **Price**—\$3. **Business**—Furnishing of equipment for operation of coin-operated dry cleaning and laundry establishments. **Proceeds**—For expansion. **Office**—6400 Chillum Place, N. W., Washington, D. C. **Underwriter**—Shell Associates, Inc., New York.

● **Gulf American Land Corp.**

Feb. 28, 1962 filed \$11,000,000 of 6½% conv. subord. debts. due 1977, to be offered for subscription by stockholders at the rate of \$200 of debentures for each 60 common shares held. **Price**—At par. **Business**—Company is engaged in the development of planned communities in Florida. **Proceeds**—For debt repayment and general corporate purposes. **Office**—557 Northeast 81st St., Miami, Fla. **Underwriters**—Morris Cohon & Co. and Street & Co., Inc., N. Y. **Offering**—Expected in June.

● **Hallandale Rock & Sand Co.**

March 30, 1962 filed \$250,000 of 8% subordinated debentures due 1977, 200,000 common and 6-year warrants to purchase 25,000 common at \$1 per share to be offered in

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units consisting of a \$10 debenture, 8 common shares and one warrant. **Price**—\$18 per unit. **Business**—Extraction, processing and sale of rock and sand. **Proceeds**—For a new plant and other corporate purposes. **Address**—Hallandale, Fla. **Underwriter**—Mutch, Khanbegian, Flynn & Green, Inc., 115 Broadway, N. Y.

Halo Lighting, Inc.

Mar. 27, 1962 filed 300,000 common, of which 100,000 will be sold by the company and 200,000 by a stockholder. **Price**—By amendment. **Business**—Manufacture of recessed incandescent lighting fixtures. **Proceeds**—For general corporate purposes. **Office**—Chicago, Ill. **Underwriter**—R. W. Pressprich & Co., N. Y. **Offering**—Temporarily postponed.

Halsey Drug Co.

March 30, 1962 filed 79,500 common. **Price**—\$4. **Business**—Manufacture, packaging and sale of proprietary drug products. **Proceeds**—For debt repayment, expansion and other corporate purposes. **Office**—1827 Pacific St., Brooklyn, N. Y. **Underwriters**—Packer-Wilbur & Co., Inc., and Alessandrini & Co., Inc., N. Y. **Offering**—In late July.

● Hampden Fund, Inc. (6/4-8)

Jan. 24, 1962 filed 500,000 common. **Price**—\$10. **Business**—A closed-end investment trust which plans to become open end. **Proceeds**—For investment. **Office**—2100 East Ohio Bldg., Cleveland. **Underwriter**—Fulton, Reid & Co., Inc., Cleveland.

● Hanna-Barbara Productions, Inc.

Dec. 29, 1961 filed 200,000 capital shares. **Price**—By amendment. **Business**—Production of television cartoons and commercials. **Proceeds**—For a new building and working capital. **Office**—3501 Cahuega Blvd., Los Angeles. **Underwriter**—Carl M. Loeb, Rhoades & Co., Inc., N. Y.

Happy House, Inc.

July 28, 1961 filed 700,000 common shares. **Price**—\$1. **Business**—The marketing of gifts, candies and greeting cards through franchised dealers. **Proceeds**—For equipment, inventory and working capital. **Office**—11 Tenth Ave., S., Hopkins, Minn. **Underwriter**—None. **Offering**—Expected in July.

Hardlines Distributors, Inc.

Jan. 26, 1962 filed 200,000 common, of which 100,000 are to be offered by the company and 100,000 by a stockholder. **Price**—By amendment. **Business**—Retail sale of housewares, hardware, lighting fixtures, automotive accessories, etc. **Proceeds**—For debt repayment, expansion and working capital. **Office**—1416 Providence Highway, Norwood, Mass. **Underwriter**—McDonnell & Co., N. Y. **Note**—This offering was temporarily postponed.

● Hargrove Enterprises, Inc. (6/11-15)

Dec. 8, 1961 filed 160,000 common. **Price**—\$5. **Business**—Company plans to own and operate an amusement park. **Proceeds**—For property development, advertising, and working capital. **Office**—3100 Tremont Ave., Chevy Chase, Md. **Underwriter**—Switzer & Co., Inc., Silver Springs, Md.

Harley Products, Inc.

March 28, 1962 filed 75,000 common. **Price**—\$4. **Business**—Design, production and distribution of belts and related products. **Proceeds**—For sales promotion, expansion, inventory, and debt repayment. **Office**—476 Broadway, N. Y. **Underwriter**—Finkle & Co., N. Y.

● Harrington & Richardson, Inc.

March 7, 1962 filed 180,000 common, of which 40,000 are to be offered by company and 140,000 by stockholders. **Price**—By amendment (max. \$30). **Business**—Manufacture and sale of M-14 rifles to U. S. Govt. **Proceeds**—Equipment, plant expansion and working capital. **Office**—320 Park Ave., Worcester, Mass. **Underwriter**—Shearson, Hammill & Co., N. Y. **Offering**—Temporarily postponed.

Harris (Paul) Stores, Inc.

See Paul, Harris Stores, Inc.

Hart's Food Stores, Inc.

March 28, 1962 filed 235,550 common. **Price**—By amendment (max. \$16). **Business**—Operation of supermarkets and small food stores. **Proceeds**—For selling stockholders. **Office**—175 Humboldt St., Rochester, N. Y. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York. **Offering**—Expected sometime in August.

Harwyn Publishing Corp.

Jan. 29, 1962 filed 300,000 class A common. **Price**—By amendment. **Business**—Publishes illustrated encyclopedic works for children and operates an advertising agency for sale of TV and radio spot time. **Proceeds**—For working capital. **Office**—170 Varick St., N. Y. **Underwriter**—Van Alstyne, Noel & Co., N. Y. **Offering**—Indefinite.

Hawaii Real Estate Investment Trust

May 18, 1962 filed 1,000,000 shares of beneficial interest and eight-year stock purchase warrants to be offered in units consisting of one share and one warrant. **Price**—\$10 per unit. **Business**—A real estate investment trust. **Proceeds**—For working capital. **Address**—Honolulu, Hawaii. **Underwriter**—White, Weld & Co., Inc., N. Y.

Heartland Development Corp.

March 28, 1962 filed 23,300 shares of 5% convertible preference stock to be offered for subscription by stockholders on basis of one preferred share for each 10 common held. **Price**—\$12. **Business**—Real estate. **Proceeds**—For general corporate purposes and debt repayment. **Office**—40 Beaver St., Albany, N. Y. **Underwriter**—None.

Helix Land Co., Inc.

April 27, 1962 filed 586,000 capital shares. **Price**—By amendment (max. \$5). **Business**—General real estate. **Proceeds**—For general corporate purposes. **Office**—4265 Summit Dr., La Mesa, Calif. **Underwriter**—None.

Herald Music Corp.

March 20, 1962 ("Reg. A") 60,000 common. **Price**—\$3.50. **Business**—Manufacture and distribution of phonograph records. **Proceeds**—For relocation, equipment, accounts payable, and working capital. **Office**—150 W. 55th St., N. Y. **Underwriter**—Whitestone Securities Ltd., 15 E. 40th St., N. Y.

Hickory Industries, Inc.

Aug. 31, 1961 ("Reg. A") 40,000 common. **Price**—\$5. **Business**—The manufacture of barbecue machines and allied equipment. **Proceeds**—For equipment, inventory, sales promotion, expansion and working capital. **Office**—10-20 47th Rd., Long Island City, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., N. Y. **Offering**—Indefinite.

High Temperature Materials, Inc.

Sept. 28, 1961 filed 120,000 common. **Price**—By amendment. **Business**—Manufacture of products from test models. **Proceeds**—For equipment, research and development, leasehold improvements, repayment of debt and working capital. **Office**—130 Lincoln St., Brighton, Mass. **Underwriter**—To be named.

Hill Street Co.

Oct. 16, 1961 filed 2,265,138 common to be offered for subscription by stockholders of Union Bank of California on a share-for-share basis. **Price**—\$3. **Business**—A management investment company. **Proceeds**—For investment. **Office**—760 S. Hill St., Los Angeles. **Underwriter**—None.

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 June.

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.

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 Kosho, 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. (6/11-15)

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.

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 Top Corp. (6/20)

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.

● Illinois Bell Telephone Co. (6/4-8)

May 11, 1962 filed 3,771,577 common to be offered for subscription by stockholders on the basis of one new share for each 10 shares held of record May 29, 1962. A. T. & T., holder of 99.32% of outstanding stock, will subscribe for its pro rata share of the offering. **Price**—\$20. **Proceeds**—For debt repayment and general corporate purposes. **Office**—212 W. Washington St., Chicago. **Underwriter**—None.

Income Properties, Inc.

May 18, 1962 filed 200,000 class A shares and three-year warrants to be offered in units consisting of one class A share and one warrant. **Price**—By amendment (max. \$12 per class A share). **Business**—Real estate investment and construction. **Proceeds**—For debt repayment, expansion and working capital. **Office**—1801 Dorchester Rd., Brooklyn, N. Y. **Underwriter**—Crow, Brouman & Chatkin, Inc., N. Y.

Index & Retrieval Systems, Inc. (6/11-15)

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 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, equipment, inventory and other corporate purposes. **Office**—4 Broadway Plaza, Huntington Station, N. Y. **Underwriter**—Price Investing Co., N. Y. **Offering**—June.

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. (6/4-8)

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. (6/11-15)

Jan. 28, 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. **Offering**—July.

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.

International Terrazzo Co., Inc.

May 15, 1962 ("Reg. A") 75,000 common. **Price**—\$2. **Business**—Manufacture and installation of terrazzo flooring, and the installation of marble and tile. **Proceeds**—For equipment, debt repayment, working capital and other corporate purposes. **Office**—826 62nd St., Brooklyn, N. Y. **Underwriter**—Drouff, Lampert & Co., Inc., New York.

● Interstate Equity (6/25-29)

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.

Interworld Film Distributors, Inc.

Sept. 29, 1961 filed 106,250 common. **Price**—\$4. **Business**—Theatrical distribution and co-production of foreign and domestic feature films. **Proceeds**—For acquisition, 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. **Offering**—Indefinitely postponed.

Investment Management Corp.

May 10, 1962 filed 100,000 common to be offered for subscription by stockholders on a 2-for-1 share basis. Unsubscribed shares will be offered to the public. **Price**—To stockholders, \$2.50; to the public, \$3.50. **Business**—Manager and distributor for Western Industrial Shares, Inc., a mutual fund. **Proceeds**—For debt repayment and general corporate purposes. **Office**—818 17th St., Denver. **Underwriter**—None.

Investment Securities Co. (6/18-22)

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. (6/18-22)

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.

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. (6/25-29)

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. (6/18-22)

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. (6/18-22)

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.

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. (6/18-22)

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. (6/18-22)

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.

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., 26 Broadway, 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**—Seairight, Abalt & 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 and gravel; and dismantling and salvage of industrial buildings. **Proceeds**—For new plants, debt repayment and working capital. **Office**—6272 Canal Rd., Cleveland. **Underwriter**—Robert L. Ferman & Co., Inc., Miami, Fla.

Kapner, Inc. (6/25-29)

March 29, 1962 filed 50,000 common. **Price**—\$5. **Business**—Mail order sale of merchandise. **Proceeds**—For equipment and working capital. **Office**—1924 Washington Ave., Bronx, N. Y. **Underwriter**—Arnold, Wilkens & Co., Inc., N. Y.

Kaufman Carpet Co., Inc. (7/2-6)

March 29, 1962 filed 250,000 common. **Price**—\$5. **Business**—Operation of a chain of retail stores selling carpets and rugs. **Proceeds**—For expansion, inventory, debt repayment and working capital. **Office**—1800 Boston Rd., Bronx, N. Y. **Underwriter**—Michael G. Kletz & Co., N. Y.

Kavanau Corp. (6/11-15)

March 29, 1962 filed 50,000 shares 6% cum. preferred and four-year common stock purchase warrants to be offered in units consisting of one preferred and one warrant. **Price**—By amendment (max. \$101 per unit). **Business**—Real estate investment. **Proceeds**—For debt repayment and working capital. **Office**—30 E. 42nd St., N. Y. **Underwriter**—Hayden, Stone & Co., N. Y.

Kay Foods Corp.

Dec. 29, 1961 filed 88,000 class A common shares, of which 44,000 are to be offered by the company and 44,000 by stockholders. **Price**—\$7. **Business**—Packing and sale of fruit juice products. **Proceeds**—For general corporate purposes. **Office**—241 N. Franklinton Rd., Baltimore. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C. **Offering**—Indefinitely postponed.

Keene Packaging Associates

April 2, 1962 filed 165,000 common, of which 100,000 are to be offered by company and 65,000 by stockholders. **Price**—\$4. **Business**—Design and manufacture of semi-rigid vinyl plastic cases and containers for packaging. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—947 Newark Ave., Elizabeth, N. J. **Underwriter**—Hardy & Co., N. Y. **Offering**—Expected in late June.

Keiley Realty Corp. (6/25-29)

March 16, 1962 filed 250,000 class A common. **Price**—By amendment (max. \$10). **Business**—Company owns and operates apartment and office buildings. **Proceeds**—For debt repayment. **Office**—1620 S. Elwood St., Tulsa, Okla. **Underwriters**—Fulton, Reid & Co., Inc., Cleveland and Walston & Co., Inc., N. Y.

Kenner Products Co. (6/18-22)

March 30, 1962 filed 542,000 common, of which 205,000 are to be offered by company and 317,000 by stockholders. **Price**—By amendment (max. \$24). **Business**—Manufacture, design, and distribution of plastic toys. **Proceeds**—For general corporate purposes. **Office**—912 Sycamore St., Cincinnati, Ohio. **Underwriter**—Kuhn, Loeb & Co., New York.

Keystone Discount Stores, Inc.

May 24, 1962 filed 110,000 common. **Price**—By amendment (\$5.25). **Business**—Operation of three retail discount stores. **Proceeds**—For expansion. **Address**—R. D. No. 2, North Lebanon Township, Lebanon, Pa. **Underwriters**—Suplee, Yeatman, Mosley Co., Inc. and Woodcock, Moyer, Fricke & French, Inc., Philadelphia.

Kine Camera Co., Inc.

Nov. 21, 1961 filed 75,000 common. **Price**—\$5. **Business**—Importing and distribution of cameras, binoculars and photographic equipment. **Proceeds**—For debt repayment and working capital. **Office**—889 Broadway, N. Y. **Underwriter**—Underhill Securities Corp., N. Y.

Kingsberry Homes Corp.

April 9, 1962 filed 140,000 shares of capital stock of which 100,000 will be offered by company and 40,000 by stockholders. **Price**—By amendment (max. \$17.50). **Business**—Manufacture of prefabricated homes. **Proceeds**—For a new plant. **Office**—1725 S. Gault Ave., Ft. Payne, Ala. **Underwriters**—The Robinson-Humphrey Co., Inc., Atlanta, and J. C. Bradford & Co., Nashville. **Offering**—Indefinitely postponed.

Kinney Service Corp. (6/4-8)

March 28, 1962 filed 262,500 common, of which 112,500 are to be offered by the company and 150,000 by stockholders. **Price**—By amendment (max. \$12). **Business**—The operation of garages and parking stations; renting and leasing of cars; cleaning and maintaining of commercial buildings and conducting of funerals. **Proceeds**—To buy additional automobiles. **Office**—111 W. 50th St., N. Y. **Underwriter**—Bear, Stearns & Co., N. Y.

(H.) Kohnstamm & Co., Inc.

Feb. 21 1962 filed 160,000 common. **Price**—By amendment. **Business**—Manufacture of colors and flavors for

food, drugs and cosmetics; also industrial chemicals. **Proceeds**—For general corporate purposes. **Office**—161 Avenue of the Americas, N. Y. **Underwriter**—Kidder, Peabody & Co., Inc. **Offering**—Temporarily postponed.

Kollmorgan Corp.

Nov. 9, 1961 filed 100,000 common, of which 40,000 are to be sold by the company and 60,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of optical equipment. **Proceeds**—For debt repayment. **Office**—347 King St., Northampton, Mass. **Underwriter**—Putnam & Co., Hartford. **Offering**—Indefinitely postponed.

Kraft (John) Sesame Corp.

May 24, 1962 filed \$225,000 of 6% conv. subord. debentures, due 1972, and 150,000 common to be offered in units consisting of a \$300 debenture and 200 shares. **Price**—\$900 per unit. **Business**—Processing and distribution of sesame seed. **Proceeds**—For accounts receivable, inventories, plant expansion and working capital. **Office**—2301 N. Main St., Paris, Texas. **Underwriters**—John A. Dawson & Co., and Leason & Co., Inc., Chicago.

Kreedman Realty & Construction Corp.

(6/25-29)
April 19, 1962 filed \$5,000,000 of conv. subord. debentures due 1982 and 200,000 common shares to be offered in units consisting of \$25 of debentures and one common share. **Price**—By amendment (max. \$27). **Business**—Construction and operation of office buildings. **Proceeds**—For debt repayment. **Office**—9350 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—Lee Higginson Corp., N. Y.

Kwik-Kold, Inc. (6/4-8)

March 29, 1962 ("Reg. A") 100,000 common of which 65,000 will be sold for company and 35,000 for stockholders. **Price**—\$3. **Business**—Manufacture of certain patented cooling packages. **Proceeds**—For debt repayment and working capital. **Office**—Jennings Bldg., P. O. Box 638, Moberly, Mo. **Underwriter**—John W. Flynn & Co., Santa Barbara, Calif.

Lab-Line Instruments, Inc.

Feb. 23, 1962 filed 142,860 common, of which 122,168 are to be offered by the company and 20,692 by stockholders. **Price**—By amendment (max. \$9). **Business**—Manufacture of an extensive line of industrial, hospital and clinical laboratory instruments. **Proceeds**—For debt repayment, construction, and working capital. **Office**—3070-82 W. Grand Ave., Chicago. **Underwriter**—R. W. Pressprich & Co., N. Y. **Note**—This offering was temporarily postponed.

Laminetics Inc.

March 22, 1962 filed 80,000 common. **Price**—\$3.50. **Business**—Production and sale of gift sets, linens, place mats, etc. **Proceeds**—For equipment, moving expenses, sales promotion and other corporate purposes. **Office**—20 W. 27th St., N. Y. **Underwriter**—Fabrikant Securities Corp., N. Y. **Offering**—Expected in late July.

Lee Fashions, Inc. (6/25-29)

Dec. 27, 1961 filed 166,667 common. **Price**—By amendment. **Business**—Importing of low priced ladies' scarfs and blouses. **Proceeds**—For debt repayment and working capital. **Office**—2529 Washington Blvd., Baltimore. **Underwriters**—Godfrey, Hamilton, Taylor & Co., N. Y. and Penzell & Co., Miami Beach.

Lee-Norse Co.

May 25, 1962 filed 272,000 common. **Price**—By amendment (max. \$20). **Business**—Production of a coal mining machine. **Proceeds**—For selling stockholders. **Office**—751 Lincoln Ave., Charleroi, Pa. **Underwriter**—Moore, Leonard & Lynch, Pittsburgh.

Lehigh Industries & Investment Corp. (6/11-15)

Dec. 29, 1961 filed 2,000,000 class A common. **Price**—By amendment. **Business**—A holding company for three subsidiaries which operate utilities, engage in construction, and distribute electronic parts. **Proceeds**—For debt repayment, construction and working capital. **Office**—800 71st St., Miami Beach, Fla. **Underwriter**—To be named (a newly-formed subsidiary).

Lembo Corp.

Dec. 21, 1961 filed 100,000 common. **Price**—\$3.50. **Business**—Manufactures steel re-inforced concrete utilities, sanitary structures, fallout shelters and play sculptures. **Proceeds**—For debt repayment, sales promotion and working capital. **Office**—145 W. 11th St., Huntington Station, L. I., N. Y. **Underwriter**—Blank, Lieberman & Co., Inc., N. Y. **Offering**—Expected sometime in July.

Lenox, Inc. (6/11)

March 30, 1962 filed 172,500 common, of which 25,700 are to be offered by company and 146,800 by stockholders. **Price**—By amendment (max. \$18). **Business**—Manufacture and marketing of dinnerware and giftware. **Proceeds**—For purchase of leased plant. **Office**—Prince & Meade Sts., Trenton, N. J. **Underwriter**—Hemphill, Noyes & Co., N. Y.

Lesser (Louis) Enterprises, Inc. (6/18-22)

March 30, 1962 filed 1,000,000 class A common. **Price**—\$10. **Business**—Real estate management and construction. **Proceeds**—For debt repayment and general corporate purposes. **Office**—8737 Wilshire Blvd., Beverly Hills, Calif. **Underwriters**—Morris Cohon & Co. and Leiberbaum & Co., N. Y.

Levine's, Inc.

March 19, 1962 filed 80,000 common. **Price**—By amendment (max. \$17.50). **Business**—Operation of a chain of clothing and dry goods stores. **Proceeds**—For selling stockholders. **Office**—8908 Ambassador Row, Dallas. **Underwriter**—Kidder, Peabody & Co., N. Y. **Offering**—Indefinitely postponed.

Lewis (Tillie) Foods, Inc.

April 9, 1962 filed \$4,000,000 of 5½% convertible subordinated debentures due 1977. **Price**—At par. **Business**

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—Processing, canning, bottling and selling of fruits and vegetables. **Proceeds**—For debt repayment and working capital. **Office**—Fresno Ave. & Charter Way, Stockton, Calif. **Underwriter**—Van Alstyne, Noel & Co., N. Y. **Offering**—Expected sometime in July.

Lewiston-Gorham Raceways, Inc. (6/11-15)
March 14, 1962 filed \$1,000,000 of 6½% first mortgage bonds due 1977 and 200,000 common to be offered in units consisting of a \$500 bond and 100 shares. **Price**—\$500 per unit. **Business**—Conducting commercial pari-mutuel harness racing meets in Lewiston and Gorham, Maine. **Proceeds**—For debt repayment, property improvements and working capital. **Office**—33 Court St., Auburn, Maine. **Underwriter**—P. W. Brooks & Co., N. Y.

Liberty Records, Inc.
April 2, 1962 filed \$2,000,000 of convertible subordinated debentures due 1977; also 100,000 common. **Price**—By amendment (max. \$20 per common share). **Business**—Records and distributes stereo and monaural phonograph records and albums. **Proceeds**—For expansion and working capital. **Office**—6920 Sunset Blvd., Los Angeles. **Underwriter**—Crowell, Weedon & Co., Los Angeles. **Note**—This registration will be withdrawn.

Lilli Ann Corp.
March 29, 1962 filed \$750,000 of conv. subord. debentures due 1977, also 100,000 common shares to be offered by stockholders. **Price**—By amendment. **Business**—Design, manufacture and distribution of women's high fashion suits and coats. **Proceeds**—Net proceeds from the debenture sale will be added to the general funds of the company, a portion of which may be used to retire short-term loans. **Office**—2701 16th St., San Francisco. **Underwriters**—Sutro & Co., San Francisco and F. S. Smithers & Co., New York.

Lily Lynn, Inc.
Feb. 23, 1962 filed 150,000 common, of which 86,000 are to be offered by the company and 64,000 by the stockholders. **Price**—By amendment (max. \$12). **Business**—Design, manufacture and sale of women's casual dresses. **Proceeds**—For debt repayment, working capital and expansion. **Office**—Herman L. Bishins Bldg., Riverside Ave., New Bedford, Mass. **Underwriter**—J. R. Williston & Beane, N. Y. **Offering**—Temporarily postponed.

Lincoln Fund, Inc.
March 30, 1961 filed 951,799 shares of common stock. **Price**—Net asset value plus a 7% selling commission. **Business**—A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. **Proceeds**—For investment. **Office**—300 Main St., New Britain, Conn. **Distributor**—Horizon Management Corp., N. Y.

Little Ruffy Togs, Inc.
Nov. 29, 1961 filed 165,000 common. **Price**—By amendment. **Business**—Manufacture and sale of children's clothing. **Proceeds**—For debt repayment and working capital. **Office**—112 W. 34th St., N. Y. **Underwriters**—Glass & Ross, Inc. and Samson, Graber & Co., Inc., N. Y. **Offering**—Imminent.

Livestock Financial Corp. (6/18-22)
Feb. 23, 1962 filed 245,000 common. **Price**—\$10. **Business**—An insurance holding company whose subsidiaries insure the lives of all types of animals. **Proceeds**—To form new subsidiaries. **Office**—26 Platt St., N. Y. **Underwriter**—Shearson, Hammill & Co., N. Y.

Lockfast Mfg. Co. (6/26)
Jan. 11, 1962 ("Reg. A") 85,000 common. **Price**—\$3.50. **Business**—Manufacture of furniture hardware for sale to furniture manufacturers. **Proceeds**—For debt repayment, steel inventories and plant expansion. **Office**—3006 Boardman Ave., Baltimore. **Underwriter**—R & D Investors Corp., Port Washington, N. Y.

Lockwood Grader Corp.
Feb. 20, 1962 filed \$900,000 of 6% sinking fund debentures series B, (with warrants). **Price**—\$1,000 per debenture. **Business**—Design, manufacture, sale and repair of machinery and equipment used in agriculture. **Proceeds**—For debt repayment, equipment and general corporate purposes. **Office**—7th & S Sts., Gering, Neb. **Underwriter**—First Nebraska Securities Corp., Lincoln, Neb. **Offering**—Temporarily postponed.

Logos Financial, Ltd.
April 11, 1962 filed 250,000 capital shares. **Price**—By amendment (max. \$10). **Business**—A diversified closed-end investment company. **Proceeds**—For investment. **Office**—26 Broadway, N. Y. **Underwriter**—Filor, Bullard & Smyth, N. Y.

Lordhill Corp. (6/18-22)
March 30, 1962 filed 63,000 common. **Price**—\$5. **Business**—Company provides optometric services and dispenses optical items. **Proceeds**—For expansion, a laboratory and working capital. **Office**—130 W. 57th St., N. Y. **Underwriters**—J. R. Williston & Beane and Doft & Co., Inc., N. Y.

Lucks, Inc.
Feb. 28, 1962 filed 282,496 common, of which 142,500 are to be offered by the company and 139,996 by stockholders. **Price**—By amendment (max. \$5). **Business**—Canning and marketing of vegetables and meats. **Proceeds**—For expansion and debt repayment. **Address**—Seagrove, N. C. **Underwriter**—J. C. Wheat & Co., Richmond, Va. **Offering**—Expected sometime in June.

Lunar Films, Inc.
Aug. 31, 1961 filed 125,000 common. **Price**—\$5.75. **Business**—The production of television films. **Proceeds**—For filming and production and working capital. **Office**—543 Madison Ave., N. Y. **Underwriter**—Fred F. Sessler & Co., Inc., N. Y. **Note**—This firm formerly was named Lunar Enterprises, Inc. **Offering**—Imminent.

Lustig Food Industries, Inc.

Dec. 29, 1961 filed 100,000 common. **Price**—\$6. **Business**—Processing and packaging of frozen foods and the canning and bottling of fruits and vegetables. **Proceeds**—For debt repayment and working capital. **Office**—48 High St., Brockport, N. Y. **Underwriter**—None.

Mac-Allan Co., Inc. (6/11-15)

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.
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. **Offering**—Temporarily postponed.

Magellan Sounds Corp.
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. **Offering**—Temporarily postponed.

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. **Offering**—Expected in August.

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.
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. **Note**—This registration was withdrawn.

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. (6/11-15)
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. (6/18-22)
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. (6/11-15)
June 27, 1961 filed 95,000 common shares. **Price**—By amendment. **Business**—Conducts research and development in electronics, optics, electro-optics, quantum electronics, etc. **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 working capital. **Office**—840 DeKalb Ave., N. E., Atlanta. **Underwriter**—Johnson, Lane, Space Corp., Atlanta.

Masco Corp. (6/11-15)

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. (6/11-15)

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. **Note**—This registration was withdrawn.

Mechmetal-Tronics Inc.

May 28, 1962 filed 150,000 shares of 8% convertible cumulative preferred stock. **Price**—\$3. **Business**—Design and manufacture of miniature metal bellows and other miniature products. **Proceeds**—For debt repayment, research and development. **Office**—12 Rochelle Ave., Rochelle Park, N. J. **Underwriter**—Charles Plohn & Co., New York.

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.

Mercantile Stores Co., Inc.

May 24, 1962 filed 169,302 common. **Price**—By amendment (max. \$26). **Business**—Operation of a chain of department stores. **Proceeds**—For selling stockholders. **Office**—100 W. 10th St., Wilmington, Del. **Underwriter**—Clark, Dodge & Co., Inc., N. Y.

Merco 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. (6/4-8)

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. (6/18-22)

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. (6/28)

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 Insurance Co.

May 17, 1962 ("Reg. A") 25,000 common. **Price**—\$5. **Business**—Sale of hospitalization, ordinary and term life insurance. **Proceeds**—For capital funds, sales promotion and other corporate purposes. **Office**—6155 Oak St., Kansas City, Mo. **Underwriter**—None.

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 Planned Investments, Inc.

May 28, 1962 filed 250,000 common. **Price**—By amendment (max. \$7). **Business**—Company is engaged in the distribution of shares on contractual plan of other mutual funds, in trading in over-the-counter market, and in underwriting. **Proceeds**—For hiring and training of personnel. **Office**—1300 First National Bank Bldg., Minneapolis. **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 (6/25-29)

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.

Milmanco Corp.

May 2, 1962 ("Reg. A") 75,000 common, of which 64,200 will be sold by company and 10,800 by stockholders. **Price**—\$4. **Business**—Company writes, prepares and prints technical manuals for armed forces and industry. **Proceeds**—For debt repayment and expansion. **Office**—620 7th Ave., Renton, Wash. **Underwriter**—Cruttenden & Co., Inc., 618 S. Spring St., Los Angeles.

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. **Underwriter**—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.

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**—To be named.

● Molecular Systems Corp. (6/18-22)

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.

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. (8/1)

March 16, 1962 filed 517,122 common, of which 175,000 are to be offered by company and 342,122 by stockholders. **Price**—By amendment (max. \$18). **Business**—Retail sale of popular priced shoes. **Proceeds**—For debt repayment and working capital. **Office**—558 Pleasant St., New Bedford, Mass. **Underwriter**—Dean Witter & Co., N. Y.

★ Moskatel's Inc.

May 28, 1962 filed 104,000 capital shares, of which 20,000 are to be offered by the company and 84,000 by stockholders. **Price**—By amendment (max. \$8.50). **Business**—Sale of artificial flowers and florists' supplies. **Proceeds**—For payment of income taxes. **Office**—738 S. Wall St., Los Angeles, Calif. **Underwriter**—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif.

● Mosler Safe Co. (6/25-29)

March 23, 1962 filed 260,000 common. **Price**—By amendment (max. \$20). **Business**—Manufacture of safes, bank vaults, security systems and office equipment. **Proceeds**—For selling stockholders. **Office**—320 Park Ave., N. Y. **Underwriter**—Blyth & Co., Inc., N. Y.

Mott's Super Markets, Inc.

March 29, 1962 filed 75,000 common. **Price**—By amendment (max. \$8). **Business**—Operation of a chain of supermarkets. **Proceeds**—For debt repayment, equipment, and working capital. **Office**—59 Leggett St., East Hartford, Conn. **Underwriter**—D. H. Blair & Co., Inc., N. Y.

Mountain States Telephone & Telegraph Co.

(6/5)
May 10, 1962 filed \$50,000,000 of debentures due June 1, 2002. **Proceeds**—To repay advances from A. T. & T., company's parent. **Office**—931 14th St., Denver. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; First Boston Co. **Bids**—June 5 (11 a.m. EDT) in Room 2315, 195 Broadway, N. Y.

● Multi State Industries, Inc. (6/25-29)

April 6, 1962 ("Reg. A") 80,000 common. **Price**—\$3. **Business**—Design, fabrication and marketing of plastic toys, games and novelties. **Proceeds**—For equipment, working capital and other corporate purposes. **Office**—275 New Jersey Railroad Ave., Newark, N. J. **Underwriter**—G. K. Scott & Co., Inc., N. Y.

● Multronics, Inc. (6/11-15)

Jan. 5, 1962 ("Reg. A") 100,000 capital shares. **Price**—\$3. **Business**—Production of electronic parts and components and the furnishing of consulting services in the radio-engineering field. **Proceeds**—For debt repayment, equipment, and working capital. **Office**—2000 P St., N. W., Washington, D. C. **Underwriter**—Switzer & Co., Inc., Silver Spring, Md.

Municipal Investment Trust Fund, Series B

April 28, 1961 filed \$12,750,000 (12,500 units) of interests. **Price**—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, N. Y. C.

National Bag-O-Tunes, Inc.

May 11, 1962 ("Reg. A") 50,000 common. **Price**—\$5. **Business**—Distribution of phonograph records. **Proceeds**—For expansion of warehouse space, equipment and inventories. **Office**—224-09 Linden Blvd., Cambria Heights, (Queens), N. Y. **Underwriter**—Harrison Securities, Inc., New York.

National Car Rental System Inc.

March 19, 1962 filed 2,000,000 common to be offered for subscription by stockholders; unsubscribed shares will be offered to the public. **Price**—\$1. **Business**—Rental of vehicles and related activities. **Proceeds**—For expansion. **Office**—1000 Milner Bldg., Jackson, Miss. **Underwriter**—None.

National Directories, Inc.

March 29, 1962 ("Reg. A") 100,000 common. **Price**—\$2.75. **Business**—Compilation and publication of regional classified telephone directories. **Proceeds**—For general corporate purposes. **Office**—3306 Lancaster Ave., Philadelphia. **Underwriters**—William, David & Motti, Inc. and Crichton, Chershire & Co., Inc., N. Y.

National Equipment & Plastics Corp. (6/18-22)

Sept. 28, 1961 filed 105,000 common. **Price**—\$5. **Business**—Operation of a cleaning and pressing plant and affiliated stores. **Proceeds**—For debt repayment, store expansion and working capital. **Address**—Portage, Pa. **Underwriter**—Cortlandt Investing Corp., N. Y.

● National Family Insurance Co.

Dec. 26, 1961 filed 200,000 common. **Price**—\$5. **Business**—Writing of automobile insurance. **Proceeds**—For additional capital and reserves. **Office**—2147 University Ave., St. Paul, Minn. **Underwriter**—None. **Offering**—Imminent. **Note**—This registration has become effective.

National Security Life Insurance Co. (6/18-22)

March 23, 1962 filed 100,000 common, of which 80,000 are to be offered by company and 20,000 by stockholders. **Price**—\$17.50. **Business**—A life, accident and health insurance company. **Proceeds**—For investment. **Office**—130 Alvarado, N. E. Albuquerque, N. M. **Underwriter**—To be named.

National Semiconductor Corp. (6/18-22)

May 11, 1961 filed 75,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The design,

development, manufacture and sale of quality transistors for military and industrial use. **Proceeds**—For new equipment, plant expansion, working capital, and other corporate purposes. **Office**—Mallory Plaza Bldg., Danbury, Conn. **Underwriters**—Lee Higginson Corp., N. Y. C. and Piper, Jaffray & Hopwood, Minneapolis (mgr.).

National Tele-Systems, Inc.

Feb. 27, 1962 filed 82,000 common, of which 65,000 are to be offered by company and 17,000 by stockholders. **Price**—\$3. **Business**—Manufacture of closed circuit TV systems. **Proceeds**—For inventory, debt repayment and working capital. **Office**—718 Atlantic Ave., Brooklyn, N. Y. **Underwriter**—Ezra Kureen & Co., N. Y.

Nationwide Bowling Corp.

Oct. 19, 1961 filed 100,000 capital shares (with attached warrants). **Price**—By amendment. **Business**—The operation of bowling centers. **Proceeds**—For a realty acquisition and working capital. **Office**—11 Commerce St., Newark, N. J. **Underwriter**—Jennings, Mandel & Longstreth, Philadelphia. **Offering**—Sometime in June.

● New Brunswick Scientific Co., Inc. (6/13)

March 28, 1962 ("Reg. A") 50,000 common. **Price**—\$6. **Business**—Design, development and manufacture of precision apparatus used in production of pharmaceuticals and other chemicals. **Proceeds**—For expansion, equipment, research, and working capital. **Office**—1130 Somerset St., New Brunswick, N. J. **Underwriter**—John Schuss & Co., N. Y.

New Campbell Island Mines Ltd.

Oct. 13, 1961 filed 475,000 common, of which 400,000 are to be offered by the company and 75,000 by a stockholder. **Price**—50c. **Business**—Exploration, development and mining. **Proceeds**—General corporate purposes. **Office**—90 Industry St., Toronto, Canada. **Underwriter**—A. C. MacPherson & Co., Toronto.

● New England Electric System

April 12, 1962 filed 872,786 common shares to be offered for subscription by common stockholders on the basis of one new share for each 15 held of record about May 29 with rights to expire June 14. **Price**—By amendment (max. \$27). **Proceeds**—For loans to subsidiaries and other corporate purposes. **Office**—441 Stuart St., Boston. **Underwriters**—(Competitive). Probable bidders: Blyth & Co.-Lehman Brothers-Bear, Stearns & Co. (jointly); Carl M. Loeb, Rhoades & Co.-Ladenburg, Thalmann & Co.-Wertheim & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Kidder, Peabody & Co.-White, Weld & Co. (jointly). **Offering**—Temporarily postponed. **Underwriter**—Mayo & Co., Philadelphia. **Note**—This registration was withdrawn.

● New Hope Academy of the Arts, Inc.

Jan. 17, 1962 filed 150,000 common. **Price**—\$10. **Business**—Operation of a school of performing arts for children and young adults. **Proceeds**—For general corporate purposes. **Office**—152 Whitmarsh Rd., Philadelphia. **Underwriter**—Mayo & Co., Philadelphia. **Note**—This registration was withdrawn.

New Plan Realty Corp.

Jan. 24, 1962 filed 150,000 class A shares. **Price**—\$11. **Business**—A real estate management company. **Proceeds**—For debt repayment, working capital, and general corporate purposes. **Office**—369 Lexington Ave., N. Y. **Underwriter**—None.

New World Laboratories, Inc.

Nov. 13, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Manufacture of cosmetics and hair preparations. **Proceeds**—For debt repayment and general corporate purposes. **Office**—1610 14th St., N. W., Washington, D. C. **Underwriter**—T. J. McDonald & Co., Inc., Washington, D. C. **Offering**—Imminent.

New York Testing Laboratories, Inc. (6/11-15)

Jan. 29, 1962 filed 50,000 common. **Price**—\$5. **Business**—Analyzing and testing of electronic, chemical and other materials. **Proceeds**—For plant relocation, equipment, and working capital. **Office**—47 West St., N. Y. **Underwriter**—Robbins, Clark & Co., Inc., N. Y.

Nopco Chemical Co. (7/2-6)

May 4, 1962 filed \$5,800,000 of conv. subord. debentures due 1987 to be offered for subscription by common stockholders on the basis of \$100 of debentures for each 20 shares held. **Business**—Manufacture of industrial chemical specialties, mainly organic in nature, and urethane foam plastics. **Proceeds**—For debt repayment and construction. **Office**—60 Park Place, Newark, N. J. **Underwriter**—White, Weld & Co., Inc., N. Y.

★ Norway (Kingdom of) (6/12)

May 28, 1962 filed \$25,000,000 external loan bonds due June 15, 1977. **Price**—By amendment. **Proceeds**—For acquisition and importation of capital equipment. **Underwriters**—Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co., Inc.; Lazard Freres & Co., and Smith, Barney & Co., Inc., N. Y.

Nordon Corp., Ltd.

March 29, 1962 filed 375,000 capital shares, of which 100,000 are to be offered by company and 275,000 by stockholders. **Price**—By amendment (max. \$6). **Business**—Acquisition and development of oil and natural gas properties. **Proceeds**—For drilling expenses and working capital. **Office**—5455 Wilshire Blvd., Los Angeles. **Underwriter**—Gregory-Massari, Inc., Beverly Hills, Calif.

Norda Essential Oil & Chemical Co., Inc.

(6/25-29)
March 20, 1962 filed 200,000 class A shares. **Price**—By amendment (max. \$15). **Business**—Manufacture, processing and distribution of natural and synthetic essential oils, flavor, essences, etc., to food and drug industries. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—601 W. 26th St., N. Y. **Underwriter**—S. D. Fuller & Co., N. Y.

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Nortex Oil & Gas Corp.

April 27, 1962 filed \$5,000,000 of 6% conv. subord. debentures due 1977. **Price**—By amendment. **Business**—Production of crude oil and natural gas. **Proceeds**—For debt repayment, working capital and other corporate purposes. **Office**—1900 Life Bldg., Dallas. **Underwriter**—Carreau & Co., N. Y.

Northern States Power Co. (Minn.) (6/12)

April 26, 1962 filed \$15,000,000 of first mortgage bonds due 1992. **Proceeds**—For construction. **Office**—15 South Fifth Street, Minneapolis. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc.; Kidder, Peabody & Co.-White, Weld & Co. (jointly); First Boston Corp.-Blyth & Co., Inc. (jointly). **Bids**—Expected June 12, 1962.

Norwood's Superettes, Inc.

April 23, 1962 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Operation of superettes. **Proceeds**—For expansion and working capital. **Office**—10 Merrick Lane, Northampton, Mass. **Underwriter**—Walker, Wachtel & Co., Inc., Boston.

Nuclear Data, Inc.

March 28, 1962 filed 170,000 common, of which 30,000 are to be offered by company and 140,000 by stockholders. **Price**—By amendment (max. \$12). **Business**—Design, development and assembly of instruments for detection, measurement and analysis of nuclear radiation. **Proceeds**—For working capital. **Office**—3833 W. Beltline Highway, Madison, Wis. **Underwriter**—McCormick & Co., Chicago.

Nuclear Science & Engineering Corp.

March 29, 1962 filed 100,000 common. **Price**—By amendment (max. \$15). **Business**—Research and development on contracts using radioactive tracers; precision radioactivity measurement; production of radioactive isotopes and the furnishing of consulting and radiation measurement services. **Proceeds**—For equipment, debt repayment, expansion and working capital. **Address**—P. O. Box 10901, Pittsburgh. **Underwriter**—Johnston, Lemon & Co., Washington, D. C.

Nuveen Tax-Exempt Bond Fund, Series 3

Oct. 17, 1961 filed \$15,300,000 of units representing fractional interests in the Fund. **Price**—By amendment. **Business**—The Fund will invest in interest bearing obligations of states, counties and municipalities of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds**—For investment. **Office**—Chicago, Ill. **Sponsor**—John Nuveen & Co., 135 So. La Salle St., Chicago. **Offering**—Expected in mid-June.

Nuveen Tax-Exempt Bond Fund, Series 4

Oct. 17, 1961 filed \$15,000,000 of units representing fractional interests in the Fund. **Price**—By amendment. **Business**—The Fund will invest in interest-bearing obligations of states, counties, and municipalities of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds**—For investment. **Office**—Chicago, Ill. **Sponsor**—John Nuveen & Co., 135 So. La Salle St., Chicago.

Oceana International, Inc. (6/18-22)

March 29, 1962 filed 150,000 common. **Price**—\$5.50. **Business**—Manufacture and sale of synthetic pearl buttons. **Proceeds**—For equipment and working capital. **Office**—1331 Halsey St., Brooklyn, N. Y. **Underwriter**—Baruch Brothers & Co., Inc., N. Y.

Optech, Inc.

Dec. 26, 1961 filed 160,000 common. **Price**—\$3. **Business**—Research, development and fabrication of materials used in optical electronics. **Proceeds**—For equipment and working capital. **Office**—246 Main St., Chatham, N. J. **Underwriters**—Stone, Ackerman & Co., Inc., and Heritage Equity Corp., N. Y. **Offering**—In July.

Orion Electronics Corp. (6/11-15)

Aug. 28, 1961 filed 100,000 common. **Price**—\$3.50. **Business**—The manufacture of precision electronic sub-systems for the generation, detection and control of frequencies up through the microwave region. **Proceeds**—For expansion, equipment and working capital. **Address**—Tuckahoe, N. Y. **Underwriter**—A. D. Gilhart & Co., Inc., N. Y. C.

Orr (J. Herbert) Enterprises, Inc.

May 1, 1962 filed 285,000 common. **Price**—\$10.50. **Business**—Company's subsidiaries manufacture cartridge tape recorders and programs therefor and men's and boys' dress trousers. **Proceeds**—For debt repayment, advertising and working capital. **Address**—Opelika, Ala. **Underwriter**—None.

Outlet Mining Co., Inc.

Feb. 28, 1962 filed 900,000 common. **Price**—\$1. **Business**—Mining. **Proceeds**—For equipment and working capital. **Address**—Creede, Colo. **Underwriter**—None.

Pacific States Steel Corp.

June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. **Price**—\$6. **Business**—The manufacture of steel products. **Proceeds**—For the selling stockholder. **Office**—35124 Alvarado-Niles Road, Union City, Calif. **Underwriters**—First California Co., Inc., and Schwabacher & Co., San Francisco (mgr.). **Offering**—Indefinitely postponed.

Pacific Westates Land Development Corp.

Sept. 28, 1961 filed \$1,500,000 of 7% convertible subord. debentures due 1976 and 300,000 common shares to be offered in units, each consisting of \$100 of debentures and 20 common shares. **Price**—\$200 per unit. **Business**—General real estate. **Proceeds**—For debt repayment and working capital. **Office**—9412 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—Morris Cohon & Co., N. Y.

Note—This company was formerly named Westates Land Development Corp. **Offering**—Expected in May.

Packard-Bell Electronics Corp. (6/25-29)

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. (6/4-8)

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.

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.

Papert, Koenig, Lois, Inc.

May 10, 1962 filed 100,000 class A shares. **Price**—By amendment (max. \$8). **Business**—An advertising agency. **Proceeds**—For selling stockholders. **Office**—9 Rockefeller Plaza, N. Y. **Underwriters**—Andresen & Co. and Oppenheimer & Co., N. Y.

Paragon Pre-Cut Homes, Inc.

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. **Offering**—Postponed.

• 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. **Offering**—Imminent.

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.

• Paul, Harris Stores, Inc. (6/7)

April 2, 1962 ("Reg. A") 40,000 class A common. **Price**—\$7.50. **Business**—Operation of wearing apparel stores. **Proceeds**—For equipment and working capital. **Office**—2920 N. Tibbs, Indianapolis. **Underwriters**—Kiser, Cohn & Shumaker, Indianapolis and Cruttenden, Podesta & Miller, Chicago.

• Pay'n Save Corp. (6/18-22)

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. (6/11-15)

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**—None.

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

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. **Offering**—Imminent.

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. (6/25-29)

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.

★ Perma-Bilt Enterprises Inc.

May 28, 1962 filed 230,000 common. **Price**—By amendment (max. \$8). **Business**—Merchandising, sale and construction of homes. **Proceeds**—For acquisition and development of land, and other corporate purposes. **Office**—319 MacArthur Blvd., San Leandro, Calif. **Underwriter**—Robert A. Martin Associates, Inc., N. Y.

Permeator Corp.

May 18, 1962 filed 300,000 common to be offered for subscription by stockholders of National Petroleum Corp. Ltd., parent, on the basis of one share for each 15 National shares held. **Price**—\$5. **Business**—Manufacture, use and sale of a patented tool, "Permeator," used in completion of oil and gas wells. **Proceeds**—For general corporate purposes. **Office**—445 Park Ave., N. Y. **Underwriters**—Irving Weis & Co., and Godfrey, Hamilton, Taylor & Co., Inc., N. Y.

Perpetual Investment Trust

Nov. 9, 1961 filed 500,000 shares of beneficial interest. **Price**—(For the first 10,000 shares) \$10.80 per share. (For the balance) Net asset value plus 8% commission. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—1613 Eye St., N. W., Washington, D. C. **Underwriter**—Sidney Z. Mensch 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.

April 3, 1962 filed 6,153,140 common being 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**—\$33 per share. **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-Manager**—Smith, Barney & Co., N. Y.

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.

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. **Offering**—Temporarily postponed.

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.

★ **Playboy Clubs International, Inc.**
May 28, 1962 filed 270,000 common. **Price**—By amendment. (max. \$7). **Business**—Company is engaged in the ownership and franchising of Playboy Clubs. **Proceeds**—For debt repayment and general corporate purposes. **Office**—232 E. Ohio St., Chicago. **Underwriter**—Divine & Fishman, Inc., Chicago.

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 Balog & Co., Washington, D. C. **Note**—This offering was postponed indefinitely.

● **Premier Microwave Corp. (6/11-15)**
Feb. 28, 1962 filed 125,000 common, of which 50,000 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 335,000 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. **Underwriters**—D. H. Blair & Co., and Troster, Singer & Co., N. Y.

● **Product Research of Rhode Island, Inc.**
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. **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.

Prosperity Cleaners & Laundries, Inc.
May 15, 1962 filed 100,000 common. **Price**—By amendment (max. \$5.50). **Business**—Operation of a chain of dry-cleaning and laundry stores. **Proceeds**—For selling stockholders. **Office**—48-12 25th St., Astoria, N. Y. **Underwriter**—Edwards & Hanly, Hempstead, L. I., N. Y.

Prudent Realty Investment Trust
May 21, 1962 filed 100,000 shares of beneficial interest. **Price**—\$10. **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—1324 Walnut St., Philadelphia. **Underwriter**—None.

● **Public Loan Co., Inc.**
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. **Offering**—Indefinitely postponed.

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. (6/6)**

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.

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. (6/18-22)

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. (6/14)

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.

Ram Tool Corp.

May 16, 1962 filed \$800,000 of 6½% subord. debentures due May 31, 1972 (with attached warrants). **Price**—By amendment. **Business**—Manufacture and sale of electrically powered tools, and hand garden tools. **Proceeds**—For debt repayment and working capital. **Office**—411 N. Claremont Ave., Chicago. **Underwriters**—Aetna Securities Corp., N. Y. and Cantor, Fitzgerald & Co., Inc., Beverly Hills, Calif.

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.

● **Rego Radio & Electronics Corp. (6/11-15)**

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. (6/25-29)**

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. (6/18-22)

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.

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**—To be named.

Ridgewood Financial Corp. (6/4-8)

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.

Rite Electronics, Inc. (6/25-29)

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., New York.

● **Roadcraft Corp. (6/18-22)**

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. (6/18-22)**

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. (6/4-8)**

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., New York.

Rosenfeld (Henry), Inc. (6/25-29)

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.

Royaltone Photo Corp.

Nov. 29, 1961 filed 300,000 common, of which 100,000 are to be offered by the company and 200,000 by stockholders. **Price**—By amendment. **Business**—Develops and prints color, and black and white photographic film. **Proceeds**—For equipment and working capital. **Office**—245 7th Ave., N. Y. **Underwriter**—Federman, Stonehill & Co., N. Y. **Offering**—Expected sometime in June.

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.

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.

● **Salant & Salant, Inc. (6/11-15)**

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. (6/25-29)**

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.**

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

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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. **Offering**—Expected in late 1962.

Saturn Electronics Corp.

May 3, 1962 ("Reg. A") 80,000 class A common. **Price**—\$3.75. **Business**—Design, manufacture, and distribution of high fidelity amplifiers, transformers, etc. **Proceeds**—For equipment, inventory, moving expenses and working capital. **Office**—10665 Harry Hines Blvd., Dallas. **Underwriter**—Reese, Scheffel & Co., Inc., N. Y.

Save-Mor Drugs, Inc.

Dec. 28, 1961 ("Reg. A") \$300,000 of 6% 15-year subord. conv. debentures. **Price**—At par. **Business**—Operation of a chain of drug stores. **Proceeds**—For general corporate purposes. **Office**—3310 New York Ave., N. E., Washington, D. C. **Underwriter**—C. A. Taggart, Inc., Towson, Md.

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. (6/15)

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. (6/12)

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 (6/25-29)

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.

Schlumberger Ltd. (6/12-13)

May 11, 1962 filed 700,000 common. **Price**—By amendment (max. \$80). **Business**—Furnishing of electrical logging and related services to oil well drillers, and the design and manufacture of electronic and electro-mechanical equipment, components and systems. **Proceeds**—For selling stockholders. **Office**—408 Bank of the Southwest Bldg., Houston. **Underwriter**—Morgan Stanley & Co., N. Y.

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.

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. **Offering**—Postponed.

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.

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. **Offering**—Indefinitely postponed.

Security Aluminum Corp. (6/18-22)

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.

Selective Financial Corp.

Feb. 28, 1962 filed 500,000 common, of which 405,000 are to be offered for subscription by holders of the A, B and C stock of Selective Life Insurance Co., an affiliate, on the basis of 4 company shares for each class A or B share and two-thirds share for each class C share of Selective Life held. Remaining 94,822 and any unsubscribed shares will be offered publicly. **Price**—To public, \$6; to stockholders, \$5. **Business**—Company plans to engage in the consumer finance, mortgage, general finance and related businesses. **Proceeds**—For general corporate purposes. **Office**—830 N. Central Ave., Phoenix. **Underwriter**—None. **Note**—Warrants, expiring in about 120 days, will be mailed to stockholders about May 4.

Sentinel Properties Corp.

May 1, 1962 filed 200,000 class A common. **Price**—\$10. **Business**—Real estate investment. **Proceeds**—For construction of a building. **Office**—565 Fifth Ave., N. Y. **Underwriter**—None.

Servotronics, Inc. (6/18-22)

March 30, 1962 filed 125,000 capital shares. **Price**—\$3. **Business**—Design, development and manufacture of precision control components and associated products. **Proceeds**—For debt repayment, equipment and working capital. **Office**—190 Gruner Rd., Cheektowaga, N. Y. **Underwriter**—General Securities Co., Inc., N. Y.

Shainberg (Sam) Co.

March 30, 1962 filed 236,000 common. **Price**—By amendment (max. \$13). **Business**—Operation of a chain of junior department stores and self-service discount stores. **Proceeds**—For selling stockholders. **Office**—1325 Warford St., Memphis. **Underwriter**—New York Securities Co., 52 Wall St., N. Y.

Shelley Manufacturing Co. (6/4-8)

Dec. 29, 1961 filed 55,000 common. **Price**—\$6.50. **Business**—Manufacture of automatic equipment for handling packaged foods, and various food serving devices. **Proceeds**—For equipment, advertising, plant expansion and working capital. **Office**—3800 N. W., 32nd Ave., Miami, Fla. **Underwriter**—George, O'Neill & Co., Inc., N. Y.

Sierra Pacific Power Co. (6/26)

May 11, 1962 filed \$5,000,000 of first mtge. bonds due 1992. **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. EDT), at 49 Federal St., Boston. **Information Meeting**—June 22 (10:30 a.m. EDT) at 90 Broad St., 19th floor.

Signalite Inc. (6/18-22)

Jan. 29, 1962 filed 126,000 common. **Price**—\$4.50. **Business**—Manufacture, sale and development of glow lamps for use as indicators and circuit components. **Proceeds**—For debt repayment, equipment and working capital. **Office**—1933 Heck Ave., Neptune, N. J. **Underwriter**—Milton D. Blauner & Co., N. Y.

Simplex Lock Corp.

April 20, 1962 filed 20,000 common to be offered for subscription by stockholders of the company and of Associated Development and Research Corp., parent, on the basis of one new share for each 10 company shares held, and one share for each 30 shares of Associated held. **Price**—By amendment (max. \$20). **Business**—Development and sale of a new type combination lock. **Proceeds**—For equipment, research and development and working capital. **Office**—150 Broadway, N. Y. **Underwriters**—Charles Plohn & Co. and B. W. Pizzini & Co., N. Y.

Site-Fab, Inc. (6/29)

Feb. 27, 1962 filed 135,000 common. **Price**—By amendment (max. \$4). **Business**—Construction of homes. **Proceeds**—For debt repayment, acquisition of land and working capital. **Office**—1093 Frank Rd., Columbus, Ohio. **Underwriter**—H. P. Black & Co., Inc., Washington, D. C.

Skiers Service Corp. (6/25-29)

Oct. 30, 1961 filed 550,000 common. **Price**—By amendment. **Business**—Distribution of coin-operated insurance vending machines to brokers at sporting centers. **Proceeds**—For inventory, advertising and working capital. **Office**—420 Lexington Ave., N. Y. **Underwriter**—Pacific Coast Securities Co., San Francisco. **Note**—This firm formerly was named National Vending Ski Insurance Corp.

Sokol Brothers Furniture Co., Inc. (6/18-22)

Sept. 28, 1961 filed 240,000 common. **Price**—\$2.50. **Business**—The instalment retailing of furniture, appliances and other household goods. **Proceeds**—For expansion and modernization of buildings, repayment of debt and working capital. **Office**—253 Columbia St., Brooklyn, N. Y. **Underwriter**—Albion Securities Co., Inc., N. Y.

Solid State Products, Inc. (6/4-8)

Feb. 1, 1962 filed 110,000 common. **Price**—By amendment. **Business**—Development, manufacture and sale of semiconductor devices. **Proceeds**—For a new plant, debt repayment and working capital. **Office**—1 Pingree St., Salem, Mass. **Underwriter**—Tucker, Anthony & R. L. Day, N. Y.

Solo Amusement & Vending Co.

May 4, 1962 ("Reg. A") 60,000 common, of which 54,000 are to be offered by company and 6,000 by stockholders. **Price**—\$5. **Business**—Operation of coin operated amusement rides for children. **Proceeds**—For debt repayment and working capital. **Office**—219—9th St., San Francisco. **Underwriter**—Frank J. Mohr Investment Securities, San Francisco.

Solon Industries, Inc.

Dec. 28, 1961 filed 75,000 common. **Price**—By amendment. **Business**—Installation of its coin operated laundry equipment at designated residential locations. **Proceeds**—For selling stockholders. **Office**—115 L St., S. E. Washington, D. C. **Underwriter**—None.

Southeastern Real Estate Trust

April 2, 1962 filed 700,000 common. **Price**—By amendment (max. \$13.80). **Business**—A real estate investment trust. **Proceeds**—For investment. **Office**—600 E. Washington St., Orlando, Fla. **Underwriter**—None.

Southeastern Towing & Transportation Co., Inc.

Nov. 29, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Construction and operation of towing boats. **Proceeds**—For debt repayment, conversion of a boat, and working capital. **Office**—3300 N. W. North River Drive, Miami, Fla. **Underwriter**—Irwin Karp & Co., Inc., 68 William St., N. Y.

Spartan International Inc.

Dec. 22, 1961 filed 175,000 common. **Price**—\$4. **Business**—Manufacture of metal shower receptors, precast concrete receptors, prefabricated metal showers, baseboard radiators and rope and twine. **Proceeds**—For a new plant in Canada. **Office**—52-55 74th Ave., Maspeth, L. I., N. Y. **Underwriter**—M. H. Woodhill, Inc., N. Y. **Offering**—Imminent. **Note**—This registration has become effective.

Spears (L. B.), Inc. (7/2-6)

Oct. 30, 1961 filed 65,000 common. **Price**—\$5. **Business**—Operation of retail furniture stores. **Proceeds**—For working capital. **Office**—2212 Third Ave., N. Y. **Underwriter**—Arnold Malkan & Co., Inc., N. Y.

Spenard Utilities, Inc.

March 30, 1962 filed 117,541 common, of which 50,000 are to be offered by company and 67,541 by stockholders. **Price**—\$2.50. **Business**—Installation, operation, maintenance and ownership of public water distribution and sewage disposal systems. **Proceeds**—For general corporate purposes. **Office**—3110 Northern Lights Blvd., Anchorage, Alaska. **Underwriter**—To be named.

Sperti Products, Inc.

Nov. 29, 1961 filed 230,000 common of which 200,000 are to be offered by the company and 30,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of drug and food products, electrical and electronic devices and precision machinery. **Proceeds**—For the purchase of certain patents, repayment of debt, and working capital. **Office**—730 Grand St., Hoboken, N. J. **Underwriter**—Blair & Co., N. Y. **Offering**—Expected in July.

Sportsways, Inc.

Feb. 20, 1962 filed 175,000 common, of which 50,000 are to be offered by company and 125,000 by a stockholder. **Price**—By amendment (max. \$7). **Business**—Manufacture and distribution of skin diving equipment and accessories. **Proceeds**—For working capital. **Office**—7701 E. Compton Blvd., Paramount, Calif. **Underwriters**—Troster, Singer & Co. and Federman, Stonehill & Co., N. Y. **Offering**—Temporarily postponed.

★ Stainless Steel Products, Inc.

May 28, 1962 filed 100,000 capital shares, of which 75,000 are to be offered by company and 25,000 by stockholders. **Price**—By amendment (max. \$10). **Business**—Design, development and manufacture of high pressure, high temperature ducting systems for use in aircraft and missiles. **Proceeds**—For plant expansion, equipment and working capital. **Office**—2980 N. San Fernando Blvd., Burbank, Calif. **Underwriter**—First California Co., Inc., San Francisco.

State Life Insurance Co. of Colorado

March 27, 1962 filed 300,000 common. **Price**—By amendment (max. \$5). **Business**—Writing of life, health and accident insurance. **Proceeds**—For investment and working capital. **Office**—1760 High St., Denver. **Underwriter**—None.

Statewide Vending Corp.

March 23, 1962 filed 88,250 common. **Price**—\$4.25. **Business**—Sale of cigarettes, coffee, beverages, candy etc., through vending machines. **Proceeds**—For debt repayment, leasehold improvements, expansion and working capital. **Office**—354 Hempstead Ave., West Hempstead, N. Y. **Underwriter**—M. H. Myerson & Co., Inc., N. Y.

Steel Plant Equipment Corp. (6/18-22)

Oct. 2, 1961 ("Reg. A") 69,660 common. **Price**—\$3. **Proceeds**—For equipment and working capital. **Address**—Norristown, Pa. **Underwriter**—Joseph W. Hurley & Co., Norristown, Pa.

Stelber Cycle Corp. (6/18-22)

Jan. 5, 1962 filed 200,000 common. **Price**—\$3. **Business**—Manufacture of bicycles, tricycles and toy automobiles. **Proceeds**—For debt repayment, moving expenses and a new product line. **Office**—744 Berriman St., Brooklyn, N. Y. **Underwriter**—Lloyd Securities, Inc.

• (M.) Stephens Mfg. Co., Inc. (6/18-22)

March 28, 1962 ("Reg. A") 75,000 capital shares. **Price**—\$4. **Business**—Manufacture and distribution of electrical fittings and connectors. **Proceeds**—For debt repayment, inventory, equipment and working capital. **Office**—814 E. 29th St., Los Angeles. **Underwriter**—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif.

Sternco Industries, Inc. (6/18-22)

Feb. 21, 1962 filed 115,000 class A, of which 40,000 are to be offered by the company and 75,000 by stockholders. **Price**—\$6. **Business**—Manufacture, sale and distribution of fish foods and distribution of various types of fish and aquarium supplies for hobbyists. **Proceeds**—For a new plant and working capital. **Office**—52 Cottage Plaza, Allendale, N. J. **Underwriter**—Andresen & Co., N. Y.

Stratford Financial Corp.

March 29, 1962 filed 315,000 class A shares of which 218,000 are to be offered by the company and 97,000 by the stockholders. **Price**—\$6. **Business**—Commercial fi-

nance company. **Proceeds**—For debt repayment. **Office**—95 Madison Ave., N. Y. **Underwriter**—Mortimer B. Burnside & Co., Inc., N. Y.

Stratton Realty & Construction Fund, Inc.
March 20, 1962 filed 500,000 common. **Price**—\$20. **Business**—A real estate investment company. **Proceeds**—For investment. **Office**—50 E. 40th St., N. Y. **Underwriter**—To be named.

Sun City Dairy Products, Inc. (6/25-29)
Oct. 27, 1961 filed 110,000 common. **Price**—\$4. **Business**—Distribution of eggs and dairy products in Florida and other southeastern states. **Proceeds**—General corporate purposes. **Office**—3601 N. W. 50th St., Miami, Fla. **Underwriter**—Finkle & Co., N. Y.

Superior Bakers, Inc. (6/6)
Feb. 28, 1962 filed 325,000 common, of which 294,000 are to be offered by the company and 31,000 shares by a stockholder. **Price**—\$3. **Business**—Manufacture and sale of baked goods. **Proceeds**—For debt repayment and general corporate purposes. **Address**—New York & Drexel Aves., Atlantic City, N. J. **Underwriter**—Balogh & Co., Washington, D. C.

Szemco, Inc.
Dec. 29, 1961 filed 66,666 common. **Price**—By amendment (\$1.50 max.). **Business**—Design and manufacture of ordnance, automotive, aircraft and guided missile parts and components. **Proceeds**—For selling stockholders. **Office**—4417 Okechobe Rd., West Palm Beach, Fla. **Underwriter**—None.

Tabach Industries, Inc. (6/15)
March 29, 1962 ("Reg. A") 50,000 common. **Price**—\$6. **Business**—Manufacture and sale of women's wear. **Proceeds**—For debt repayment, leasehold improvements and expansion. **Office**—217 E. Eight St., Los Angeles, Calif. **Underwriter**—Costello, Rusotto & Co., Los Angeles. **Underwriter**—Costello, Rusotto & Co., 9301 Wilshire Blvd., Beverly Hills, Calif.

Tactair Fluid Controls, Corp.
March 29, 1962 filed 90,000 common. **Price**—By amendment (max. \$7.50). **Business**—Manufacture of fluid control equipment used in missiles, helicopters and aircraft. **Proceeds**—For selling stockholders. **Address**—Bridgeport, Conn. **Underwriters**—Stroud & Co., Inc. and Pennington, Colket & Co., Philadelphia. **Offering**—Indefinitely postponed.

Taylor Publishing Co.
Dec. 21, 1961 filed 152,000 common. **Price**—By amendment. **Business**—Production and distribution of school year-books and commercial printing. **Proceeds**—For selling stockholders. **Office**—6320 Denton Dr., Dallas. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y., and Dallas Rupe & Son, Inc., Dallas, Tex. **Offering**—Temporarily postponed.

Technical Animations, Inc.
Nov. 30, 1961 filed \$211,400 of 7% conv. subord. debentures due 1972 (with warrants) being offered for subscription by holders of class A and class B common at the rate of \$100 of debentures for each 280 shares held of record May 15, with rights to expire June 4, 1962. **Price**—\$100 per unit (\$100 of debentures and one warrant to purchase 14 class A shares). **Business**—Design and manufacture of animated transparencies and other technical training aids and displays. **Proceeds**—For debt repayment, expansion, research, and working capital. **Office**—11 Sintsink Dr., East Port Washington, N. Y. **Underwriters**—Bull & Low; John R. Maher Associates, and R. Topik & Co., Inc., N. Y.

Technical Capital Corp.
April 30, 1962 filed 500,000 common. **Price**—\$10. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—235 E. 42nd St., N. Y. **Underwriter**—Straus, Blosser & McDowell, Chicago.

Tellite Corp.
Jan. 29, 1962 filed 125,000 common. **Price**—\$3. **Business**—Manufacture of "Tellite," a new material used in connection with electronic circuits. **Proceeds**—For expansion, research and development, acquisition a technical library, and working capital. **Office**—200 S. Jefferson St., Orange N. J. **Underwriter**—Magnus & Co., N. Y. **Offering**—Expected sometime in August.

Ten-Tex Corp. (6/11-15)
Jan. 31, 1962 ("Reg. A") 120,000 common. **Price**—\$2.30. **Business**—Manufacture of a machine for production of tufted textile products. **Proceeds**—For debt repayment and working capital. **Office**—4813 Tennessee Ave., Chattanooga. **Underwriter**—Irving J. Rice & Co., Inc., St. Paul.

Texas Gas Transmission Corp. (6/14)
May 24, 1962 filed \$40,000,000 of debentures due June 1, 1982. **Price**—By amendment. **Business**—Operation of an interstate pipeline system for transportation of natural gas. **Proceeds**—For debt repayment, construction and other corporate purposes. **Office**—3800 Frederica St., Owensboro, Ky. **Underwriter**—Dillon, Read & Co. Inc., New York.

Texas Technical Capital, Inc.
Oct. 16, 1961 filed 275,000 common. **Price**—By amendment (max. \$20). **Business**—A small business investment company. **Proceeds**—General corporate purposes. **Office**—1947 W. Gray Ave., Houston. **Underwriters**—F. S. Smithers & Co., N. Y., and Moroney, Beissner & Co., Inc., Houston. **Note**—This company formerly was named Texas Electro-Dynamics Capital, Inc.

Thermogas Co.
May 25, 1962 filed 800,000 common. **Price**—By amendment (max. \$15). **Business**—Distribution of LP gas, tanks and accessories, and gas fueled household appliances. **Proceeds**—For acquisitions, debt repayment and equipment. **Office**—4509 E. 14th St., Des Moines. **Underwriter**—A. C. Allyn & Co., Chicago.

Thermotronics Corp., Inc.
March 30, 1962 filed 100,000 common. **Price**—By amendment (max. \$10). **Business**—Development of electronic and electrical devices used in plumbing and heating fields and the manufacture of compact electric water heating units. **Proceeds**—For equipment, working capital and other corporate purposes. **Office**—492 Grand Blvd., Westbury, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., N. Y.

Thom-Tex Paper Converting Corp. (6/18-22)
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. (6/25-29)
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**—Temporarily postponed.

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**—2220 Florida Ave., Jasper, Ala. **Underwriter**—Philips, Rosen, Appel and Walden, N. Y.

Tork Time Controls, Inc. (6/25-29)
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. (6/25-29)
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.
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. **Offering**—Indefinitely postponed.

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.

Transarizona Resources, Inc.
May 28, 1962 filed 500,000 capital shares. **Price**—\$1.50. **Business**—Exploration, development and production of the Lake Shore copper deposit near Casa Grande, Ariz. **Proceeds**—For equipment, exploration and working capital. **Office**—201 E. 4th St., Casa Grande, Ariz. **Underwriter**—None.

Transcontinental Gas Pipe Line Corp. (6/7)
May 28, 1962 filed \$30,000,000 of debentures due 1982, and 150,000 shares of cumulative preferred stock. **Price**—By amendment. **Business**—Company owns and operates an interstate pipeline system for the transportation and sale of natural gas. **Proceeds**—To prepay loans and increase working capital. **Office**—3100 Travis St., Houston, Tex. **Underwriters**—White, Weld & Co. and Stone & Webster Securities Corp., 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.

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 Wantagh Ave., Wantagh, 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.

Tronchemics Research Inc.
May 10, 1962 filed 400,000 common. **Price**—\$1. **Business**—Research and development and manufacture of products in the fields of data processing, process control and chemical and food processing. **Proceeds**—For research and development, working capital and other corporate purposes. **Office**—7620 Lyndale Ave. S., Minneapolis. **Underwriter**—J. M. Dain & Co., Inc., Minneapolis. Boston Corp., N. Y.

Tujax Industries, Inc. (6/25-29)
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.

Tull (J. M.) Metal & Supply Co., Inc.
May 17, 1962 ("Reg. A") 25,000 common. **Price**—\$12. **Business**—Wholesale distribution of ferrous and non-ferrous metals and industrial supplies. **Proceeds**—For working capital. **Office**—285 Marietta St., N. W., Atlanta. **Underwriters**—Wyatt, Neal & Waggoner, and Robinson-Humphrey Co., Inc., Atlanta.

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. (6/11-15)
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. (6/13)
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.

Unison Electronics Corp. (6/4-6)
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.
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. **Offering**—Expected sometime in July.

United Gas Corp. (6/6)
May 14, 1962 filed \$40,000,000 of first mortgage and collateral trust bonds due 1982. **Proceeds**—To purchase bonds of a subsidiary and prepay bank loans. **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**—June 6 (11:30 a.m. EDT) in Suite 3023, 30 Rockefeller Plaza, N. Y. **Information Meeting**—May 31 (10:30 a.m. EDT) at Morgan Guaranty Trust Co., 60 Liberty St., N. Y.

United Investors Life Insurance Co.
Dec. 15, 1961 filed 562,500 common, of which 472,100 shares are to be offered for subscription by stockholders of Waddell & Reed, Inc., parent, on the basis of one United share for each two Waddell shares held. The remaining 90,400 shares will be offered to certain persons associated with the parent company or its subsidiaries. **Price**—By amendment. **Business**—A legal reserve life insurance company. **Proceeds**—For the account of Waddell & Reed. **Office**—20 W. 9th St., Kansas City, Mo. **Underwriters**—Waddell & Reed, Inc., Kansas City, Mo., and Kidder, Peabody & Co., N. Y. **Note**—This registration was withdrawn.

United Markets Inc. (7/23-27)
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. (6/25-29)
Nov. 29, 1961 filed 102,000 common. **Price**—\$3. **Business**—A general packaging business. **Proceeds**—For new

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machinery, debt repayment and working capital. **Office**—4511 Wayne Ave., Philadelphia. **Underwriter**—Godfrey, Hamilton, Taylor & Co., Inc., 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. (6/18-22)
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 Telephone Services, Inc. (6/18-22)
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.

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. (6/11-15)
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 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.

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**—Temporarily postponed.

Vacco Valve Co.
Feb. 12, 1962 filed 125,000 common. **Price**—\$4. **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. **Offering**—Imminent.

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 & Polonitz, Inc.

Vapor Corp.
Feb. 2, 1962 filed 156,762 common. **Price**—By amendment. **Business**—Manufacture of steam generators for

diesel locomotives; temperature control systems for rail cars, buses and aircraft; and door control devices for rail passenger cars. **Proceeds**—For selling stockholders. **Office**—80 E. Jackson Blvd., Chicago. **Underwriter**—William Blair & Co., Chicago. **Offering**—Indefinitely postponed.

Vendex, Inc. (6/18)
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.

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 July.

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.

Voron Electronics Corp. (6/18-22)
July 28, 1961 filed 100,000 class A shares. **Price**—\$3. **Business**—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnishing of background music. **Proceeds**—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. **Office**—1230 E. Mermaid Lane, Wyndmoor, Pa. **Underwriters**—John Joshua & Co., Inc., and Reuben, Rose & Co., Inc., N. Y.

Wade Wenger ServiceMASTER Co. (6/4-8)
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. (6/15)
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.

Wavelabs, Inc.
May 21, 1962 ("Reg. A") 220,000 common. **Price**—\$1.25. **Business**—Manufacture of airborne and shipboard vibration monitoring devices. **Proceeds**—For equipment, advertising, marketing and working capital. **Office**—4343 Twain St., San Diego. **Underwriters**—Hannaford & Talbot, San Francisco and S. C. Burns & Co., Inc., N. Y.

Welcome Baby, Inc. (6/4-8)
Dec. 28, 1961 filed 75,000 common. **Price**—\$2. **Business**—Company renders direct mail public relations, sales promotion and advertising services to mothers on behalf of retail stores. **Proceeds**—For debt repayment and general corporate purposes. **Office**—210-07 48th Ave., Bay-side, N. Y. **Underwriters**—Globus, Inc., and First Philadelphia Corp., N. Y.

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 (6/11-15)
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 Pioneer Co. (6/4-8)
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. **Note**—This offering was indefinitely postponed.

White Lighting Co.
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. **Offering**—Imminent.

Widman (L. F.), Inc. (6/11-15)
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**—Temporarily postponed.

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, Friedrichs & Co., New Orleans.

Wiggins Plastics, Inc.
Oct. 20, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Custom compression, transfer and injection molding of plastic materials. **Proceeds**—For debt repayment and general corporate purposes. **Office**—180 Kingsland Rd., Clifton, N. J. **Underwriters**—Investment Planning Group, Inc., East Orange, N. J., and Triangle Investors Corp., N. Y. **Offering**—Imminent.

Willpat Productions, Inc.
May 9, 1962 ("Reg. A") 160,000 common. **Price**—\$1.25. **Business**—Production of full-length motion pictures. **Proceeds**—For new films, debt repayment and working capital. **Office**—1025 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—Bevan & Co., Inc., Washington, D. C.

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.

Wisconsin Power & Light Co. (6/13)

May 14, 1962 filed \$12,000,000 of first mortgage bonds due 1992. **Proceeds**—For repayment of bank loans, and construction. **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**—June 13 (11:30 a.m. CDST) at 20 N. Wacker Dr., (21st floor), Chicago.

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. (6/25-29)

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. **Offering**—Temporarily postponed.

World Scope Publishers, Inc. (6/18-22)

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.

Wynlit Pharmaceuticals, Inc. (6/18-22)

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.

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. **Offering**—Indefinitely postponed.

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.

ATTENTION UNDERWRITERS!

Do you have an issue you're planning to register? Our Corporation News Department would like to know about it so that we can prepare an item similar to those you'll find hereunder.

Would you telephone us at Rector 2-9570 or write us at 25 Park Place, New York 7, N. Y.

Prospective Offerings**★ Atlantic City Electric Co. (7/18)**

May 29, 1962 it was reported that this utility plans to sell \$15,000,000 of first mortgage bonds due 1992. **Proceeds**—For construction. **Office**—1600 Pacific Ave., Atlantic City, N. J. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.-Shields & Co. (jointly); Lee Higginson Corp.; Kuhn, Loeb & Co.-American Securities Corp.-Wood, Struthers & Co. (jointly). **Bids**—Expected July 18.

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, 5¼% 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. EDST) 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.

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.

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: Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc.

Food Fair Properties, Inc.

May 11, 1962 stockholders authorized the company to issue 756,000 shares of a new convertible preferred stock which will be offered to stockholders through subscription rights on a 1-for-10 basis. **Price**—By amendment. **Business**—Development and operation of shopping centers. **Proceeds**—To retire outstanding 6% preferred stock and purchase up to \$6,000,000 convertible debentures of Major Realty Corp., an affiliate. **Office**—223 East Alleghany Ave., Philadelphia. **Underwriter**—To be named. The last rights offering in December 1957 was underwritten by Eastman Dillon, Union Securities & Co., New York.

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.

Louisville & Nashville RR (6/13)

May 23, 1962 it was reported that this road plans to sell about 6,450,000 of 1-15 year equipment trust certificates. **Office**—220 E. 42nd St., N. Y. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—Expected June 13 (12 noon EDST) at the company's office.

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).

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. Inc.; Kidder, Peabody & Co.-White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Lehman Brothers-Equitable Securities Corp. (jointly); First Boston Corp.; Kuhn, Loeb & Co.

New England Telephone & Telegraph Co. (7/10)

May 16, 1962 it was reported that this company plans to sell \$50,000,000 debentures due 2002. **Proceeds**—To repay advances from A. T. & T., parent company. **Office**—185 Franklin St., Boston. **Underwriters**—(Competitive) Probable bidders: First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc. **Bids**—Expected July 10 at 195 Broadway, N. Y.

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 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

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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**—June 12, 1962 (10 a.m. CDST) in Room 1100 at 231 So. La Salle St., Chicago. **Information Meeting**—June 7, 1962 (11 a.m. EDST) at Schroder Trust Co., 57 Broadway, 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.

Southwestern Bell Telephone Co. (8/7)
May 29, 1962 it was reported that this A. T. & T. subsidiary plans to sell \$100,000,000 of debentures. **Proceeds**—To repay advances from parent, and for construction. **Office**—1010 Pine St., St. Louis. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Expected Aug. 7.

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) Prob-

able 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 \$3,100,000 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.

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**—P. O. Box 918, Nassau, Bahamas. **Underwriter**—J. I. Magaril Co., Inc., N. Y.

Dealer-Broker Recommendations

Continued from page 8

Grapevine Independent School District—Bulletin—Almon & McKinney, Inc., Mercantile Bank Building, Dallas 1, Texas.

Harris Intertype Corp.—Report—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y.

Houston Corp.—Analysis—Saunders, Stiver & Co., Terminal Tower, Cleveland 13 Ohio. Also available is an analysis of Pabst Brewing Co.

Illinois Central—Data—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available are data on Seaboard Air Line, Southern Pacific and New York, Chicago & St. Louis.

Interlake Iron Corporation—Analysis—Hornblower & Weeks, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are data on Commercial Credit, National Acme, Owens Illinois Glass, Harris Intertype, National Standard, Thor Power Tool, General Steel Industries and United Biscuit.

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

Jefferson County (Missouri) School District Bonds—Report—Stern Brothers & Co., 1009 Baltimore Avenue, Kansas City 5, Mo.

Kern County Land Company—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y. **Ketchum & Co.**—Analysis—Hirsch & Co., 25 Broad Street, New York 4, N. Y.

Ketchum & Co.—Analysis—Estabrook & Co., 15 State Street, Boston 9, Mass.

Lake Central Airlines, Inc.—Analytical brochure—William Blair & Company, 135 South La Salle Street, Chicago 3, Ill. Also available is an analysis of North American Aviation and memoranda on Continental Casualty Co., Continental Assurance Co. and U. S. Life Insurance Co.

Lease Plan International—Memorandum—Cowen & Co., 45 Wall Street, New York 5, N. Y.

Manpower, Inc.—Memorandum—Smith, Barney & Co., 39 South La Salle Street, Chicago 3, Ill.

Martin Marietta—Memorandum—Birr & Co., Inc., 155 Sansome St., San Francisco 4, Calif.

Martin Marietta—Analysis—A. C. Allyn & Co., 122 South La Salle

Street, Chicago 3, Ill. Also available are analyses of Murray Ohio Manufacturing Co., Pepsi-Cola General Bottlers, Rockwell Standard Corp., Sinclair Oil Corp., and United Artists Corp.

McDonnell Aircraft—Memorandum—Richard J. Buck & Co., 4 Albany Street, New York 6, N. Y. **Mertronic Corp.**—Analysis—G. Everett Parks & Co., Inc., 52 Broadway, New York 4, N. Y.

Mid America Corporation—Report—R. J. Edwards, Inc., Fidelity, National Building, Oklahoma City 2, Okla.

Miller Brothers Hat Company, Inc.—Analysis—Eppler, Guerin & Turner, Inc., Fidelity Union Tower, Dallas 1, Texas.

Moore Corporation, Ltd.—Analysis—James Richardson & Sons, Inc., 14 Wall Street, New York 5, New York.

National Periodical Publications—Memorandum—Christopher & Co., Inc., 80 Broad Street, New York 4, N. Y.

Pacific Gas & Electric Company—Analysis—Peter P. McDermott & Co., 42 Broadway, New York 4, New York.

Pepsi-Cola Company—Report—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available are reports on Globe Union, Inc. and Electronic Stocks.

Provident Life & Accident Insurance Company—Analysis—Equitable Securities Corporation, 322 Union Street, Nashville 3, Tenn.

Public Service Electric & Gas Survey—Shields & Company, 44 Wall Street, New York 5, N. Y. Also available is a memorandum on Southern Materials.

Puritan Fashions Corp.—Memorandum—Capital Trading Corp., 92 Liberty Street, New York 6, New York.

Rocket Jet Engineering—Analysis—Thomas Jay, Winston & Co., Inc., 9235 Wilshire Boulevard, Beverly Hills, Calif. Also available is a bulletin on Construction Design, Inc.

Siemens & Halske A. G. and A. E. G.—Analysis—Bear, Stearns & Co., 1 Wall Street, New York 5, New York.

Staff Business & Data Aids, Inc.—Memorandum—Hancock Securities Corporation, 79 Pine Street, New York 5, N. Y.

Sundstrand Corporation—Analysis—The Illinois Company, Incorporated, 231 South La Salle Street, Chicago 4, Ill.

Tele-Film Electronics Engineering Corp.—Analysis—Amos C. Sudler & Co., 818 17th Street, Denver 2, Colo.

United Biscuit—Memorandum—E. F. Hutton & Company, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are memoranda on Cutter Laboratories and International Telephone.

Vangas, Inc.—Memorandum—Rutner, Jackson & Gray Inc., 811 West Seventh Street, Los Angeles 17, Calif.

Williamhouse, Inc.—Report—Walter F. Merkel & Associates, 92 Liberty Street, New York 6, New York.

Phila. Secs. Ass'n to Hear
PHILADELPHIA, Pa. — Marvin Chandler, President of the Northern Illinois Gas Company, will be guest speaker at a luncheon meeting of the Philadelphia Securities Association to be held on Wednesday, June 6, at the Barclay Hotel. Edwin J. Pearson of Smith, Barney & Co., is in charge of arrangements.

Form Broadwall Secs.
BROOKLYN, N. Y. — Joseph F. Carrasco is conducting a securities business from offices at 4155 Kings Highway under the firm name of Broadwall Securities. Mr. Carrasco in the past was with Myron A. Lomasney & Co.

M. Chapman Opens
PHILADELPHIA, Pa. Mort Chapman is conducting a securities business from offices at 1818 Lindley Avenue under the firm name of M. Chapman & Co. He was formerly with Gersten & Frenkel, Cortland Investing Corp. and Birnbaum & Co.

New McCarley Office
HENDERSONVILLE, N. C.—McCarley & Company, Inc. has opened an office in the First Federal Building under the management of Richard C. Clarke, Jr.

Form J. H. English Co.
OXON HILL, Md.—J. H. English & Co. has been formed with offices at 6542 Abington Drive to engage in a securities business. James H. English is a general partner and Verneil G. English limited partner in the firm.



NSTA

NOTES

STANLY BOWLING LEAGUE

The Annual Dinner of the Bowling League of Security Traders Association of New York will be held June 7 at Whyte's Restaurant, at 5:30 p.m. Reservations may be made with Sidney Jacobs, Sidney Jacobs Co.

Form Funded Future

SPRINGFIELD, Ill.—Funded Future, Inc. has been formed with offices in the Myers Building, to conduct a securities business. Officers are Robert W. Deffenbaugh, President; Raymond J. Pennington, Vice-President; and V. M. Dunker, Secretary and Treasurer.

J. W. Newby Opens

HOUSTON, Texas—Joel W. Newby, Jr. is conducting a securities business from offices at 3306 Norfolk No. C.

Open Branch Office

UNIONDALE, N. Y.—R & D Investors Corp. has opened a branch office at 336 Uniondale Ave. under the direction of I. Rubenstein.

Scott, Harvey Open Branch

Scott, Harvey & Co., Inc. has opened a branch at 50 Broadway, New York City, under the direction of Alvin A. Schwartz.

Opens New Branch

SPRINGFIELD, Mass.—Stanton-Lewis & Co. has opened a branch office at 1387 Main St. under the management of Royal T. Arthur.

Form Financial Designs

Financial Designs Co. is engaging in a securities-business from offices at 18 East 41st Street, New York City. Partners are Frank M. Stevens and Lloyd E. Carlson.

New Cooley Office

LAKEVILLE Conn.—Cooley & Company has opened a branch office on Main Street under the management of Jonathan S. Warner.

Coast Exch. Member

John C. Cosgrove, Vice-President and Secretary of Jones, Cosgrove & Miller was elected a member of the Pacific Coast Stock Exchange on May 24, 1962.

Mr. Cosgrove's firm located in Pasadena, has been a member firm of the Exchange since 1950 when it acquired the brokerage firm of George R. Miller & Co.

Mr. Cosgrove has been actively engaged in the securities business in Pasadena since 1926. He has been a past President of the Pasadena Bond Club and a member of that organization for over 35 years.

Financial Planning Services

GREAT FALLS, Mont.—Financial Planning Services, Inc. has been formed with offices at 322 First Avenue, North to engage in a securities business. Officers are Guy L. Robbins, President; Jay H. Musser and Samuel L. Inabnit, Vice-President; and Franklin D. Patterson, Secretary and Treasurer. All were formerly with FIF Associates, Inc.

First of Michigan V.-P.

DETROIT, Mich.—Milton J. Pappas has been elected a Vice-President of First of Michigan Corporation, Buhl Building, members of the New York and Detroit Stock Exchanges.

D. H. Blair to Admit

D. H. Blair & Company, 66 Beaver Street, New York City, members of the New York Stock Exchange, on June 1 will admit Leonard Friedman to limited partnership.

Railroad Merger Picture At a Glance

An up-to-date recapitulation of the facts and statistics of the fermenting railroad merger movement traces the development and problems of mergers. From 1957 to date there have been eight amalgamations, and presently there are three merger proposals besides the recently stockholder-approved PRR and NYC merger.

An urge to merge, as one reporter put it, is evident in the railroad industry. During recent years, more than 20 major railroads have taken up merger proposals as one way of coping with the squeeze applied by rising costs and intensified competition.

These railroads are looking toward mergers as a means of achieving more efficient and economical operations. These moves could reshape the structure of the industry. The following background information is presented with this in mind.

Mergers Began With Birth of Industry

While attracting increased attention now, railroad consolidations are not new. They began almost immediately after formation of the first companies more than 130 years ago as local lines combined to offer direct long-haul and regional service. For example, the Pennsylvania Railroad system consists of more than 600 original companies.

The greatest expansion of the principal railroads, both through new construction and voluntary consolidation, took place between 1865 and 1900. More than 70,000 miles of railroad were built from 1880 to 1890, and 425 consolidations occurred just in one four-year span.

Compared to the 1,300 line-haul railroads of 50 years ago, there now are about 400 line-haul roads in the United States operating 230,000 miles of right-of-way.

Voluntary Mergers and Compulsory Plans

Restrictive legislation and court decisions in the early 1900's impeded or prevented mergers. However, following World War I and the Federal take-over of railroads, there was a reversal of policy. Under the Transportation Act of 1920, Congress sought to establish an affirmative policy on the consolidation of railroads. The Interstate Commerce Commission was directed to prepare a plan for consolidation of the nation's railroads into a limited number of systems.

In 1921, the Commission proposed a tentative plan which underwent lengthy hearings. Four years later the agency asked to be relieved by Congress of the task of carrying out such a plan, terming it impracticable. Congress failed to act on this request. Finally, in 1929, the Commission published a plan — which was never put into effect — for consolidating the railroads into 21 independent systems.

Other plans were advanced subsequently. The heads of the principal Eastern roads in 1931 proposed to modify the ICC plan by providing four instead of five Eastern systems. This modification was approved by the Commission in 1932, but action never was taken.

The National Transportation Committee, headed by former President Calvin Coolidge, in 1933 recommended compulsory consolidation of railroads under private ownership through nationwide control of regional operating companies by a top holding company. Congress, however, rejected this plan and passed the Emergency Railroad Transportation Act of 1933, which tightened the Commission's control over mergers.

Another merger plan advanced in 1933 and known as the Prince Plan, was undertaken at the request of then President-elect Franklin D. Roosevelt. Named after a Boston financier and ardent advocate of large-scale consolidation, F. H. Prince, this plan differed from previous proposals which emphasized end-to-end principles of mergers. The Prince Plan sought to minimize duplicate services and facilities by combining adjoining lines to reduce route time and increase frequency of dispatch.

In 1938 President Roosevelt appointed a committee of three railroad executives and three representatives of railroad labor, known as the Committee of Six. The Committee's report urged the encouragement of voluntary consolidation subject to Federal approval. Later, enactment of the Transportation Act of 1940 relieved the ICC of its 20-year old obligation to formulate a national merger plan. The Act returned to the railroads the initiative in proposing consolidations, subject to Commission approval.

Problems Faced in Mergers

Although merger proposals are more numerous today, railroads still must travel a long and tortuous path between the birth of a merger idea and its accomplishment.

The railroads first must undertake a number of expenditures before any prospective benefits can be realized. Engineers and accountants must make extensive, time-consuming studies to determine what savings can be achieved. These studies enable management to evaluate the feasibility of consolidation and serve as a basis for review of the proposal by the ICC and by stockholders.

Obstacles also arise from the complex corporate and debt structure characteristic of most railroads. Problems frequently include the fixing of acceptable ratios for an exchange of stock and the negotiation of changes in certain mortgages and indentures.

Then the merger proposal usually must undergo hearings and meet certain legal standards. In passing on any proposal the Commission must consider (1) the effect of the proposal on adequate transportation service to the public; (2) the effect on the public interest of the inclusion or failure to include other railroads in the territory involved; (3) the total fixed charges resulting from the proposed transaction, and (4) the interest of affected employees.

Railroads also generally face opposition to mergers voiced by individuals, groups or communities which may fear adverse effects such as loss of offices, shops, payrolls and taxes.

In addition, the Interstate Commerce Act provides protection for workers who may be adversely affected by consolidations.

The Act directs the Commission to require a fair and equitable arrangement to protect the employees' interests.

Finally, there are initial expenses such as realignment and integration of operations, equipment and facilities of the lines to permit the most advantageous operation under a single system.

The Pace Quickens

Recent important developments have included the following mergers, consolidations and acquisitions:

The Nashville, Chattanooga & St. Louis with the Louisville & Nashville in 1957.

The consolidation of the Virginian Railway with the Norfolk and Western in 1959.

The Charleston & Western Carolina with the Atlantic Coast Line in 1960.

The Delaware, Lackawanna and Western with the Erie in 1960.

The Minneapolis, St. Paul and Sault Ste. Marie and the Wisconsin Central with the Duluth, South Shore and Atlantic in 1960 to form the Soo Line in 1960.

The Minneapolis and St. Louis with the Chicago and North Western (C&NW) in 1960.

The Texas and New Orleans into the Southern Pacific in 1961.

Control of the Lehigh Valley by the Pennsylvania Railroad, approved by the Interstate Commerce Commission in April, 1962.

Railroad unification proposals have continued to accelerate. Among the plans awaiting approval of the Interstate Commerce Commission are:

Proposed Mergers of Railroads

Merger of Atlantic Coast Line with Seaboard Air Line.

Merger of Great Northern; Northern Pacific (NP); Chicago, Burlington & Quincy, and lease of Spokane, Portland and Seattle.

Merger of Norfolk and Western (N&W); New York, Chicago & St. Louis and lease of Wabash (includes purchase of Pennsylvania Railroad's Sandusky, Ohio, line).

Merger of Pennsylvania Railroad (PRR) with New York Central Railroad (NYC).

Proposed Control of Railroads

Control of Baltimore and Ohio (B&O) by Chesapeake & Ohio (C&O).

Control of Western Pacific by Southern Pacific (SP).

Control of Western Pacific by Atchison, Topeka and Santa Fe (AT&SF).

Control of Central of Georgia by Southern Railway.

Control of Ann Arbor by Detroit, Toledo and Ironton.

Control of Chicago and Eastern Illinois by Missouri Pacific (MoPac).

Control of Chicago and Eastern Illinois by Illinois Central (IC).

Control of Akron, Canton and Youngstown by Norfolk and Western.

STATISTICS ON MERGER PROPOSALS

Figures as of—	Miles of Road Operated Dec. 31, 1961	Assets, Incl. Misc. Oper. (Millions) Dec. 31, 1961	Gross Railway Oper. Revenues (Millions) Year 1961	Miles of All Track Operated Dec. 31, 1961
Atlantic Coast Line.....	5,557	\$555	\$162	8,060
Seaboard Air Line.....	4,132	370	158	6,219
Great Northern.....	9,689	\$925	\$320	14,279
Northern Pacific.....	8,275	938	233	12,060
Chicago, Burlington & Quincy and lease of Spokane, Portland and Seattle	6,795	1,014	165	10,466
	8,575	833	254	13,106
Norfolk and Western.....	24,581	\$2,923	\$683	36,940
New York, Chicago & St. Louis and lease of Wabash.....	2,748	1,005	244	5,738
	2,170	402	131	4,003
	2,423	305	110	4,304
(includes purchase of Pennsylvania Railroad's Sandusky, Ohio, line).....	111	N.A.	N.A.	N.A.
Pennsylvania Railroad.....	7,452	\$1,712	\$485	14,045
New York Central Railroad....	9,834	2,873	820	23,208
	10,086	2,443	612	20,354
	19,920	\$5,316	\$1,432	43,562

N.A. Not available.

(For comparative purposes we list the top eight railroads—whether or not they are involved in mergers—in each of the categories above):

—Mileage—	—Assets (Millions)—	—Employees—	—Revenues (Millions)—	—Trackage—
1. AT&SF 12,979	PRR \$2,873	PRR 67,242	PRR \$820	PRR 23,208
2. SP 12,017	NYC 2,443	NYC 53,174	SP 675	AT&SF 21,597
3. C&NW 10,642	SP 2,276	SP 50,273	NYC 612	NYC 20,354
4. Milw.* 10,537	AT&SF 1,627	AT&SF 45,877	AT&SF 605	SP 18,622
5. NYC 10,086	UP 1,580	UP 34,886	UP 499	UP 16,100
6. PRR 9,834	B&O 1,153	B&O 29,892	C&O 351	Milw. 15,530
7. UP** 9,705	C&O 1,074	C&O 23,305	IC 316	C&NW 15,386
8. MoPac 9,374	NP 1,014	IC 22,592	B&O 289	MoPac 13,704

*The Milwaukee Road (Chicago, Milwaukee, St. Paul and Pacific Railroad). **Union Pacific. Other abbreviations indicated previously.

NYSE Names Milton Eisenhower Public Governor

Keith Funston, President of the New York Stock Exchange, has announced that the Exchange's Board of Governors has elected



Dr. M. S. Eisenhower

Dr. Milton S. Eisenhower as a Public Governor of the Exchange. Dr. Eisenhower, President of Johns Hopkins University since 1956, succeeds Dr. Courtney C. Brown, Dean of the Columbia University Graduate School of Business, as

one of the three Public Governors on the Exchange's Board of Governors. Dr. Brown served three one-year terms.

The other Public Governors of the Exchange are Thomas B. McCabe, Chairman of the Board of Scott Paper Company, and Charles H. Kellstadt, a director and former Chairman of the Board of Sears, Roebuck & Company. The office of Public Governor was created in 1938 to represent the public viewpoint to the Exchange. The Board is composed of 30 other Governors from the Exchange Community, including the Chairman and the President of the Exchange.

Dr. Eisenhower's long career in government and education has included the presidencies of his alma mater, Kansas State University (1943-50) and Pennsylvania State University (1950-56), as well as Johns Hopkins.

His government career started shortly after his graduation from Kansas State in 1924, with an appointment as Vice Consul in Edinburgh, Scotland. It has also included posts as Assistant to the Secretary of Agriculture, 1926-28; Director of Information for the Department of Agriculture, 1928-40; Land Use Coordinator for the Department, 1937-42; Director, War Relocation Authority, 1942; and Associate Director, Office of War Information, 1942-43.

Among Dr. Eisenhower's appointments and citations have been 30 honorary degrees from universities here and abroad; chairmanships of the American-Korean Foundation, the U. S. National Commission for UNESCO, and the Committee on Government and Higher Education; trusteeships in the National Committee for Economic Development and the Institute of International Education; and decorations from the Governments of Colombia, Bolivia, Venezuela, Ecuador, Mexico and Chile, conferred during periods from 1953 to 1960 while he served as Special Ambassador and Personal Representative on Latin American Affairs for his brother, President Eisenhower.

S. H. Meller Forming Own Inv. Company

Meller & Company has been formed with offices at 1 Chase Manhattan Plaza, New York City, to engage in a securities business. Partners are S. Herbert Meller, general partner, and Benedict Berkowitz, Irwin G. Freyberg, Louis Smirnov and James A. Leyden, limited partners. Mr. Meller was formerly a partner in Kahn & Peck, Cohn & Co.

Joins Paine, Webber

(Special to THE FINANCIAL CHRONICLE)
SAN FRANCISCO, Calif. — Carl Rubens is now affiliated with Paine, Webber, Jackson & Curtis, 369 Pine Street. He was previously with Walston & Co., Inc.

With Daniel Reeves

(Special to THE FINANCIAL CHRONICLE)
BEVERLY HILLS, Calif.—Philip L. Malmin has become associated with Daniel Reeves & Co., 398 South Beverly Drive, members of the New York and Pacific Coast Stock Exchanges. Mr. Malmin who has been in the investment business for many years was formerly with Walston & Co. and Hemphill, Noyes & Co.

Joins Lester, Ryons

LOS ANGELES, Calif. — Jess R. Guthrie has joined the staff of Lester, Ryons & Co., 623 South Hope Street, members of the New York and Pacific Coast Stock Exchanges. He was previously with N. C. Roberts & Co.

With Wagenseller, Durst

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—Boyd F. Peterson is now with Wagenseller & Durst, Inc., 626 South Spring Street, members of the New York and Pacific Coast Stock Exchanges. He was previously with Pledger & Co., Inc.

Paine, Webber Adds

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif. — Hugh S. Jennings has been added to the staff of Paine, Webber, Jackson & Curtis, 626 South Spring Street. He was formerly with J. A. Hogle & Co.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—More and more companies are hiring people who know their way around in Washington. For years the larger companies have had their own offices with a full staff running them.

The reason for employment of many additional "representatives" in the Nation's Capital the past two or three years is because the growing United States Government is the largest consumer of goods and services in this country.

There are billions of dollars of business to be obtained in Washington, if companies, big and little, know how to go about getting it.

Of course the Pentagon is the biggest single place in the world that awards contracts to business concerns. In all likelihood, the Defense Department will have an appropriation of some \$48 billion for the next fiscal year starting July 1.

Huge Space Expenditures

The fastest growing of all government agencies is the National Aeronautics and Space Administration which will have some \$3 billion to spend next year. This time next year NASA will be even a bigger agency.

Unofficial estimates in the Capital are the United States will spend from \$50 billion to \$60 billion during the current decade on the space program. Many small companies and contractors and subcontractors will provide services.

The Small Business Administration is out trying to help small business firms get contracts from both the Pentagon and the National Aeronautics and Space Administration.

"In stressing the importance of small business to our space program," said SBA Administrator John Horne, "I do not seek to minimize the importance of our larger firms. No one could detract from their vital role in the advance of our space technology."

For 12 years the Department of Commerce has been issuing a daily newsletter Monday through Friday on the question of selling or buying to the various agencies, departments and bureaus of the Federal Government. The subscription price is \$20 a year for regular mail subscribers.

The National Aeronautics and Space Administration followed the Pentagon and has issued a booklet on how to sell to NASA.

The deputy administrator of the Small Business Administration, Irving Manses, declares that while SBA is beating the drums for small business to try and get their share of goods and services of the Federal Government, nevertheless, they should not look solely to the Federal Government for contract work.

Added Federal Costs

While SBA is trying to do things to assist small firms, not everything is favorable for small business. So-called Government "set aside" contracts for small business are coming under scrutiny and some criticism in Congress.

Legislation is pending that would reduce "set asides" for small business firms. Some Congressmen maintain that set asides allow unqualified and incompetent people and firms to obtain Federal contracts, thus causing poor workmanship and increased Government costs.

Before any legislation is considered, the set-aside system will be investigated by a Senate committee.

There are a series of recent developments in Washington affecting business and industry generally in this country. The Bureau of Public Roads and the Housing and Home Finance Agency have submitted a joint report to Congress recommending President Kennedy's \$500 million program to assist mass transportation systems.

\$500 Million Initially

A program advocating both rail and bus transit facilities in an effort to aid decaying central cities has been submitted by the two agencies of the Executive branch of the government. Allocation of funds would be in the form of grants. An initial \$500 million would be spent over a three-year period to state and local public agencies to pay two-thirds of the cost of new buses, railway cars, terminals, rights-of-way and parking areas.

The program also calls for a three-year emergency program for 50-50 Federal grants for areas where there is urgent need to save existing terminal facilities. In addition, it would provide payment to businesses and families which have to relocate to make room for the new transit projects.

The bill designed to carry out President Kennedy's proposed transportation changes is not expected to pass this session. In all likelihood it will be introduced again at the beginning of the next session.

Railroads are supporting the bill, but truckers and others are opposed to it. One of the most far-reaching provisions, which would eliminate practically all minimum rate regulation from railroads, the truckers oppose. At the same time it would eliminate the minimum rate regulation from trucks on bulk commodities.

Described as the Transportation Act of 1962, Secretary of Commerce Luther Hodges maintains that the legislation would, among other things, reduce Federal carrier regulation in order to bring shippers lower costs and a wider choice. One section of the measure would open up all piggyback transportation to all shippers that desired it. The bill would also give the Post Office Department authority to ship mail by common carrier truck. Common carrier trucks, of course, are not now allowed to carry mail.

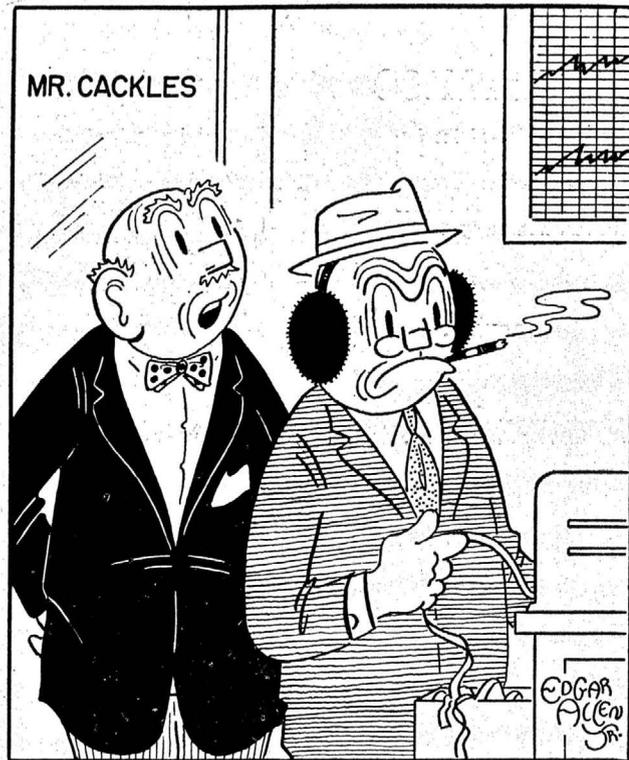
The Labor Problem

The field of labor is one of tremendous importance in and out of Washington. The Eisenhower Administration was accused by some higher-up in the union labor movement as being pro-business. The Kennedy Administration has been accused by some higher-ups in industry as definitely being pro-labor. Probably neither assertion directed at the two administrations is entirely accurate.

Nevertheless, employers are going to find it a little more difficult to get rid of workers they don't want. The United States Supreme Court has ruled that the National Labor Relations Board may order workers who are fired reinstated, and the courts will be unable to overturn these orders.

In a particular case, the NLRB ordered fired workers reinstated with back pay. A Federal District Court, on appeal from an employer, upheld the employer and ruled against the labor board. Then the Supreme Court reversed the lower court by declaring that the court was wrong in questioning the NLRB order.

In still another case of importance, the NLRB has thrown a



"Am I to understand you are no longer interested in my market advice?"

road block against any private shipper who wants to avoid union troubles to switch from using his own trucks to for-hire trucks.

For instance, a manufacturer can't legally change to for-hire carriage just to prevent unionization by its own drivers. The board ruled four-to-one against a company by directing it to reinstate the drivers fired and gave them continuing jobs driving private trucks. It also directed the company to bargain with the powerful Teamsters' union, which had won a representation election.

One member of the board, Philip Ray Rodgers, dissented on the ground that a company has the right to switch from private to for-hire carriage because it is a prerogative of management, and not the union.

[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.]

L. K. Simon Office

BUFFALO, N. Y.—L. K. Simon & Co., Inc. has opened an office in the Genesee Building under the management of Harry M. Dent, Jr.

Now Corporation

LOS ANGELES, Calif. — R. W. Cooper & Co., Inc., a corporation with offices at 811 West Seventh Street, has been formed to continue the investment business of R. W. Cooper Co. of Palos Verdes Estates. Officers are Robert W. Cooper, President; Leonard A. Hobbs, Vice-President, and Robert W. Buttrey, Secretary and Treasurer.

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COMING EVENTS

IN INVESTMENT FIELD

June 1, 1962 (Connecticut)
Security Traders Association of Connecticut annual summer outing at Shuttle Meadow Country Club, New Britain, Conn.

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, 1962 (Philadelphia, Pa.)
Investment Traders Association of Philadelphia, Annual Summer Outing and Golf Match at Whitemarsh Country Club.

June 1-2, 1962 (Miami Beach, Fla.)
Spring Conference of the National Association of Investment Clubs at the Seville Hotel.

June 1-3, 1962 (San Francisco, Calif.)
Security Traders Association of San Francisco, annual spring outing at the Flamingo Motor Hotel, Santa Rosa, Calif.

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 14, 1962 (Minneapolis-St. Paul)
Twin City Bond Club 41st annual picnic and golf tournament at 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 Country Club, June 15.

June 14-15, 1962 (Toronto & Montreal)
Canadian Group Investment Bankers Association Meeting (June 14, Toronto; June 15, Montreal).

June 15, 1962 (Philadelphia, Pa.)
Philadelphia Securities Association annual outing at Whitemarsh Valley County Club.

June 15, 1962 (New York City)
Investment Association of New York, 16th annual Field Day, at Sleepy Hollow Country Club, Scarborough-on-Hudson, N. Y.

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.

June 28, 1962 (Des Moines, Iowa)
Investment Bankers Association of Iowa 27th annual field day at the Wakonda Club (a cocktail party and dinner will be held at the Des Moines Club, June 27, preceding the dinner).

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.

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