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EDITORIAL

As We See It

The general course of business is apparently satisfactory to none of the political parties or cliques. The "outs" are sure that at least some of the trouble is to be found in what the "ins" have done or are doing. The "ins" are sitting up nights trying to think up something more to do to insure the rate of growth to which they have become committed. Meanwhile, there seems to be no end to the "mess" that has been—and doubtless is being—created by bungling officials, to say nothing of downright dishonesty and the like. The lesson that all this seems to us to teach is that the doctrines which we as a people used to preach and largely follow were, after all, the correct ones and that deviations from them—of which their name is now legion—are proving ill-conceived and harmful. Just how frequent and how extensive those deviations have been and are probably is not fully understood or realized by most of us.

It was in 1776 that we proclaimed our undying belief that "all men are created equal, that they are endowed by their creator with certain unalienable rights." And it was soon made clear beyond doubt in other documents, and by action, that we were ardent believers in that other document, also published in 1776, which at one point in the discussion of *The Wealth of Nations* asserted that "every system which endeavors, either by extraordinary encouragements to draw towards a particular species of industry a greater share of the capital of the society than what would naturally go to it or, by extraordinary restraints, force from a particular species of industry some share of the capital which would otherwise be employed in it is in reality subversive of the great purpose which it means to promote. It retards, instead of accelerating, the progress of the society towards real wealth and greatness; and diminishes, instead of increasing, the real value of the annual produce of its land and labor." We were not always completely consistent in our behavior but we did, by and (Continued on page 23)

Steel Industry's Deadly Roadblock: Broad Ignorance of Its Problems

By T. F. Patton,* Chairman of the Board, American Iron and Steel Institute and President, Republic Steel Corp., Cleveland, Ohio

Spokesman's appraisal of steel's basic problems stresses the lack of understanding of the industry's economics and the vital need to improve communications with the public and government. Emphasizes, also, the necessity for industry and the government to have mutual respect for and confidence in each other. Points out the industry has faced and overcome tough problems before, and confidently expects steel to forge ahead once profits-inadequacy is recognized and measures taken to allow a fair chance to compete. Flatly rejects proposal to divert dividends to modernization-spending instead of to the owners.

First a word about the immediate outlook for our industry. As many know, most of the major steel companies concluded new labor agreements early in April. The results of the labor negotiations are noteworthy for several reasons:



Thomas F. Patton

(1) This is the first time a settlement was ever reached well in advance of the expiration of the existing contract.

(2) The new contracts contain, unlike the prior contracts, no provisions granting automatic increases at stated intervals—nor do they contain provisions for automatic cost-of-living increases.

(3) They are open-end contracts terminable by either party on 90 days' notice, rather than at a fixed date.

(4) It is estimated that employment costs under the contracts will increase approximately 2½% per year, against 3¾% per year under the expiring contracts, and 8% per year from 1940 to 1959.

This constitutes progress in reducing the rate of

employment cost increases. But I hasten to point out that steel shipments per manhour have increased at the rate of only 1.7% per year since 1940.

Consequently, the 2½% increase in employment costs is about 50% greater than the historical rate of increases in steel shipments per manhour.

As a result of the labor settlement, the industry has experienced a drop in incoming orders and cancellation of some existing orders, with a resulting reduction in the rate of operations.

Steel users now are reducing inventories and this may continue throughout the third quarter, which we expect will be the low quarter of the year, operation-wise.

All indications are that in the fourth quarter, there will be a pick-up in business. How far and how high it will go will depend on the pace of the economy, particularly the hard goods sector.

This is the current situation in steel, as I see it.

Basic Problems Affecting the Future

Now, some thoughts about basic problems affecting the future of the industry.

These are critical times for steel. There has never been a time when our industry loomed larger in public discussion than now. Unfortunately, not all this discussion has been reasonable or constructive.

Yet, public discussion generally is far better than public indifference. The more the American people give thought to the steel industry, the more likely they are to begin to understand its problems and to support sound solutions for them.

At the outset may I point out that our industry has faced and overcome many tough problems before. We have a great dynamic industry, a competent, skilled working force, and able men in management.

I have not the least shred of doubt that the steel industry, in spite of today's problems, will continue to be in the future, as it has been in the past, a cornerstone of our national economy.

The steel industry is (Continued on page 26)

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JAMES ANDERSON, JR.

Manager, Research Dept., Underwood, Neuhaus & Co., Inc., Houston, Texas

Russell Stover Candies, Inc.

Sales of Russel Stover candy have reached a new high in each of the last 20 years, regardless of periodic weaknesses in the economy. Candy lovers have been enjoying these high quality hand dipped chocolates since 1932. Until May, 1960, Russell Stover operated as three partnerships which were then merged into the present corporate entity. Shortly thereafter, in October, 1960, the first public offering of the common (the restricted common is privately held) was made. Over the years Russell Stover has grown to its present position as one of the largest manufacturer-retailer-wholesalers of fine candies. Sales have increased from \$6.5 million in 1950 to \$21 million in the fiscal year ended Aug. 31, 1961, and could reasonably reach a \$40 million figure by 1970. The company is believed to be the nation's largest producer of hand dipped chocolates (a process resulting in a particularly high quality candy). Top quality of product has always been a basic Stover policy and laboratories are maintained at all three factories for the purpose of strict adherence thereto.

About 30% of total sales is made through its 70 retail establishments. This number of outlets is expected to increase to about 80 by 1962 year end. These stores are located in 42 cities generally in the Middle West, South and Southwest. Present policy is to locate in populous business areas particularly in suburban and regional shopping centers. Agency accounts, with department stores and drug stores, are located in all 50 states and handle 60% of total sales volume. The 10% balance of total sales is from quantity orders from business firms and fund raising activities. Company expects to increase the 2,800 agency accounts by 10% this calendar year. Emphasis is being placed on growth of the separate Russell Stover Candies departments in the large stores. These departments create the proper setting and image of an exclusive candy store within a large department store and sell large volumes of candy. During the year about 13 new R.S.C. departments are expected to be added to the present 27.

New management is successfully increasing profit margins. Facilities acquired from the partnerships were such as to permit a 50% expansion in sales by their proper utilization at relatively small capital expenditures. Greater efficiency is being obtained through combining and integrating the manufacturing, sales, distribution, inventory and accounting activities of the three predecessor partnerships. Emphasis is on shifting retail merchandising to the suburbs, expanding product lines and moving into heretofore neglected growth areas of the country. Sales are also profiting from a recently en-



James Anderson, Jr.

larged sales force. Raw material prices tend to be stabilized through contracting in advance of requirements.

Russell Stover earnings have been higher each full fiscal year since 1957 (before which figures are not available). Company aims at per share earnings of \$2 for the current fiscal year vs. \$1.67 last year (based on 330,000 shares of common and 400,000 shares of restricted common). Sales volume in 1962 is expected to be up 10% year to year with net to combined common up 15-20%. Dividend rate on the common is 65 cents a share. Finances are strong and senior debt of \$1.6 million is expected to be retired next January, leaving \$1.2 million of convertible notes ahead of the combined common. The stock, traded in the Over-the-Counter Market, currently sells at a reasonable price earnings ratio. The common represents an excellent long-term growth commitment for the conservative investor.

ALAN C. POOLE

Director of Institutional Research,
Hemphill, Noyes & Co., N. Y. C.

Avco Corporation

Avco is a company that has not yet gained the corporate image to which it is entitled. Its poor record during the early 1950s when the company was then heavily in the household appliance field created investor prejudice which still prevails today though on no sound grounds. In 1956 the company disposed of a substantial portion of its unprofitable appliance business and concentrated on developing a well diversified military business which has established Avco as one of the leading companies in the space age.

Concentration on research and development is one of its outstanding features. Avco is well known for its work on re-entry vehicles, gas turbine engines, missile components and mobile communication units. One project worth mentioning is magnetohydrodynamics which shows great promise as a new and efficient means of generating commercial electric power.

In its government contract work, Avco has stressed the importance of selective bidding and increasing business under prime contracts. Also no major portion of its business is dependent on any one military project so that cancellation of any program will not affect Avco's earnings seriously. Recently the company received a contract in excess of \$8 million to build heat shields for re-entry of the Apollo missiles. This contract alone could lead to approximately \$100 million in additional contracts over the next few years.

Commercial business has not been neglected either. Household appliances are still being produced by Moffats, Ltd., a Canadian subsidiary. Some of the research being done for the government may lead to the development of future commercial products. Other interests of Avco



Alan C. Poole

This Week's Forum Participants and Their Selections

Russell Stover Candies, Inc.—James Anderson, Jr., Mgr. Research Dept., Underwood, Neuhaus & Co., Inc., Houston, Tex. (Page 2)

Avco Corporation—Alan C. Poole, Director of Institutional Research, Hemphill, Noyes & Co., New York City. (Page 2)

are in farm equipment and television broadcasting.

Avco is now organized as a group of closely coordinated operating divisions which is completely different from the holding company it used to be. With this integration, closer control can be exerted over operations and planning to insure efficient overall utilization of facilities.

Earnings exceeding \$1.45 per share are expected in 1962 on substantially increased sales of about \$415 million compared with earnings of \$1.24 per share and sales of \$323.1 million in 1961. The annual dividend rate was recently increased to 70 cents. Last year it was increased to 60 cents from 50 cents.

Avco is a neglected stock in a company that has been revitalized through new management, abandonment of unprofitable projects and the development of an extensive research program. Once it is acknowledged as the established growth company we believe it to be, the common stock should sell at a higher price/earnings multiple, while the projected growth in earnings should add to its attraction. Selling at approximately 16 times 1961 earnings and at only about 13 times 1962 estimated earnings, we feel that Avco has outstanding merit as a growth stock for long-term capital appreciation. The stock is listed on the New York Stock Exchange.

Bank Holding Cos. Elect Officers

MINNEAPOLIS, Minn.—The Association of Registered Bank Holding Companies have elected Frank L. King, President. Mr. King is Chairman of Western Bancorporation, a Los Angeles-based bank holding company. Western Bancorporation is one of 19 holding companies which are members of the association. Top executives of the group banking organizations meet twice a year to discuss matters of mutual interest.

Other action taken by the association at its annual meeting here included the election of Philip Eiseman to Vice-President and E. T. Holland to Treasurer. Mr. Eiseman is President of the Baystate Corporation, Boston, Massachusetts, and Mr. Holland is President of the First Virginia Corporation, Arlington, Virginia. Re-elected to the position of Vice-President was Mills B. Lane, Jr., President of the Citizens and Southern Holding Company, Savannah, Ga. Also re-elected to the position of executive director and Secretary was Donald L. Rogers of Washington, D. C. All officers will serve for one-year terms.

Joseph H. Colman, President of First Bank Stock Corporation, Minneapolis, has been President of the association for the past three years.

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Taking a Short and Long Look at the Stock Market

By Gerald M. Loeb,* Partner, E. F. Hutton & Co., New York City
 Author, "Battle for Investment Survival" and
 "Checklist for Buying Stocks"

One of Wall Street's best known brokers disagrees with one of the reasons currently advanced to explain the market's decline, and offers an insight as to what he looks for in selecting a stock. Mr. Loeb opines price inflation is going to continue and a "properly managed, selected and timed equity position" is, therefore, preferable to fixed dollar obligations or a creditor position. He explains why one must be a "lone wolf" to make money, sets the record straight on his well-known views regarding "diversification," points out errors made in valuation of stocks, and discusses possible need to wait out the market's decline to arrive at a new basis or key to the next round of market profits.

Things have been changing so fast that before the ink is dry the situation has changed.

I bought my first security some time back in 1920 or even before that. Very luckily, I got badly hurt in 1923. I think the Dow dropped them from 105 to 85. I went through the 1929-32 period.



Gerald M. Loeb

I can't recall anything like the TV-radio-news paper and magazine coverage this recent decline has received. It has been covered more like the World Series than the "serious type" of thing it really is.

The decline has been bad enough—but not as bad as they paint it.

They speak of \$20 billion of losses in a day. Well, I am sure investors know that the prices quoted for even a heavy day's trading in a quarter of a million shares of American Telephone is not the price quoted for the whole company.

I am sure, too, that everybody knows that much of the losses that are so startlingly lumped together are paper losses or a shrinkage of paper profits.

The sad part is that this kind of headlining frightens some people and helps the decline to gain momentum.

It seems too as if these commentators think the market has declined to a frighteningly low level. They seem to forget—or maybe they don't know—that a lot of people were afraid the market was too high with the Dow at 400 in 1955 or, for that matter, with the Dow around current levels in 1959.

They also seem to forget that the admittedly overpriced growth and glamour stocks started down 13 months ago and the Dow itself five months ago.

Of course everybody wants to know what is wrong with the market. I think investors know the various possibilities as well as I do. So I won't repeat the 8 or 10 well known reasons or excuses, or whatever you want to call them.

Certainly the implications of the steel pricing argument was a ma-

ior factor in breaking confidence. Here was a case where neither government nor management distinguished itself. The shadow that it has cast on the future is long indeed.

SEC Investigation

The SEC investigation is an important influence. Like the overpricing that had to be corrected, the net result is going to be wholesome in correcting abuses that still exist in our business. Like medicine that tastes bad but does you good in the end, it has been unpalatable, especially to many new investors.

It also has another important current effect. It used to be years ago that all the shares actively traded could be put on a stock broker's quotation board. Now we have thousands of new issues in new industries never before publicly owned that have come into public ownership. These new stocks need proper promotion, or publicity, or whatever you wish to label it. They are not of themselves "news". Thus, their existence must be advertised—they must be described in brokers' analyses; they must be written about in the financial press, and talked about in financial meetings.

In some quarters this has been overdone. The effect of the investigation is that for a time, until we all get to know the new rules, it is surely going to be underdone. Some support is going to be lost to the market as an inevitable result.

Another factor in the decline is the large number of new investors and new Registered Representatives to service them. I think they listen too much to the advantages in owning common stocks and too little as to their nature. Wall Street has always been a two-way street. In the long run it has treated those who really put something into it very well. Those who try to get something for nothing fare no better in Wall Street than anywhere else. It makes sense to buy a stake in the future of America—if you know what the stake is and what you are paying for it. Anyone who looks at the record of highs and lows over the years of even the best stocks should know they fluctuate widely and should take that into their investment calculations.

I don't think the new share-

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Russell Stover Candies, Inc.

Sales of Russel Stover candy have reached a new high in each of the last 20 years, regardless of periodic weaknesses in the economy. Candy lovers have been enjoying these high quality hand dipped chocolates since 1932. Until May, 1960, Russell Stover operated as three partnerships which were then merged into the present corporate entity. Shortly thereafter, in October, 1960, the first public offering of the common (the restricted common is privately held) was made. Over the years Russell Stover has grown to its present position as one of the largest manufacturer-retailer-wholesalers of fine candies. Sales have increased from \$6.5 million in 1950 to \$21 million in the fiscal year ended Aug. 31, 1961, and could reasonably reach a \$40 million figure by 1970. The company is believed to be the nation's largest producer of hand dipped chocolates (a process resulting in a particularly high quality candy). Top quality of product has always been a basic Stover policy and laboratories are maintained at all three factories for the purpose of strict adherence thereto.

About 30% of total sales is made through its 70 retail establishments. This number of outlets is expected to increase to about 80 by 1962 year end. These stores are located in 42 cities generally in the Middle West, South and Southwest. Present policy is to locate in populous business areas particularly in suburban and regional shopping centers. Agency accounts, with department stores and drug stores, are located in all 50 states and handle 60% of total sales volume. The 10% balance of total sales is from quantity orders from business firms and fund raising activities. Company expects to increase the 2,800 agency accounts by 10% this calendar year. Emphasis is being placed on growth of the separate Russell Stover Candies departments in the large stores. These departments create the proper setting and image of an exclusive candy store within a large department store and sell large volumes of candy. During the year about 13 new R.S.C. departments are expected to be added to the present 27.

New management is successfully increasing profit margins. Facilities acquired from the partnerships were such as to permit a 50% expansion in sales by their proper utilization at relatively small capital expenditures. Greater efficiency is being obtained through combining and integrating the manufacturing, sales, distribution, inventory and accounting activities of the three predecessor partnerships. Emphasis is on shifting retail merchandising to the suburbs, expanding product lines and moving into heretofore neglected growth areas of the country. Sales are also profiting from a recently en-



James Anderson, Jr.

larged sales force. Raw material prices tend to be stabilized through contracting in advance of requirements.

Russell Stover earnings have been higher each full fiscal year since 1957 (before which figures are not available). Company aims at per share earnings of \$2 for the current fiscal year vs. \$1.67 last year (based on 330,000 shares of common and 400,000 shares of restricted common). Sales volume in 1962 is expected to be up 10% year to year with net to combined common up 15-20%. Dividend rate on the common is 65 cents a share. Finances are strong and senior debt of \$1.6 million is expected to be retired next January, leaving \$12 million of convertible notes ahead of the combined common. The stock, traded in the Over-the-Counter Market, currently sells at a reasonable price earnings ratio. The common represents an excellent long-term growth commitment for the conservative investor.

ALAN C. POOLE

Director of Institutional Research,
Hemphill, Noyes & Co., N. Y. C.

Avco Corporation

Avco is a company that has not yet gained the corporate image to which it is entitled. Its poor record during the early 1950s



Alan C. Poole

when the company was then heavily in the household appliance field created investor prejudice which still prevails today though on no sound grounds. In 1956 the company disposed of a substantial portion of its unprofitable appliance business and concentrated on developing a well diversified military business which has established Avco as one of the leading companies in the space age.

Concentration on research and development is one of its outstanding features. Avco is well known for its work on re-entry vehicles, gas turbine engines, missile components and mobile communication units. One project worth mentioning is magnetohydrodynamics which shows great promise as a new and efficient means of generating commercial electric power.

In its government contract work, Avco has stressed the importance of selective bidding and increasing business under prime contracts. Also no major portion of its business is dependent on any one military project so that cancellation of any program will not affect Avco's earnings seriously. Recently the company received a contract in excess of \$8 million to build heat shields for re-entry of the Apollo missiles. This contract alone could lead to approximately \$100 million in additional contracts over the next few years.

Commercial business has not been neglected either. Household appliances are still being produced by Moffats, Ltd., a Canadian subsidiary. Some of the research being done for the government may lead to the development of future commercial products. Other interests of Avco

This Week's Forum Participants and Their Selections

Russell Stover Candies, Inc.—James Anderson, Jr., Mgr. Research Dept., Underwood, Neuhaus & Co., Inc., Houston, Tex. (Page 2)

Avco Corporation—Alan C. Poole, Director of Institutional Research, Hemphill, Noyes & Co., New York City. (Page 2)

are in farm equipment and television broadcasting.

Avco is now organized as a group of closely coordinated operating divisions which is completely different from the holding company it used to be. With this integration, closer control can be exerted over operations and planning to insure efficient overall utilization of facilities.

Earnings exceeding \$1.45 per share are expected in 1962 on substantially increased sales of about \$415 million compared with earnings of \$1.24 per share and sales of \$323.1 million in 1961. The annual dividend rate, was recently increased to 70 cents. Last year it was increased to 60 cents from 50 cents.

Avco is a neglected stock in a company that has been revitalized through new management, abandonment of unprofitable projects and the development of an extensive research program. Once it is acknowledged as the established growth company we believe it to be, the common stock should sell at a higher price/earnings multiple, while the projected growth in earnings should add to its attraction. Selling at approximately 16 times 1961 earnings and at only about 13 times 1962 estimated earnings, we feel that Avco has outstanding merit as a growth stock for long-term capital appreciation. The stock is listed on the New York Stock Exchange.

Bank Holding Cos. Elect Officers

MINNEAPOLIS, Minn.—The Association of Registered Bank Holding Companies have elected Frank L. King, President. Mr. King is Chairman of Western Bancorporation, a Los Angeles-based bank holding company. Western Bancorporation is one of 19 holding companies which are members of the association. Top executives of the group banking organizations meet twice a year to discuss matters of mutual interest.

Other action taken by the association at its annual meeting here included the election of Philip Eiseman to Vice-President and E. T. Holland to Treasurer. Mr. Eiseman is President of the Baystate Corporation, Boston, Massachusetts, and Mr. Holland is President of the First Virginia Corporation, Arlington, Virginia. Re-elected to the position of Vice-President was Mills B. Lane, Jr., President of the Citizens and Southern Holding Company, Savannah, Ga. Also re-elected, to the position of executive director and Secretary, was Donald L. Rogers of Washington, D. C. All officers will serve for one-year terms.

Joseph H. Colman, President of First Bank Stock Corporation, Minneapolis, has been President of the association for the past three years.

Form Dillon-Griffin

JACKSONVILLE, Fla.—The Dillon-Griffin Agency has been formed with offices in the Lynch Building to conducting a securities business. Partners are Harold T. Dillon and Warren S. Griffin.

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Taking a Short and Long Look at the Stock Market

By Gerald M. Loeb,* Partner, E. F. Hutton & Co., New York City
 Author, "Battle for Investment Survival" and
 "Checklist for Buying Stocks"

One of Wall Street's best known brokers disagrees with one of the reasons currently advanced to explain the market's decline, and offers an insight as to what he looks for in selecting a stock. Mr. Loeb opines price inflation is going to continue and a "properly managed, selected and timed equity position" is, therefore, preferable to fixed dollar obligations or a creditor position. He explains why one must be a "lone wolf" to make money; sets the record straight on his well-known views regarding "diversification," points out errors made in valuation of stocks; and discusses possible need to wait out the market's decline to arrive at a new basis or key to the next round of market profits.

Things have been changing so fast that before the ink is dry the situation has changed.

I bought my first security some time back in 1920 or even before that. Very luckily, I got badly hurt in 1923. I think the Dow dropped them from 105 to 85. I went through the 1929-32 period.



Gerald M. Loeb

I can't recall anything like the TV-radio newspaper and magazine coverage this recent decline has received. It has been covered more like the World Series than the serious type of thing it really is.

The decline has been bad enough—but not as bad as they paint it.

They speak of \$20 billion of losses in a day. Well, I am sure investors know that the prices quoted for even a heavy day's trading in a quarter of a million shares of American Telephone is not the price quoted for the whole company.

I am sure, too, that everybody knows that much of the losses that are so startlingly lumped together are paper losses or a shrinkage of paper profits.

The sad part is that this kind of headlining frightens some people and helps the decline to gain momentum.

It seems too as if these commentators think the market has declined to a frighteningly low level. They seem to forget—or maybe they don't know—that a lot of people were afraid the market was too high with the Dow at 400 in 1955 or, for that matter, with the Dow around current levels in 1959.

They also seem to forget that the admittedly overpriced growth and glamour stocks started down 13 months ago and the Dow itself five months ago.

Of course everybody wants to know what is wrong with the market. I think investors know the various possibilities as well as I do. So I won't repeat the 8 or 10 well known reasons or excuses, or whatever you want to call them.

Certainly the implications of the steel pricing argument was a ma-

jo factor in breaking confidence. Here was a case where neither government nor management distinguished itself. The shadow that it has cast on the future is long indeed.

SEC Investigation

The SEC investigation is an important influence. Like the overpricing that had to be corrected, the net result is going to be wholesome in correcting abuses that still exist in our business. Like medicine that tastes bad but does you good in the end, it has been unpalatable, especially to many new investors.

It also has another important current effect. It used to be years ago that all the shares actively traded could be put on a stock broker's quotation board. Now we have thousands of new issues in new industries never before publicly owned that have come into public ownership. These new stocks need proper promotion, or publicity, or whatever you wish to label it. They are not of themselves "news". Thus, their existence must be advertised—they must be described in brokers' analyses, they must be written about in the financial press, and talked about in financial meetings.

In some quarters this has been overdone. The effect of the investigation is that for a time, until we all get to know the new rules, it is surely going to be underdone. Some support is going to be lost to the market as an inevitable result.

Another factor in the decline is the large number of new investors and new Registered Representatives to service them. I think they listen too much to the advantages in owning common stocks and too little as to their nature. Wall Street has always been a two-way street. In the long run it has treated those who really put something into it very well. Those who try to get something for nothing fare no better in Wall Street than anywhere else. It makes sense to buy a stake in the future of America—if you know what the stake is and what you are paying for it. Anyone who looks at the record of highs and lows over the years of even the best stocks should know they fluctuate widely and should take that into their investment calculations.

I don't think the new share-

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OBSERVATIONS...

BY A. WILFRED MAY

BULLS AND BEARS — AND GOATS

The most disheartening feature of the recent stock market frenzy is the shortcoming, by way of both commission and omission, in its interpretation. Commission-wise, we again see the time-worn rationalization of market performance with hindsight; and, omission-wise, complete ignoring of the Break's implications which again invalidate the commonly held illusions about the Stock Exchange's basic functioning.

Even President Kennedy, whom we complimented a fortnight ago for his citation of the 1956-57 record as exemplifying the chronic stock market-business divergence, "has pulled the rug" from under us. For at his following week's (May 23) news conference, he interspersed three more examples of such divergence, with a flip-over to the contradictory illusion:

"The economy, which is moving steadily forward, is the best stimulant to the stock market—the most natural one. The economy is rising; unemployment is down; the prospects in this month are good, and, therefore, I think that the stock market will follow the economy."

Treasury Secretary Dillon, a knowledgeable and sophisticated ex-Wall Streeter, similarly subscribes in general to the inter-relationship of business conditions and stock market performance, as clearly revealed in his remarks to the press after the post-Break White House conference, although—as disclosed in his address to the N. Y. Financial Writers Association this week—he has now swung over to propounding the public's alleged abrogation of its inflation expectations as this Break's single cause. This despite a rise of over 50% in stock prices with an un-inflationary unchanged level of consumer prices from 1958 to 1962.

All and sundry persist in clinging to the fiction of market-business correlation (the specifics of which we have so often cited here).

When the "unsatisfactory" state

of business (including sometimes that absurd refinement, "the boom's vigor is disappointing") is not cited as the cause of the market's disturbance, observers turn to their own favorite "gripes."

The "Gripe" List

Pre-eminent in this "gripe" category, of course, has been the President's war on the steel industry, with the jolt to businessmen's confidence. But this event was announced on April 11 when the stock averages already had been in a four-month 6% decline from their mid-December high, and five weeks before its renewed precipitous fall of 13%. Furthermore, there is obstinately contrary evidence about the market's reaction to a hostile-to-business President. "That man" Roosevelt's advent to the White House was followed by a three-year price-sextupling bull market. And the business-baiting Mr. Truman's 25 to 1 odds-on victory over Mr. Dewey was followed by a price doubling bull market lasting through his entire four-year term.

Budget-deficitteering is another leading item now exploited to the very full. Whereas governmental over-spending, coupled with inflation, has always been interpreted as a bullish market factor; now, as typically asserted by Mr. Eisenhower after the Republican leaders' luncheon last Saturday, the "reckless spending programs" of the Kennedy Administration motivated the previous Monday's stock market decline.

Deficit-swelling likewise gets a strange interpretative twist from the Administration's sympathizers. Economic Advisers' boss Heller as well as Secretary Dillon now attributes the market break to "investors' [sudden] realization that Inflation is not our way of life." They hold that, because prices allegedly will not rise, the mounting deficit is not inflationary, and that investors now recognize that this is so.

Among the "goats" trotted out by Stock Exchange President Fun-

ston shortly after Black Monday's market close were the Tax Withholding threat and the SEC's Study of the Securities Markets. (Actually, the withholding tax on dividends should chase the investor from seeking ordinary income to market-playing capital gains).

The New York Herald Tribune's controversial front-page editorial on the "shock in Wall Street" which preceded the termination of its White House subscription, concluded with a call for "strengthening of the President's advisory staff" in addition to "action in the troubled areas of deficits, and balance of payments."

The Stock Exchange's Role

Far more significant than the hindsight squabbling over the causes is the disregarded re-confirmation of the Stock Exchange's role as, in large part, a gambling casino; and of its lauded "liquidity" an actual myth—as exemplified by the hours-late ticker under the Exchange's self-generated stress.

The Exchange might well take a look-see at its claimed function as an investment market, let alone a citadel of democratic capitalism.

Authenticated Ticker-Watching

As a matter of fact, the New York Exchange's President attributed the "Monday unpleasantness" in part to the selling for "the protection of profits." Whether or not this is true, or the version that stocks were being dumped to meet "margin calls" by banks, or other money lenders where stocks are "collateralized," is true, the goings-on surely do not tie in with old-age retirement, baby's future education, etc., as so forcefully pictured by the Exchange's advertising as the aim of common stock acquisition. President Funston in the Exchange's periodic "Portraits of the Stock Market" has repeatedly reported the "Emphasis on Long-Term Investing."

Analysts Playing the Numbers Game

Similarly are, of course, the brokerage houses sticking to their "play-the-market" attitude. Here is the lead of a market letter written by an analyst, a former intelligent champion of the value-first school, issued after the close last Thursday:

"Think this is climax. Would buy here for strong rally—Am. Viscose, Occidental Pete, Brunswick, S. O. of N. J., General Tire, Dresser Industries, General Plywood, Molybdenum warrants, R. J. Reynolds, IBM—Rails, Oils, Aircrafts. If market holds here could rally fast to 620-30 Dow-Jones Industrial."

And the following typical longer-term beat-the-market analyst's credo:

"We believe the lows of last Tuesday ought to hold for several months. It would be logical to expect a period of backing and filling on much lower volume, while sanity, if not confidence, is being restored. The 620-30 level in the D-J Industrials stands as an immediate barrier. Failure to better this level in the near future would invite a test of the lows (around 560) which, if unsuccessful might set off an even worse panic than we saw last Monday and Tuesday. A successful rally at this point should set the stage for a longer and more quiet recovery during the summer with an objective around 660. It is ironic that our objective for a successful summer rally is now lower than prices that prevailed only two weeks ago."

The Exchange community's devotion to speculative market playing is clearly manifested in its anxiety for a margin cut as the "only hope."

Role of the Funds

The investment companies too are exhibiting the playing-the-

market attitude in, seemingly for public relations' motives, boasting about their steadying-of-the-market through buying during the Bust (at market levels higher than three years ago). Sometimes the "bargain" issues are specifically named. Is it not to be assumed that fund managers are committed to make scientifically analyzed acquisitions of carefully selected, attractively yielding companies for the benefit of their shareholders, rather than to stem market declines? (It is to be hoped that "public relation-wise, too, the market's future action does not render such flash reporting ill-advised.)

Incidentally, should the general decline be extended to the end of the reporting quarter, will public-relations consciousness with portfolio window-dressing needs lead the funds to engage in quarter-end dumping, and decline-accentuation—corresponding to Blue Chip market inflation during bull market periods?

Fund Shareholders' Scorekeeping

And, as we have asked previously, will the past over-emphasis of numbers scorekeeping of their stake in a fund lead to the holders' feeling of impoverishment and hence reduced consumption of goods and services? Will this routine participated in by 3,000,000 Fund holders sabotage the economy as post-1929, through tying the estimate of one's wealth to day-to-day fluctuations in asset values?

Meaning for the Ratio Needed

In fact, in all the discussion of the market's decline there is an almost complete absence of investment yard-sticks. One exception is occasional reference to price-earnings ratios. But even then there is complete omission of any realistic attitude thereto. Instead of the appraisal of a specific ratio's worth in terms of investment return, as through calculating its present worth via capitalization of future dividend yield, and/or in amortizing through expected returns, or through some other hard-boiled estimates of capital enhancement; the prevalent practice is to treat the ratio as a figure lifted out of the air. Omitted is any value-pointed basis for the ratio's appraisal, beyond perhaps relating it to the past record or comparing that of one

company with the balance of the market.

Even Treasury Secretary Dillon in his speech before the New York Financial Writers, Monday (June 4), after rattling off price-earnings ratios during past periods, completely disregarded their investment-return, saying "I would be the last one to pick an exact and appropriate level for the price-earnings ratio of common stocks." Why should he not make such a yield estimate, unless he denies to common stocks the attribute of investment value, or conceives of the Stock Exchange as a place for placing bets on the swings of short-term fluctuations in business, or the course of other "extra-mural" events?

Similarly, according to a Wall Street Journal mid-Break survey: "Many analysts who usually express their opinions quite freely were keeping quiet. Some even decided to stop issuing their daily or weekly letters discussing market prospects."

* * *

The Basic Tragedy

Most distressing is the evidence that after 28 years of tightened securities regulation and presumed education, speculative excesses still run rampant over the community; threatening the economy with depression, and/or pump-priming; and politico-economic strategy as in tax policy.

H. M. Frumkes Co. Admits Levison

Murray Levison has joined H. M. Frumkes & Co., members of the New York Stock Exchange, as a general partner.



Murray Levison

Prior to his association with Frumkes, he was a registered representative with Bear, Stearns & Co.

Mr. Levison was formerly President of Rent-A-Bag Company, Inc., and Vice-President of Spencer - Pittsburgh Corporation. He has also been a sales consultant for manufacturers of industrial and consumer products.

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Gold Stocks and the Bears

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

Back to the mines for another look at the gold supply in monetary stocks, and in common stocks.

While colleges and universities all over the land are selecting from this year's crop of graduates, those "most likely to succeed," investors in the market are at work on a similar task—trying to pick stocks either most likely to succeed or least likely to recede. In this selective process, you now hear increasing boardroom talk about gold stocks. As some old-timers hark back to 1929 and the ensuing unpleasantness, they recall that gold shares went opposite to the market trend. Homestake rose from 65, in 1929, to 544, in 1936; and in the same period, Dome rose from 6 to 61. The principal propulsion was provided by devaluation of the dollar, in 1933, followed by an increase in the official price of gold, from \$20.47 per ounce, to \$35, at which figure it has remained ever since. So it is that today, those most enthusiastic about the purchase of gold stocks, view them not only as a valid hedge against possible depression or deflation, but as rewarding speculations if the price of gold were to advance.

Dwindling Gold Stocks

We don't propose to get into a hassle here on the pros and cons of increasing the official price. We only wish to observe that historically, heavy losses of gold have led to devaluations, and that the United States has been losing gold at a rapid rate in recent years. We've lost over \$7 billion since 1949. Right now, our monetary stocks of gold are at a low point — about \$16.43 billion, of which \$11.8 billion is legally reserved as backing for the dollar. The difference, about \$4.6 billion, is available for settling our international balances. In making these settlements, we've lost some \$500 million in gold so far this year.

Possible Increase in Price of Gold

All of which has suggested the possibility of dollar devaluation; and a gold price advance to perhaps \$60 or even \$70 an ounce. If this occurred, there would, of course, be a roaring market advance in gold stocks. But, devaluation is not the only answer to our bullion drain. The President could embargo the export of gold; Congress, by legislation, could reduce, from 25% to some lower percentage, the gold backing for dollar bills; we could ask foreign countries and corporations, not to finance in our mar-

kets (we've just done this); and finally, we could stop spending (or giving away) so many dollars, all over the world.

Regardless of how you may view this gold problem or, the possible solution to it, there is now the liveliest interest in gold shares since the flurry in them in October 1960. Everyone realizes that with virtually fixed costs of production, gold mines could earn fabulously at \$50 or more an ounce. Canada has already reaped some modest benefits along these lines, by devaluing its dollar to 92½ cents (in our money). This has meant that instead of a \$35 price for gold, Canadians can now sell their output at \$37.80 an ounce.

Interest in Gold Stocks

In other nations, it is no crime to own gold coins or gold bars. But, it is a crime for an American citizen to own gold. (They arrested a couple of fellows in Arizona on that charge 10 days ago.) So, since Americans can't hold gold itself, those who'd like to have some can do so by buying it in the form of stock certificates of mining companies. There are some attractive ones to choose from.

Homestake Mining Company

This is the largest gold producer in North America. It has paid dividends in every year since 1878, except between 1943 and 1945, when the government asked it to suspend operations. Homestake sells at 49 and pays a \$2 dividend.

Dome Mines, Ltd.

This is one of the leading Canadian gold producers, with indicated reserves of about 2,475,000 tons (enough for four years' operations). In addition, Dome owns 57% interest in Campbell Red Lake Mines, Ltd. and a 63% interest in Sigma Mines, Ltd., plus other lesser investments in oil, copper and gold companies.

Dome Mines, Ltd. has only 1,946,668 common shares outstanding, as sole capitalization. These are listed on N. Y. S. E. and in Toronto. Current price is around \$25, with a \$70 dividend. Dividends have been continuously paid in each year since 1918. The major subsidiary, Campbell Red Lake, is a much newer mine. It has a four-year ore reserve (about 1,200,000 tons at 0.65 ounces to the ton). Outstanding common, 3,-

999,500 shares, are also listed both in New York and Toronto. Current quote is around \$14, with a \$.40 dividend. Dome is a highly respected gold equity, earning about \$1 a share, to cover its \$.70 dividend.

Kerr-Addison Gold Mines, Ltd.

Kerr-Addison is one of the lowest cost producers in North America, and Canada's largest. It is reported to have reserves of over 9 million tons. This stock sold, for several years, at \$20 a share, or above. In late 1960, however, exploration at below the 6,000 foot level, proved disappointing, and the stock dropped 50% in market price, almost overnight. Many analysts think this adverse drilling development has been over-discounted, and favor the stock at current levels of around \$8.75, particularly since it yields around 9% on the present \$.80 dividend. There are 4,730,302 shares outstanding, and listed in Toronto.

Giant Yellowknife Gold Mines, Ltd.

This is another favorite among gold fanciers. The mine is located up in the Northwest Territories of Canada, which makes it a little more costly to operate than ones closer to civilization. Reserves, however, are high grade and large scale (over 2½ million tons) and excellent management is supplied by McIntyre. Giant Yellowknife has 4,303,050 shares of common listed on American and Toronto Exchange. Current price is around \$11, with a \$.50 dividend.

Other Companies

Other interesting Canadian mines include **Aunor**, selling at \$3.60 and paying \$.20; **Leitch**, with very rich ore assaying 1.25 ounces to the ton, selling at \$1.55 and paying \$.06; and **Dickenson Mines**, selling at \$3.90 and paying \$.18. More speculative is **Little Long Lac**, a cluster of several mines, some of them quite marginal. Little Long Lac, which sells at \$1.70 could be a lively performer in the event of a change in the price of gold. Quite recently, a substantial New York group was reported to have bought a sizable amount of stock in **Bralorne Pioneer**. The stock now sells at \$7 with 1,606,350 shares listed in To-

ronto. Reserves are reported at above 500,000 tons, running at 0.85 ounces to the ton. Bralorne pays \$.40.

These swift company outlines give you some idea of the representative gold stocks available, the dividends they pay, and their indicated reserves. Few gold mines have proven reserves for more than four years' operations, so the business consists of extracting and milling existing ore, and in constant search for more. The beauty of the business is a limitless demand from the richest buyer in the world, Uncle Sam. But, he may have to pay more than \$35 an ounce some day, since nearly all the newly mined gold in recent years has gone to others, who've been paying a lot more in the free market—as high as \$41 in October 1960.

Franklin Sanders With Salomon Bros.

BOSTON, Mass. — Franklin Sanders will become associated with the Boston office of Salomon Brother & Hutzler, 75 Federal St., members of the New York Stock Exchange.

Mr. Sanders has been associated with the Treasurer of Harvard University since 1955. Prior thereto, he was with Kidder, Peabody & Co. in Boston for five years and before that was financial Secretary of Springfield Fire & Marine Insurance Co.

Joins Mason Bros. Staff

(Special to THE FINANCIAL CHRONICLE)

OAKLAND, Calif.—Milton A. Douzos has joined the staff of Mason Brothers, First Western Building, member of the Pacific Coast Stock Exchange. He was formerly with Sellgren, Miller & Co. and Grant, Fontaine & Co.

Birr Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Jack H. Trego has been added to the staff of Birr & Co., Inc., 155 Sansome Street, members of the Pacific Coast Stock Exchange. Mr. Trego was previously with Walston & Co., Inc.

Junior Analysts Elects Officers

The New York Society of Junior Security Analysts has announced the election of John L. May of Reynolds & Company as President of the Society for the year 1962-63.



John L. May

Other officers elected were Peter F. Way of Lionel D. Edie, Vice-President; William N. Walling of Empire Trust Company, Treasurer; Andrew P. T o t h y, Neuberger & B e r m a n, Secretary. Mr. May succeeds Hans R. Reinisch who will continue as a member of the Board of Directors for the ensuing year.

Since its beginning, two years ago, the NYSJSA has grown from a membership of less than 40 to where it is now considered to be the second largest financial society in the country. Its members represent more than 120 New York brokerage firms, commercial banks and investment and advisory services. It is the intention of the NYSJSA to provide opportunities for the interchange of ideas and information among investment analysts engaged in research in various branches of finance and economics.

Saunders, Stiver Adds

CLEVELAND, Ohio — Mark E. Mirsky has been added to the staff of Saunders, Stiver & Co., Terminal Tower, members of the Midwest Stock Exchange. He was previously with Livingston, Williams & Co., Inc.

Mutuals of Monticello

MONTICELLO, N. Y.—Mutuals of Monticello Inc. has been formed with offices at 7 Feldberg Drive to engage in a securities business. Ronald Siegel is a Principal of the firm.

We are pleased to announce that
— the following have become
officers of our firm

John F. Van Deventer
Vice President

Donald A. Young
Vice President

Robert Smith
Secretary and Treasurer

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JUNE 4, 1962

Tax-Exempt Bond Market

By DONALD D. MACKAY

The markets for state and municipal bonds have in the aggregate been easier during the past week thus continuing the tendency which began early in May. Derived from preselected high grade 20 year general obligation bond offerings, *The Commercial and Financial Chronicle's* yield index averaged out at a 3.077% yield on June 6 as against an average yield of 3.057% a week ago. In terms of par, the high grade market was thereby off about one-quarter of a point as measured by actual offerings. In early May the index reached its low yield point for this year at 2.965%. In translation, the current 3.057% index represents a selloff of close to two points for the period.

Not the Whole Story

This more or less graphic description, however, does not adequately delineate the unusual market fluctuations in the tax-exempt bond market during the last few weeks. New issues have been brought to market at from 10 to 20 basis points cheaper than would have been the case a few weeks ago. These issues, for the most part, have met with ready investor reception. Many of the less recent syndicate operations have been terminated with members repricing their bonds down from 15 to 25 basis points with generally favorable investor response. In between pricing has usually developed no sizable interest. It's been all the way or no sale.

By means of this quick change to realistic pricing, the build-up of unwieldy amounts of inventory was abruptly terminated and the slower process of reducing them was set in motion. The untold float of inventories apparently broke all records as the *Blue List* total of state and municipal bonds reached close to \$640,000,000 during late May. Since then this total of offerings has been reduced to a more manageable amount (*Blue List*) of about \$562,733,590 as of today.

The present aggregate is still substantially about the traditional norm (less than \$500,000,000) and remains as a market negative. Al-

though moderate price cutting has been largely responsible for the thus far moderate reductions in inventory, the prevailing light new issue calendar has been helpful.

Too Much Unsold "Stock"

However, the dealer inventories of tax-exempts have been and still are too heavy in face of the stock market unsettlement that has developed over the past few months. As the stock market sold off in more or less orderly fashion during the winter and early spring, dealers benefited from the investor diversions toward tax-exemption. Dating from the steel incident and its consequent effects on the stock market, state and municipal bond prices began to react more sympathetically with the general atmosphere of business uncertainty than in accordance with bond market criteria.

As the stock market expresses the mixed feelings, thoughts and emotions as well as the immediate financial impact on people, investors, and institutions and muddles its way towards some temporary stability, the prices for the tax-exempt dollar quoted bond issues have generally followed stocks in their fluctuations and have dramatically portrayed the extent that panic can pervade the whole financial community without good reason. Prior to the advent of our large volume of dollar quoted bonds, municipal serial bonds just went to sleep under similar circumstances.

Dollar Bonds React

Even though dollar bonds have fluctuated as much as three or four points since reporting last week, our revenue bond index at presstime indicates little change from that of last Wednesday. The average yield derived from our list of seasoned toll road and other revenue bonds is at 3.85% as against 3.854% a week ago.

However, the daily quotations have approximated the rather violent stock market actions as they progressed. This situation develops more or less through the fact that both media are quoted

in dollars and because many stock market traders deal heavily in these more marketable revenue bonds issues.

Dillon and Taxes

Some cut in Federal income taxation has been talked of in official circles for years. The tax-exempt bond market has shown little evidence that investors have taken this talk seriously. Secretary Dillon's recent promise of a "top to bottom" tax cut has had little, if any, market impact as yet. It is quite apparent that our taxpayers and investors are not nearly as naive as officialdom frequently believes.

Sec. Dillon was non-committal on the extent of any tax cut, he was indefinite as to how the tax cut would be sustained were there no cut in governmental spending, and he expressed it as just a promise—for 1963. Another New Frontier for the believing. Apparently many will wait and see.

Light Business Calendar

The new issue calendar continues to be kindly toward the state and municipal bond market. The schedule as presently set up includes a variety of issues totaling less than \$450,000,000 through July. Since August is normally a light volume month, it seems safe to guess that the summer may pose no real volume problems for underwriters.

With the sale of \$100,000,000 California bonds next week, the largest item on the calendar will have been deleted, statistically at least.

Recent Awards

The new issue calendar for the past week has been unusually tight as it totaled only about \$105,000,000 of bonds. There were no sales of importance last Thursday, May 31, Friday or Monday. The volume of significant loans was crammed into Tuesday and Wednesday of this week. By far the largest new financing was \$13,200,000 Maricopa County, Arizona multi-purpose general obligation (1963-1973) bonds. These issues were awarded to the group managed jointly by Harris Trust and Savings Bank, The Chase Manhattan Bank and The First Boston Corp. at a net interest cost of 2.7231%. The runner-up bid designating a 2.73% net interest cost was made by the First National Bank of Chicago syndicate.

Other major members of the winning group include Chemical Bank New York Trust Co., Valley National Bank of Arizona, First National Bank in Dallas, Dick & Merle-Smith, Estabrook & Co., City National Bank & Trust Co., Kansas City. The bonds were offered to yield from 1.65% to 2.90% and upon initial reoffering, over 80% of the bonds were sold. Maricopa County, Arizona, one of the fastest growing areas in the country, comprises an area of 9,226 square miles in the south central part of the State. The county includes Phoenix, the State Capital and represents the heart of the prosperous Salt River Valley. Industrial growth has been important since World War II and combined with the large agriculture projects and tourist trade gives the area a sustained and diversified economy. The last time the county came to market for general obligation money was in 1927 and after July 1, 1962, these new issues will be the only debt outstanding.

On Tuesday, \$7,200,000 Mount Vernon City School District, New York (1963-1991) bonds were sold to the account headed by The Chase Manhattan Bank at a net interest cost of 3.29%. Other major members of this group include Bankers Trust Co., Chemical Bank New York Trust Co., Harris Trust and Savings Bank, Marine Trust Co. of Western New York, White, Weld & Co. and Phila-

Continued on page 46

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.

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	4,000,000	1971-2001	-----
Western Washington State College, Bellingham, Wash.	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	2,280,000	1963-1966	-----
June 12 (Tuesday)			
American University, Wash., D. C.	2,100,000	1934-2001	3:00 p.m.
Big Rapids Sch. Dist., Mich.	1,995,000	1966-1991	3:00 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	1934-1985	8:00 p.m.
Hamburg Master Sanitary Sewer District, N. Y.	3,300,000	1963-1991	2:00 p.m.
Mercer County, N. J.	1,489,000	1963-1977	2:00 p.m.
Merrill, Wis.	1,680,000	1963-1982	1:00 p.m.
Montgomery County, N. Y.	10,796,000	1963-1991	11:00 a.m.
Montgomery County, Ohio	2,205,000	1963-1982	Noon
Newfane Water District No. 4, Newfane, N. Y.	1,200,000	1963-1991	-----
Orleans, Mass.	1,820,000	1963-1992	11:00 a.m.
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.	1,660,000	1965-1992	11:00 a.m.
Summit, N. J.	3,465,000	1963-1982	8:00 p.m.
University of Buffalo, Buffalo, N. Y.	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	1966-1984	11:00 a.m.
June 13 (Wednesday)			
Clark County, Ky.	1,525,000	1963-1982	1:00 p.m.
Dove, etc., Union F.S.D. #2, N. Y.	1,228,000	1963-1988	2:00 p.m.
Fairfield, Conn.	2,875,000	1963-1982	11:30 a.m.
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	1966-1993	10:00 a.m.
Tulsa, Okla.	6,500,000	1965-1986	2:00 p.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.
Woburn, Mass.	1,246,000	1963-1982	11:30 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)			
Grand Forks, N. D.	1,625,000	1963-1981	7:30 p.m.
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	1963-1982	10:00 a.m.
Dade Cty. Metropolitan Comm., Florida	3,250,000	-----	-----
Hornell City Sch. Dist., N. Y.	4,350,000	1963-1991	2:00 p.m.
Orangeburg, S. C.	2,500,000	1964-1983	Noon
St. Charles, Mo.	1,100,000	-----	-----
Tuscaloosa County, Ala.	2,500,000	1965-1992	11:00 a.m.
June 20 (Wednesday)			
Alaska (State of)	6,929,000	1963-1982	9:30 a.m.
Alexandria, Va.	3,945,000	1963-1982	Noon
Connecticut (State of)	50,800,000	-----	11:00 a.m.
Huntington Central SD #6, N. Y.	1,250,000	1963-1992	2:00 p.m.
June 21 (Thursday)			
Harwich, Mass.	1,400,000	-----	-----
Indianapolis Sanitary District, Ind.	8,100,000	1964-1993	10:00 a.m.
Litchfield Indep. SD #465, Minn.	1,330,000	-----	-----
Macon, Ga.	7,500,000	1965-1992	11:00 a.m.
Nazareth Area Sch. Authority, Pa.	1,300,000	-----	-----
June 25 (Monday)			
Arlington Heights, Ill.	3,500,000	1963-1997	8:00 p.m.

MARKET ON REPRESENTATIVE SERIAL ISSUES				
	Rate	Maturity	Bid	Asked
California (State)	3 1/2%	1982	3.40%	3.25%
*Connecticut (State)	3 3/4%	1981-1982	3.25%	3.10%
New Jersey Highway Auth., Gtd.	3%	1981-1982	3.15%	3.00%
New York State	3 1/4%	1981-1982	3.15%	3.00%
*Pennsylvania (State)	3 3/8%	1974-1975	2.85%	2.70%
Delaware (State)	2.90%	1981-1982	3.05%	2.90%
New Housing Auth., (N.Y., N.Y.)	3 1/2%	1981-1982	3.10%	3.00%
Los Angeles, Calif.	3 3/4%	1981-1982	3.40%	3.30%
Baltimore, Md.	3 1/4%	1981	3.15%	3.00%
Cincinnati, Ohio (U. T.)	3 1/2%	1981	3.15%	3.00%
Philadelphia, Pa.	3 1/2%	1981	3.35%	3.25%
*Chicago, Ill.	3 1/4%	1981	3.30%	3.20%
New York, N. Y.	3%	1980	3.40%	3.30%
June 6, 1962 Index=3.077%				

*No apparent availability.

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Steel's Profit Problem Involves a Crucial Battle

By Allison R. Maxwell, Jr.,* President, Pittsburgh Steel Co.
Pittsburgh, Pennsylvania

Steel industrialist attacks the Administration for its "flagrant disregard for facts", unconstitutional behavior, and anti-business, socialist stratagem manifested in April's steel-price rescission. Speaking for himself and not the industry, and not intending to overwhelm anyone with statistics, Mr. Maxwell presents data depicting declining profits for the industry in rebuttal to the Administration's profiteering implications based on a careful selection "of a few companies, for one or two quarters". The steel executive refers to growing subsidized, unfair competition from abroad resulting in U. S. shrinking share of world-wide steel expansions; to 12 years of increasing cost-price squeeze on profits with wage increases outstripping productivity gains; and to the "avalanche of Government abuse and coercion, triggered from the White House" jeopardizing not only the industry but also individual freedoms.

Down through the years, many of the greatest leaders in the steel industry have passed along to us some of the soundest practical wisdom and business philosophy ever presented to any industry. And, time and again throughout their talks, these steelmen forewarned us of impending crises.



A. R. Maxwell, Jr.

I knew then this paper would be a challenging assignment. For my subject, I selected "Steel's Profit Problem." And I began to prepare an analysis of the industry's profit trends for a talk full of more forewarnings.

Then, during the days that followed, a series of events occurred. An avalanche of government abuse and coercion, triggered from the White House, came roaring down on us. We were engulfed in a crisis of historic proportions. My subject—"Steel's Profit Problem"—suddenly became a matter of national interest. Yet far more than profit is involved. We are locked in a crucial battle—not only for our economic welfare as an industry—but for preservation of our freedoms.

I want to make it clear from the outset, that I am speaking not as a spokesman for this industry, and not as the president of a company that has been subpoenaed, or as an individual who has been subpoenaed—at least not until this analysis has been completed.

The contents of my discussion have not been cleared, approved, or controlled in any way by American Iron and Steel Institute, or by any officials of other steel companies. I am speaking as president of one of the smaller companies in the industry; and the thoughts expressed here are strictly my own. My theme is this:

Number One Objective

First, the steel industry is faced with grave economic problems. While we have grown and flourished on competition, today we are competing in the toughest market contest we have ever encountered. Not only do our companies compete with each other, but we are beset by competition from foreign steel producers, and from other materials.

To hold and expand our markets, we must be able to offer the users of steel quality products and superior service at competitive prices. This requires tremendous new investment in ultra-modern facilities, to make better steel at lower cost. The money to finance this investment is ultimately derived from just one source—profits.

Rising costs have been outstripping prices for many years now, gradually whittling our profits

away and weakening our capabilities. Increasing our profit, therefore, is our imperative Number One objective—the essential key to the future welfare of our industry.

Political Regimentation

Second, the steel industry is faced with equally grave political problems. Steel is one of the mighty bulwarks of private enterprise that has made our nation great. Yet today, we are the central target for government regimentation.

The opponents of competitive enterprise have grown immensely powerful. With flagrant disregard for facts, they can now denounce, discredit, and vilify business leaders before the public—employ the combined forces of federal police power and purchasing power, and resort to legislative, inquisition, for purposes of coercion—and have their assault spearheaded by the highest office in the land.

Steel has long tried to do its part in preserving the economic freedoms that have made ours the greatest industrial nation in world history. But perhaps we have been deluded by believing the benefits are so great—in peace and in war times—that they must also be self-evident. Now we have conclusive proof that we have not done enough to establish these benefits in the court of public opinion.

So if we hope to see private enterprise survive, our course of action must begin to marshal public opinion more effectively. We must carry our story to our employees and shareholders, to those who represent us in Washington, and to 185 million Americans—with every resource at our command.

At the same time, we must oppose with equal vigor the efforts of a tiny handful of government officials whose pursuit of power over business and industry exceeds their understanding of the public interest, and shows utter disregard for the constitutional principles on which this country has been founded.

Competition

Now, let's turn first to the economic problems that confront us, beginning with competition. All of the steel companies represented compete in the total market for steel—a market that has become worldwide in scope, and a market that is expanding.

But the United States' share in this expanding market has been shrinking. Foreign competitors are displacing us in markets abroad, and invading our markets at home. If we had maintained our 1953-57 average participation in world export trade, and prevented further import erosion, we would have shipped six million tons more than we actually shipped during 1961.

This six million tons means loss of \$1.2 billion in annual sales volume. It has lopped some 50,000 jobs off our payrolls, and cost steelworkers over \$300 million annually in wages. Technological unemployment? Yes. But due to

technological advances by our competition.

Since 1950, world steel production has doubled, increasing from about 200 million to 400 million tons a year. Nor is this all. World capacity will expand to more than 500 million tons a year by 1965.

So, if our progress has been inadequate to cope with competition from these mills in the past, it will be even less adequate in the future. This prospect should vitally concern everyone who is interested in maintaining the industrial supremacy of this great nation.

Now, why has this occurred? Since the end of World War II, our government has, in effect, been subsidizing our competition. Foreign producers have been able to build their tremendous steel capacity largely as a result of direct and indirect U. S. aid.

On the one hand, government foreign policy is encouraging and partially paying for development of Free World economic concentrations, cartels, and Free Trade Associations that compete with individual U. S. businesses. In steel, we find ourselves beleaguered by foreign competitors who are equipped with modern facilities, favored by tax advantages in their own countries, guided by coordinated planning and control, and manned by low-cost labor. They have decisive advantages.

On the other hand, government restrictions on business here at home are equally specific. Steel is hampered by disadvantageous tax provisions; harassed into accepting high labor costs, as five lengthy and exhausting strikes since World War II will amply attest; harried by government interference in pricing policies; and proscribed from engaging in any coordinated program to meet the competition.

There can be no question about the need for foreign aid or for free trade among nations—for the wel-

fare of our country and of the Free World—as the Soviet offensive looms ever more threatening.

But there can be no defense for government policies embracing free trade with one hand, and simultaneously wrecking the chances for U. S. industry to compete in free trade, on fair and equal terms, with the other.

Now, how can we recover and expand our markets, increase employment and improve job security, discharge our responsibilities to our shareholders and to the steel industry, and perform our patriotic duty to our nation more effectively?

Prices and Costs

In steel's markets, the customer is king. He buys on the basis of quality, service and price.

So, each individual steel company is acutely aware of the functions of pricing; more so than some outsiders who pose as experts on this subject. For nearly four years now, there has been no general increase in steel prices. This fact reflects competition in today's markets.

But while prices must be low enough to hold today's markets, they must also be high enough to build the markets of tomorrow. Prices have a double role to play in competition. They must be attuned to the immediate; and they must also help provide profits to buy superior tools for lower costs and competitive prices in the long range future. Prices reflect a delicate balance of both short and long range competitive requirements, far too intricate for manipulation by the heavy hand of government.

The cost-price squeeze on profits has become increasingly intense over the past 12 years. Undeniably, we have been gaining productivity. If we didn't, we would be presiding at our liquidation. But the gains have been buried by wage increases that

outstrip the productivity advance by more than 9 to 1.

Even the latest agreement exceeds by 50% the average annual productivity increase since 1940. And this agreement does not become "non-inflationary" just because the Administration puts that label on it. It is not a non-inflationary agreement just because it is less inflationary than previous agreements. It is, in fact just one more increment in an inflationary trend that has been long developing.

We hear from Washington that wage increases should equal productivity gains. This is an insidious doctrine. Raises have exceeded productivity gains by such wide margins, and for so many years in the past, that increases equalling these gains are already being paid well in advance and for many years to come.

Yet, productivity springs primarily from investment in better production tools. Today, when we are faced with a critical need for more and better tools, this doctrine would deny us greater use of the fruits of progress for investment.

More productivity gains must carry through to profit, so that productivity will continue to gain—and gain by leaps and bounds—if we are to surpass our competition. All answers to the threat by competition revolve around rapid improvement of production tools and unrestricted freedom to market our products profitably.

For some unexplainable reason, these two inseparable concepts do not enjoy equal popularity.

Nearly everyone will agree to the need for new and better equipment. Proposals to spur capital expenditures win popular acclaim. But suggest that industry must generate more profit to build new

Continued on page 24

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

NEW ISSUE

June 6, 1962

\$50,000,000

The Mountain States Telephone and Telegraph Company Forty Year 4½% Debentures

Dated June 1, 1962.

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Business Outlook—Discussion in current issue of "Investornews"—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y. Also available are analyses of **Jones & Laughlin and Tire & Rubber Companies**, and comments on **Clevite Corp.** and **McDonnell Aircraft**.

Common Market and Its Implications—Report—David L. Babson and Company, Inc., 89 Broad St., Boston 10, Mass.

International Oil Outlook—Study—Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y.

Investment Opportunities in leading industries—Data on selected issues—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available are data on **Delta Air Lines, Pan American World Airways, National Airlines and Western Air Lines**.

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

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

Japanese Market—Review—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are comments on **Dai Nippon Printing Co. Ltd., Toppan Printing Co. Ltd.** and **Tosho Insatsu Printing Co., Ltd.**

Life Insurance Companies—Comparative study—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y. Also available is a study of **Food Stocks**.

Looking Ahead—Bulletin—Robinson & Co., Inc., 15th & Chestnut Streets, Philadelphia 2, Pa.

Market Outlook—Discussion in June "Investment Letter"—Hayden, Stone & Co. Incorporated, 25 Broad Street, New York 4, N. Y.

Market—Discussion—Filor, Bullard & Smyth, 26 Broadway, New York 4, N. Y. Also available are comments on **Noxema Chemical and Consolidated Laundries**.

Market Outlook—Review—Brand,

Grumet & Seigel, Inc., 67 Broad Street, New York 4, N. Y.

Market Outlook—Commentary—Winslow, Cohu & Stetson, Incorporated, 26 Broadway, New York 4, N. Y.

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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.

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

Allied Chemical—Data—Colby & Company, Inc., 85 State Street, Boston 9, Mass. Also available are comments on **Associated Dry Goods, Gulf American Land and Texaco**.

Amerada Petroleum Corp.—Discussion—Sutro Bros. & Co., 80 Pine Street, New York 5, N. Y. Also available is a discussion of **Crown Cork & Seal Co.**

Anelex Corp.—Report—Loewi & Co. Inc., 225 East Mason Street, Milwaukee 2, Wis.

Bank of California, N. A.—Analysis—First California Co., Inc., 300 Montgomery Street, San Francisco 20, Calif. Also available are reports on **Morrison Knudsen Co., Inc. and Pacific Gas & Electric Co.**

Barton Distilling Co.—Analysis—Hill Richards & Co., 621 South Spring Street, Los Angeles 14, Calif.

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Bell & Howell—Memorandum—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 5, N. Y. Also available are memoranda on **Chrysler Corp., Louisville & Nashville, and Revlon**.

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Caribbean Cement Co., Ltd.—Study—Annett & Co., Ltd., 220 Bay St., Toronto 1, Ont., Canada.

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Continental Assurance Company—Analytical Brochure—William Blair & Co., 135 South La Salle Street, Chicago 3, Ill.

Dynamic Gear Company, Inc.—Report—Flomenhaft, Seidler & Co., Inc., 63 Wall Street, New York 5, N. Y.

Electric Storage Battery—Review—Newburger & Co., 1401 Walnut Street, Philadelphia 2, Pa. Also available are reviews of **Minerals & Chemicals Philipp, National Biscuit, H. H. Robertson, Standard Oil of New Jersey, V. S. Freight and Convertible Bonds**.

Flintkote Co.—Bulletin—Mitchum, Jones & Templeton, Inc., 650 South Spring Street, Los Angeles 14, Calif.

General Portland Cement Co.—Report—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is a report on **International Harvester Co.** and a list of interesting **Electric Power & Light Stocks**.

Globe Union—Survey—Shields & Company, 44 Wall Street, New York 5, N. Y. Also available are comments on **Southern Materials and Public Service Electric & Gas**.

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Illinois Central Railroad—Bulletin—Purcell & Co., 50 Broadway, New York 4, N. Y. Also available is a bulletin on **Astrex** and surveys of **ACF Industries, Glidden Co. and U. S. Lines**.

Life & Casualty Insurance Company of Nashville—Analysis—Equitable Securities Corporation, 322 Union Street, Nashville 3, Tenn.

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North Canadian Oils Ltd.—Analysis—De Witt Conklin Organization, Inc., 120 Broadway, New York 5, N. Y.

Ocean Drilling & Exploration Co.—Memorandum—R. W. Pressprich & Co., 80 Pine Street, New York 5, N. Y.

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Transamerica Corp.—Analysis—Halle & Stieglitz, 52 Wall Street, New York 5, N. Y.

Union Trust Life Insurance Co.—Analysis—Divine & Fishman, Inc., 134 South La Salle Street, Chicago 3, Ill.

United Fruit Company—Analysis—Eastman Dillon, Union Securities & Co., 15 Broad Street, New York 5, N. Y.

Our New Foreign Credit Insurance Association

By Henry G. Sheehy,* President, Foreign Credit Insurance Association, New York City

Head of newly formed Foreign Credit Insurance Association predicts \$750 million insurance will be written up by this year's end based on 300 policies aggregating \$160 million having been already issued in the first three months of the organization's existence. Mr. Sheehy describes the FCIA and what is planned through it to assist the American exporter and—indirectly—banks, manufacturers and suppliers. Though about 75% of the insurance coverage is centered in the New York metropolitan area, the agency head confidently anticipates its expansion throughout the nation. It should, he concludes, play a vital role in expanding our exports and in meeting foreign competition.

For some years it was recognized that the American exporter was at a disadvantage with his foreign competitors. Many foreign exporters had insurance for the payment of their products, even instances of political disturbance. Credit insurance was readily available in many countries. This problem was recognized and eventually resolved by President Kennedy's directive that a program be established to protect our exporters against these hazards.



Henry G. Sheehy

At first, consideration was given to the organization of an insurance company with government capital and some private contribution. This plan was abandoned, however, as it was recognized that government already had an agency in the credit and loan field. This agency—the Export-Import Bank—following Congressional authorization to provide political risk and credit insurance decided that private enterprise should be offered the opportunity to help formulate a program. The result was the creation of the Foreign Credit Insurance Association.

The insurance business is extensive. It reaches into every part of our country. It has branch offices in practically every city. It has agents and brokers everywhere who are qualified—and will become more so—to help exporters obtain this insurance. Here then was a ready-made American business that immediately and economically could act as a medium for making credit insurance available to the American exporter.

Today There Are 69 Companies

In this enterprise—the insuring of political risks and credit—Eximbank and the insurance business are partners. When the Foreign Credit Insurance Association was organized there were only 14 companies participating. Today there are 69.

By the terms of the credit insurance policy, Eximbank assumes all the political risk coverage. Obviously, this is a field in which insurance companies should not participate. In addition, Eximbank assumes 50% of the credit risk. The insurance companies assume the other 50%. Based on developments, it is contemplated that in the future insurance companies will assume 100% of the commercial credit risk.

The comprehensive insurance policy is subject—as are many forms of insurance—to the exporter assuming a coinsurance obligation of 5% of the political risk and 15% of the credit risk. We have found little objection to this provision. The exporter realizes that he has a vested interest in the success of his transactions.

The coverage presently afforded is referred to as "Short Term Credit Insurance." It is designed to cover credit transactions up to 180 days or such additional authorized extensions beyond that up to a year, at the most.

The basic policy can be written for any amount up to \$15,000 on a blanket basis. This means that each foreign buyer is covered up to the amount of the policy.

The application for this policy is simple. All one needs do is call an insurance agent or broker and ask him to obtain the required form.

This form provides that the exporter report the names of the countries to which he is exporting or intends to export, the product or commodity and the estimated value of the annual exports to each country. The exporter is required to have in his credit files information sufficient to warrant the extension of credit.

We do not require that exporters furnish us with his credit data, although our revised application will spell out the nature of the reports we think he should have. This would include any two of the following: a domestic bank report, a foreign bank report, a trade report, a memorandum reflecting an investigation of the buyer's credit and reputation, a Department of Commerce report and possibly a financial statement. Of course, in the event of a claim due to loss we would expect the exporter to produce the credit data contained in his file.

If shipments to any one buyer exceed \$15,000, at any time, an exporter may arrange, as most do, for an increase in coverage. We can provide this under the basic policy by issuing an endorsement for whatever amount may be required for qualified importers.

The credit information re-

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Investing Temporarily Idle Corporate Funds

By Daniel M. Kelly*, Partner, Salomon Brothers & Hutzler, New York City

Corporate treasurers with temporary idle funds are advised to stay clear of exotic and science fiction short term investments, and are cautioned as to the proper place of Euro dollars and other glowingly described media. Mr. Kelly concentrates on how to exploit opportunities to beef up yield without impairing safety and liquidity. This includes a description of available types of investment instruments, explanation of the money market, and case by case illustrative discussion of preferable yields for similar maturities, and a view of the factors operating in the bill market and on other types of short term instruments. Until a good hunch comes, Mr. Kelly opines he will operate on the assumption that short term rates will hold pretty close to present levels for the summer. He labels it an exercise in futility to sit with idle funds trying to guess the trend of short term rates, and concludes "any reasonable return is better than a blank".

I intend to discuss the investment of nonfinancial corporations' temporarily available funds. I propose to do this by: (1) delving a little into some money market history; (2) offering a definition of the essential nature of temporarily idle corporate funds; (3) outlining the limitations which I believe this definition places on their investment;



Daniel M. Kelly

(4) listing media deemed suitable for such investment; (5) discussing certain portfolio trading techniques which have been certified by time and experience as appropriate to the management of a short-term portfolio; (6) and, of course, examining the markets in which such temporary investments are traded.

Not so very long ago few fiscal officers of nonfinancial corporations bothered to put idle corporate bank balances to work, and even fewer regarded such investment activity as a worthwhile, full-time vocation. This attitude, while curious in retrospect, is readily understandable in the light of those times. In those easy money days, money really was "easy." Easy money meant, for example, a 1/8% yield on 90-day U. S. Treasury bills, and 2 1/2% return on long-term U. S. Treasury bonds. Under such money market circumstances it is not at all surprising that corporation treasurers, as a group, showed very little interest, and exerted even less effort, in putting temporarily idle funds to work.

But as money rates rose corporate indifference to short-term investment opportunities gave way to attention which led to investigation. This, in turn, led to increasing corporate participation in the short-term investment market. And recently this participation, originally quite laggard in its development, and cautious to the point of timidity in application, has now come of age. It has increased in tempo and intensity and grown greatly in flexibility.

Finds Trend Toward Exotic Investments Dangerous

This development is beneficial to the corporate stockholder whose property is being better managed through fuller utilization and to the public at large because the sensible employment of excess funds increases the dimensions of the money market. But this market movement, like all market movements, already shows signs of over-compensating. This is evidenced by the wry humor of commercial bankers who facetiously report that some corporate depositors grow nervous if a sizable balance is left on deposit more than ten minutes. I am sure this is emphasis through hyperbole but

there may be a ghost of the truth in their rather rueful wit. In addition there are signs of a sort of "wheeling and dealing" attitude towards this investment area now creeping into the public press. Initially, "how to invest idle funds" articles in business publications soberly assessed the very real benefits to be derived from a corporate short-term investment portfolio. Nowadays this erstwhile austere approach seems to be giving way to a more glamorous type of short-term market analysis smacking strongly of science fiction.

Of course this newly evidenced interest in what might be called exotic types of short-term investments may also be due, in part, to the less abundant current supply of staple short-term paper which naturally, is registered in today's moderately lower rate structure on standard type short-term investments. Anyway, the most recent article I came across damned with faint praise the time-tested bread and butter media and techniques of short-term investment and described in glowing terms the delights of investment in Euro dollars; in dollar deposits in foreign banks; in foreign currency hedge operations; in bank guaranteed link financing; and last, but not least, reverse repurchases.

In themselves these financing devices have a proper place in the money market. They serve a financing need, particularly for corporations engaged in international operations, and afford specialized investment opportunities for professional money market technicians. Unfortunately, they are all too frequently described these days as virtually riskless short-term investments traded in a money market inaccurately pictured as practically foolproof.

Recalls Credit Anstalt Disaster

To the money market novice all this probably sounds enticing but sober reflection may curb the enthusiasm generated by such articles. The inducement to forsake the bread and butter investment media for the more exotic investment instrument is a pick up in yield. But under normal market circumstances an increase in yield connotes an increase in risk, and history demonstrates that the short term market is by no means foolproof. In fact, short term markets in the past have triggered some of the world's most serious financial crises. Perhaps some may remember that when Paris lent gold at the then prevailing short term rate to London, which London, in turn, lent on somewhat longer terms and at slightly higher rates in Vienna, where the money was then put to work in still longer terms at still higher rates the subsequent failure of Credit Anstalt helped force England off gold, caused a ministerial crisis in France and intensified the iron grip of the world-wide depression in 1931.

Moreover, this disastrous chain

of financial events was liberally sprinkled with guarantees. France could have put the funds directly to work in Austria and reaped the higher return. But the French lenders chose the lower rates and seeming safety of London's short term market. They confused the appearance of a short term investment with the reality of a long term commitment, and learned that a middleman's guarantee was, in certain circumstances, no proof against risk.

Warns Short Terms Should Be Self-Liquidating

I submit that there is a world of difference between investing temporarily idle corporate reserves, which may be called into action on little or no notice, in normal short term investment channels, and their commitment to financial operations which can only be handled by resorting to elaborate and complicated financing devices. Short term obligations suitable for temporary corporate investment are, or should be self-liquidating on their face either through market channels or maturity. Unsuitable ones lack something on their face and, hence, require elaboration and embellishment. To insert in such instruments the word guarantee may be a nice exercise in semantics but is not an elimination of risk.

For investment purposes, then, how should we define idle corporate funds? In a way they resemble the secondary reserve funds of banks. Experience has taught that the secondary reserve funds of banks should have virtually instant availability. This imposes on their investment employment a special requirement which is liquidity under any and all foreseeable circumstances. So, idle corporate funds, even more than the secondary reserve funds of banks must be employed in

self-evidently liquid investments for they, unlike the latter, have no recourse to a central reserve bank, and it would certainly seem anomalous for a corporation with ample current assets to be forced to borrow because those current assets, when needed, turned out to be less liquid than they should be.

Puts Yield Last

If this is a valid view of the nature of idle corporate funds then it imposes on their investment employment standards similar to those imposed on banks by the nature of bank secondary reserve funds. If this be the case then the holy trinity dominating the investment employment of temporarily available corporate funds is first — safety; second — liquidity, and last and least — yield. I believe that any income derived from the investment of idle corporate funds is to be regarded as a kind of financial manna, and that a compulsive emphasis on yield in the administration of such funds may impair their liquidity if not their safety.

Just what investment instruments measuring up to these requirements are available to the corporate treasurer with temporarily idle funds?

There are a number of categories but the heart of the short term investment market is the United States Treasury group for they constitute the only group of securities which affords a consistently dependable supply of investments.

Short Term Media

First and foremost in this group are U. S. Treasury bills and other U. S. Treasury obligations maturing within the required period of time which, for the purposes of this discussion we shall put at one year, although traditionally in Wall Street terminology the phrase "short term" may be used

to describe any maturity up to five years.

Next are the securities issued by instrumentalities of the Federal Government. Collectively these securities are referred to as the Federal Agencies, or quasi-governments.

Then come bankers' acceptances; commercial paper; finance paper; negotiable bank certificates of time deposits, a relatively new instrument not to be confused with the traditional time deposit; and repurchase agreements.

Other types of acceptable short term securities are railroad equipment trust certificates and the nearby maturities of bonds issued by all types of corporate enterprise. The income on all these types of securities thus far named is subject to all Federal income taxes.

There is still another group of tax exempt securities which are suitable for the investment of temporary funds—the short maturities of bonds and notes issued by state and local governmental bodies and by various public authorities. The income derived from such securities is exempt from present Federal income taxes and, usually, from income taxes imposed by the states in which they are issued.

As of now, taken together, these categories of short term securities comprise the staff of life of the corporate short term portfolio. The most recent addition to their ranks was the already mentioned negotiable bank time certificate of deposit. With the passage of time perhaps new investment instruments will be devised and added.

Of course, there are also such investment outlets as the traditional time deposit, and various kinds of paper with technical, if creaky, marketability. But these are not part of this discussion

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NEW ISSUE

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Investing Temporarily Idle Corporate Funds

Continued from page 9

which, for reasons already mentioned, is confined to instruments of easy liquidity through marketability if necessary.

I am not going to try anyone's patience by describing these various types of investment instruments. Salomon Brothers & Hutzler has published a blue folder labelled "Portfolio for Investment of Temporary Funds" which contains a little booklet entitled "Short Term Investments" which, I believe, does that job pretty well.

Obtaining Better Yields Without Impairing Safety and Liquidity

I propose, instead, to explore the market behavior and liquidity characteristics of each type of security; their supply; their yield spread relationships; and the market quirks and trading opportunities which the alert portfolio manager can exploit to beef up yield without impairing safety and liquidity.

Perhaps I may be able to make this paper more concrete by referring to certain quotation sheets which are also contained in that folder.

There's a lot of material in these kits helpful to a portfolio manager. For example, the tables showing the behavior of the Discount Rate, the Prime Bank Rate and the Finance Paper Rate back to 1945; and the behavior of rates on U. S. Treasury bills, Bankers' Acceptances; Federal Agency obligations and Finance Paper; together with the yield spreads between the several categories back to January, 1960.

Now let's consider the market position, both absolute and relative, of these various types of short-term securities.

Treasury bills are issued on a discount basis and are paid at par, the face amount, at maturity, they come out each week in competitive bidding and are traded in the open market on a discount basis from par. These bills have the broadest market, the narrowest spread between bid and ask, and are traded in larger sized amounts than any other short term security. They are so highly liquid the economists refer to them as the nearest thing to cash, and the banking system uses them as a sort of interest bearing cash. Note that they mature in from a few days' to almost a year's time. While their overall availability to corporate investors is excellent the shorter the maturity, as a general thing, the shorter the supply and, normally, the lower the yield and, therefore, the higher the dollar price. For all practical purposes, however, there is rarely a time when bills maturing in thirty days or more, are not available for purchase at some price which will, of course, reflect the relative amplitude or scarcity of supply, as well as the market's current rate picture.

The then and now paid off bill issue maturing on May 24 was quoted, on May 17, 2.60% discount basis bid, to 2.40% discount basis asked. Thus the spread between bid and ask was 20 basis points which may seem like a rather wide spread but which actually amounts to about \$40 per \$1 million bills. A normal spread on bills with 90 days to run is about two basis points between bid and ask or about \$50 per \$1 million.

This particular bill issue maturing May 24 was so close to maturity that trading activity in it had virtually ended, and the floating supply a week before the due date had just about dried up. In other words this quotation was a valuation rather than a trading

market, and the moral of all this is that anyone seeking to invest funds for a week's time had better look elsewhere than the bill market.

Alternative Outlets

Two alternative investment outlets which are usually available in such circumstance are (1)—a repurchase agreement, or (2)—finance paper. Either of these on the day in question would have yielded 2 3/4% as one can see by referring to the data. One might have bought Bankers' Acceptances at 2 7/8%, or a Federal Agency item, Bank for Cooperatives 3.05% maturing on June 4, at a price of 100 1/32nd to yield 2.35%. Actually there were neither six day acceptances nor Bank for Cooperatives 3.05% available at the time. One certainly would not have wanted these latter at a lower yield than the other available, and equally desirable investments, even if they had been available.

Obvious Trading Opportunities In Bills

The list of U. S. Treasury bill maturities run out at weekly intervals up until Nov. 15 and, after that date, at wider intervals, up until April 15, 1963. The issues vary in size from \$600 million to \$2.5 billion, and virtually all of these maturities from that of June 14 on were in fairly good supply on our base date, May 17. The bill market yield curve runs quite smoothly from lowest yields on the shortest and, marketwise, scarcest maturities, to highest yields on the longest and most plentiful maturities, and its rhythmic regularity presents portfolio managers with excellent trading opportunities. For the normal symmetry of this short term yield curve tends to prevail under most market circumstances and thus affords portfolio managers a chance to "ride the yield curve" with small risk and some profit.

"Riding the yield curve" consists of trading out of an originally longer bill maturity, which has shortened up with the passage of time, into a new long maturity, in order to realize market gains which can be used to augment overall portfolio returns. You invest, for example, in 90-day bills which are sold as they get closer to maturity and their price on the curve rises. You then reinvest the proceeds in new 90-day bills.

The same thing could be done with 180-day bills. The process can go on *ad infinitum*. It usually works well but could be thrown out of kilter if short-term rates suddenly shot skyward. Even during periods of rising rates, however, the higher yielding longer term bills, if held for only short periods of time, tend to yield more overall than do shorter bills. As for losses, it's hard for a corporate investor, unless forced to wheel on a dime to get hurt in the bill market. There are also other factors in the bill market worth examining. Some bill maturities are unusually popular because they may coincide with tax dates or divided payment dates and so may be priced a bit richer than maturities close by on the calendar. Still others may be priced a bit cheaper because they are outstanding in oversized amounts, and these market quirks may be exploited by the alert portfolio manager.

Flexibility for Extra Yield

Note, for example, the June 21, June 22 and June 23 maturities. The middle maturity of this trio, outstanding in the amount of \$2.5 billion shows a yield of 2.45%, while the maturities just before and just after it, both outstanding

to the tune of \$1.8 billion are each priced five basis points richer. And, besides, the June 22 maturity is a Tax Bill and if its yield were weighted for taxes the variation in its favor would be even more pronounced. The Aug. 9 and 16 maturities also interrupt the symmetry of the curve, by showing yields two and three basis points more, respectively than the Aug. 20 and 23 maturities which are outstanding in smaller amounts of only \$600 million each. Tunnel vision focusing on a bill maturity solely for bookkeeping convenience can be a costly luxury. Flexibility reaps extra basis points.

It is interesting to note, too, that as you go out in the maturity range and encounter a better floating supply, the spread between bid and ask narrows from the ten basis point spread on the earlier maturities to three basis points on the later maturities. Actually it's a rare bill maturity that's traded on a ten basis point spread. The usual spread between bid and ask on full lot trading generally runs in the range of two to five basis points, depending on maturity and supply, and the shorter the maturity the wider the spread.

Agency Obligations Compared

Now let's compare the yields on Treasury bills with those obtaining on Federal Agency obligations of similar maturity. For most corporate investment purposes the only advantage of a bill over an Agency issue is the better liquidity it affords, and for many investors this nth degree liquidity of the Treasury bill may be a needless luxury. Treasury bills maturing on June 14 and June 21 afford 2.34% and 2.40% yields, respectively. A Federal Agency issue with a similar maturity, the Federal Home Loan Bank 3% due June 15 show a 2.54% return. This 14 to 20 basis point differential seems like a pretty fair pickup in yield for giving up the premiere security.

Let's go out a little further to say, Aug. 15 and make the same comparison of yields of similar maturities, this time including other U. S. Treasury securities. We see that Aug. 16 bills afford a 2.63% return; that U. S. Treasury 3 1/4% due Aug. 15 are offered at 100-8/32nds to yield 2.21%, and that Federal Land Bank 4 1/8% due August 20 are offered at 100-17/32nds to yield 2 3/4%.

In this case the Agency issue, the Federal Land Bank 4 1/8% shows a 12 basis point pickup in yield. Considering the premium over par at which the Land Bank bond is selling, and which requires you to put up more dollars, and the fact that it is the junior security, the yield pickup is only fair. The Treasury 3 1/4% show less yield than the bill and the quotation shows that they are already trading as "rights." At this market level some traders might think it worthwhile to sell the Treasury 3 1/4% due Aug. 15, and to purchase the Aug. 16 bills for two reasons—(1) in order to pick up additional income and, (2) to hedge against the possible failure of the market's anticipation of a "right" value to materialize. So here the Bill issue is the best buy.

Now let's go out still further in time to Nov. 15 and make the same comparison. We find that Nov. 15 bills yield 2.73%, and that Treasury 3 1/4% due Nov. 15 are priced at 100-10/32nds to show a 2.61% yield. Again the bills yield more but not so much more. The Treasury 3 1/4% may or may not have a right value at maturity. If they should turn out to have a right value, and at this stage of the game that's impossible to predict, it's evident that the market would have to put a price of about 2/32nds on the "right" in order to even the score on the present yield differential in favor of the Treasury bill. But you can't count on this happening, so, again, the bill seems to be the best buy. As

a rule of thumb when you can buy a bond with a potential "right" value at a yield equal to or higher than the similar maturity bill it's worthwhile to do so.

Explains "Right Value"

Perhaps I should explain the term "right value." This is Wall Street jargon meaning that holders of a maturing Treasury issue are given the right to exchange the bonds coming due, in lieu of cash payment, for a new refunding issue considered to be attractive in terms of then obtaining market circumstances. This, accordingly, puts a premium price on the "rights" issue as compared with the prices of nonrights issues which are being paid off in cash. For the short-term investor it makes no difference that the premium priced new issue which he may obtain by surrendering his "right" may be much too long in term for him to hold in his own portfolio. He merely sells his maturing "rights issue" in the open market and reinvests the proceeds in another more suitable issue; maybe one with a potential "right value." Treasury bills don't get in on this "rights potential" activity because, so far, bill issues have rarely received any rights of exchange into new issues.

I don't think there is any reason for most corporate investors to discriminate in favor of one type of U. S. security with an acceptable maturity over another, aside from yield spread considerations, and any trading potential for profitable switches which may be present.

I believe this is also true, but to a lesser degree, of Federal Agency issues as compared with Treasury issues, granting that appropriate yield spreads prevail. Obviously if there is no difference in yield, maturity for maturity, or if the yield spread is pretty narrow, the Treasury security is to be preferred over the Agency issue. In fact, if the spread is narrow enough historically a trading swap out of an Agency issue at a moderate pay up in price and temporary loss in yield might be advisable for the purpose of achieving a profitable reversal later on. It is true, of course, that the spread between bid and ask prices in the Agency market is not as narrow, nor the size of markets as large as in the case of direct U. S. Treasury obligations, but the yield differential in favor of Agency issues is generally sufficient to compensate for this market condition.

Other Short Terms

Now let's consider the various types of other securities in the short-term category. Bankers' Acceptances are excellent short-term investments for any investor. Maturity for maturity they yield, at the present time, about 30 basis points more than Treasury bills, and are fully marketable. But the supply is apt to be spotty and unreliable. There are easier ways of keeping a portfolio fully invested at comparable rates for similar maturities in paper which may be technically less marketable than acceptances but which are virtually as liquid.

One alternative is finance paper which currently yields 2 1/4% on 30 to 59-day maturities; 2 3/8% on 60 to 89 days; 3% on 90 to 179 days; 3 1/8% on 180 to 239-day paper, and so on. Here again the supply can be spotty but it's still much better than the supply of acceptances.

The large national finance companies issue their paper directly to investors as they require funds. The smaller, regional companies use dealers to distribute their paper. Finance paper is only rarely traded in the open market but, still, is very liquid. It is usually tailored to meet the exact maturity date required by the investor, and, in addition, a "put" can frequently be arranged giving the purchaser the right to return

his paper to the issuer under certain circumstances.

I suppose I should also mention commercial paper, the trade name for the unsecured promissory notes issued at a discount from par by commercial or industrial enterprise to finance short term cash requirements for periods of time of from two to six months. Yields are the same as those obtaining on comparable quality finance paper but the supply picture is even spottier than it is in acceptances.

Negotiable Time Deposit Certificates

Commercial bank negotiable certificates of time deposit, the newest short term investment instruments, are generally issued in denominations of \$1 million although there are some outstanding in smaller denominations, too. They come out in bearer form and are now outstanding in an amount totalling over \$2 billion. They are growing in volume and in popularity.

Originally, only one other dealer besides ourselves handled these certificates. Now all the major dealers maintain active markets in them. When Regulation Q was first changed some banks paid as high as 4% for one year money and, of course, these 4% certificates are now trading at a premium. Currently the "C/D" yield picture is 3% for 6 to 9 months paper; 3 1/8% for 9 to 12 months paper; and 3 1/4% for one year paper. These rates fluctuate, of course, with the money market.

Maturing Bonds

Other types of securities are sometimes available to the short term investors, such as railroad equipment trust certificates and nearby maturities of bonds issued by all types of corporate enterprise. Unfortunately, the supply is highly irregular. Moreover, if by miscalculation, or because of an emergency, the funds so invested have to be realized prior to maturity, they would be subject not only to the usual ups and downs of the market-place but to the Federal transfer tax of 50 cents per \$1,000 face amount of bonds, which in the case of the very short maturities, can cause quite a percentage dent in yield.

Another category of securities also suitable for short term purposes are the short maturities of tax exempt bonds and notes issued by governmental bodies and public authorities. Their market supply is, however, apt to be spasmodic. The credit risk involved is negligible. The yield reflects their tax exempt status.

However, there is a variety of short term tax exempt security with a fair degree of availability and maximum investment safety. This is the Public Housing Authority Temporary Loan note. As of our base date such notes were available in December, 1962 and January, 1963 maturities to yield 1.45%, tax exempt.

Finally, for extremely short term investment, that is, one or a few days, the investor with temporary funds can utilize the "Repurchase Agreement." On Friday (May 25) the rate on Repurchase Agreements for money put out until Monday ranged from 2 1/2% to 2 3/4%.

I think this just about covers the available types of investment instruments possessing the safety and liquidity so essential to the corporate investor using temporarily idle funds. Their diversity indicates that the short term portfolio manager should have a broad authorization which will allow him to range the entire spectrum of sound short term investment media in order to be able to get the best yields obtainable at any given time and to take advantage of trading opportunities to build

up income with no sacrifice of safety.

Now let us turn to the market in which these securities are traded.

The Money Market

A market-place can be defined as a constantly shifting set of variables which put into economic action the needs and desires of the people it serves. One of these variables is the money market which is generally divided into two sectors, short and long and, of course, we are primarily concerned with the short term sector.

The chief causative factor in this market's requirements, as in any other, is demand and supply—in this case the demand and supply of money. And, of course, when demand is heavy and supply is light interest rates go up, and vice versa. Subsidiary factors are legion. Some major ones which should be observed in trying to determine market trend and in managing short term investments are—business demand for loans; the state of bank lending ability; the level of interest rates in the long term market and its possible effect on the volume of bank loans; and the influence of the Treasury's debt management policies, not only for fiscal reasons but as part of the overall effort to promote economic stability and growth.

What the Federal Reserve does is of primary importance to the money market. It may directly influence the rate of return received on short term investments. It may also play a part in the price paid for long term money.

The Federal Reserve works its will through its Open Market Committee's purchases and sales of Treasury securities, through adjustments of the banking system's required reserves and the System's rediscount rate.

Still other factors are corporate liquidity, and the influence on reserve of the inflow and outflow of gold. All these factors and more enter into the pricing of money and the level of rates in the short term market. It's a tough job to try to unravel the seamless web of economic cause and effect, and I know of no formula chain-linking cause and effect into an eventual end product which determines rates. For one thing the weighting of the innumerable factors concerned is not constant and varies with changing circumstances.

Ease in Short-Term Yields

Short term money rates have remained largely unchanged for months but have persistently shown somewhat easier tendencies. This tendency towards ease is apparently contrary to the desires of the monetary authorities, for on May 17 the financial press interpreted the Treasury's announcement of an increase in the weekly bill auction as meaning that a floor under the short term rate structure was sought. It was pointed out that the rate level on 90 day bills had declined to 2.62%, a level below the 2.70-2.80% range usually regarded as the minimum holding point needed to slow gold outflow. The stories concluded by citing as further evidence of official desires to keep the bill rate up the unorthodox behavior of the Federal Reserve early that week when it sold bills heavily just before bidding time, thus dampening bill bidding enthusiasm.

Now, how does one go about gauging the trend in this market? Well, the bill bidding and the open market trading act as a bellwether for the entire short term market area. And as we know the monetary authorities acting on their estimates of business conditions and international balance of payments developments have a most powerful influence on rates.

How do you guess what they will do? Well, trading is an art,

not a science. You guess what seems likely to happen on the basis of experience, ideas as to business conditions, balance of payment problems, etc., based on one's readings in the financial press and daily conversations with others in the field. And out of all this once in a while you get a darn good hunch as to the shape of things to come. Right now I'm waiting for that hunch. Until I get it I'll operate on the thesis that short term rates will hold pretty close to present levels for the summer. However, for the strictly short term portfolio manager to sit still with idle funds while trying to guess the trend of short term rates seems to me like an exercise in futility. They may go up or they may go down. In either case, time itself keeps running fast in the short term market and any reasonable return is better than a blank.

*An address by Mr. Kelly before the Committee on Gas Industry Finance, American Gas Association, Virginia Beach, Va., May 28, 1962.

Lloyd B. Taft With Loeb, Rhoades

Carl M. Loeb, Rhoades & Co., 42 Wall Street, New York City, members of the New York Stock Exchange, have announced that Lloyd B. Taft, former newspaper and broadcast executive, has become associated with the firm.



Lloyd B. Taft

He joined the Cincinnati Times-Star in 1947, rising to Vice-President and Assistant Publisher. In 1958 he became General Manager of WERC, Birmingham, Ala., a division of Taft Broadcasting Co. He resigned this post recently to join Carl M. Loeb, Rhoades & Co.

Mr. Taft has been active in political and civic affairs in Ohio and Alabama, following the public service tradition of his family.

David Sellgren With Dempsey-Tegeler Co.

(Special to THE FINANCIAL CHRONICLE)

SAN DIEGO, Calif.—David M. Sellgren has become associated with Dempsey-Tegeler & Co., Inc., 303 A Street. Mr. Sellgren was formerly President of Sellgren, Miller & Co., Inc., making his headquarters in La Mesa.

Ralph Sievers, formerly with Currier & Carlsen, Incorporated, and Jack L. Herron and Herbert M. Bullock, Jr., both previously with Eastman Dillon, Union Securities & Co., have also joined Dempsey-Tegeler & Co.

Rosenblum Joins Hardy Staff

William Rosenblum, formerly branch manager of a New York Stock Exchange member firm, has joined the Exchange member firm of Hardy & Co., 25 Broad St., New York City as director of sales, it has been announced.

The firm's sales department has recently been enlarged to include the following registered representatives: Arthur J. Barkhouse, Jr., Jacques Baron Colton, Norman N. Kiamie, William H. Somyak and Jerome F. Steinberg.

Influence of Lower Margins on Stock Prices

By Daniel J. Berrell

Recent decline of stock market prices focuses attention on possible governmental action in that area. A handy and powerful weapon is the ability of the Federal Reserve Board to reduce margin requirements. This action has been taken six times in the past, mainly with good results. When the next reduction comes, it will have three major characteristics.

The precipitous decline of the stock market during recent weeks has made headlines throughout the world. Editorial writers, economists and stock traders have poured forth a torrent of words as to why the market fell, and from the injured public, a cry has arisen, "Why doesn't the government do something about it?" From the statements of the President, the Secretary of the Treasury, and the various members of the Federal Reserve Board we know that the government is concerned about the decline and is studying ways to help. The most obvious weapon in government hands is the ability of the Federal Reserve Board to lower margin requirements under Section 7 of the Securities Act of 1934. This device was employed six times since passage of the 1934 Act. Its effect on stock prices was as follows:

Past Performance

On Nov. 1, 1937 the Federal Reserve Board reduced margins from 55% to 40%. A week before the change, the Dow-Jones Index of 30 Industrial Stocks closed at 134.43 (Oct. 25). The Index climbed to 135.94 on the day of the change but dropped off again to close on Saturday of that week (Nov. 6) at 125.25. A month later (Dec. 1) it was down to 122.11; three months later up slightly to 123.97 (Feb. 1, 1938), and six months from the date of the change (May 2, 1938) it was down to 110.09 for a net loss in the half-year period of 25.85.

Effective Feb. 1, 1947 margin requirements were again reduced, this time from 100% to 75%. The previous week (Jan. 25) the Dow-Jones Index stood at 175.35, rising to 180.88 on the day of the change and to 184.49 a week later (Feb. 8). However, on March 1 the Index was down to 179.29 and six months later back up to 183.81 (Aug. 1). The results of the half-

year, then, was a slight gain of 2.93.

On March 30, 1949 margins were lowered from 75% to 50%. The record shows that a week before (Mar. 23), the D.-J. Index was at 176.20, increasing to 178.45 on the day of the change, but backing down to 174.06 a month later (April 29). Six months later (Sept. 30), however, it was up to 182.51 for a gain of 6.31.

Effective Feb. 20, 1953 margin requirements were reduced from 75% to 50%. On Feb. 11, the D.-J. Index was 281.57 increasing slightly to 281.89 on the date of the change. A month later (March 20) the Index was up to 289.89, but in six months (Aug. 20), it had declined to 271.73 for a net loss of 10.16 during the half-year period.

On Jan. 15, 1958 margins were lowered from 70% to 50%. As of Jan. 8, 1958 the D.-J. Index read 446.61 declining to 445.20 on the day of the change. One week later it was up slightly to 445.70 (Jan. 22); a month later (Feb. 14) down to 444.44, but six months later (July 15) up to 478.82 for a net gain of 33.62.

The last margin reduction took effect on July 27, 1960 and involved a 20 point drop from 90% to 70%.

A week before the action (June 27) the D.-J. Index was 642.49 going down to 601.76 on the day of the change. Thereafter, it picked up, going to 608.69 a week later (Aug. 3) and 636.13, four weeks later (Aug. 26). At the end of the six month period the Index was up to 643.59 for a gain of 41.83.

Conclusion

Thus we see that in four cases out of six the Federal Reserve Board's action in reducing margin requirements had the effect of helping stock prices to advance, and in two cases it had no effect. We may conclude from this study, that in the majority of instances

(66%), margin reduction is a potent weapon in the fight against unruly bear markets.

From the record, we may also judge that the next reduction is likely to have three major characteristics. (1) It will probably be to the 50% level, since that was the lowest level during the postwar period. (2) The action will come after the volume of trading on the New York Stock Exchange has declined to 3,000,000 shares or less, per day. Of the six reductions, only one came when the volume was over 2,500,000, that was after the close on July 26, 1960 when the total volume reached 2,717,000 shares. (3) The reduction will come after the market shows that it is drifting lower. In the past, the Reserve Board has waited until the bounce went out of stock prices and a little stimulant was needed. When the timing is deemed propitious—and possibly within a month—the Board will prod the bear again.

First of Mich. Elects V.-P.

DETROIT, Mich.—Milton J. Pappas has been named Vice-President and Manager of the Corporate Underwriting and Research Departments of the First of Michigan Corporation, Buhl Bldg. members of the New York and Detroit Stock Exchanges, according to the firm's President, W. Sydnor Gilbreath.

Mr. Pappas was most recently associated with Merrill, Turben & Company, Cleveland, Ohio, in the New Business Department. Prior to this he was a trust investment officer with the Cleveland Trust Company.

Johnston Joins Paine, Webber

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—George L. Johnston has become associated with Paine, Webber, Jackson & Curtis, 24 Federal Street, members of the New York and Boston Stock Exchanges. Mr. Johnston was formerly municipal bond manager for Goldman, Sachs & Co.'s Boston office.

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

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Wall Street's Slump And Its Repercussions

By Paul Einzig

Dr. Einzig explains the repercussions of our stock market slump on Europe's stock exchanges; probes the reasons for the decline; and views the implications of the market's behavior on trade union demands. For two reasons, in terms of assuring a prolonged rise without risking another Black Monday and curbing wage inflation, Dr. Einzig indicates why the stock market should have settled down at a lower level before turning around. He weighs the prospects for deflation, inflation and profits-attrition; and notes that labor at least is now aware of the fact that a Black Monday can hurt them, too.

LONDON, Eng.—It is the habit of some economists to introduce each chapter of their books with some classical verse. When the history of the last week in May 1962 in Wall Street comes to be written they will no doubt be tempted to introduce the relevant chapter by the following quotation:—

"The good old Duke of York
He had ten thousand men,
He marched them up to the top
of the hill
And marched them down
again."

The only thing that would be wrong with the quotation would be that the movements in Wall Street were in reverse order. However, no fault could be found with what followed:—

"When they were up they were up,
When they were down they were down,
And when they were only halfway up
They were neither up nor down."

This aspect of the episode is the only one about which even the proverbial seven experts who hold eight different opinions about the causes and consequences of the drop on Black Monday are in perfect agreement. There can be no disagreement on the fact that prices were down on Monday, that they were up again on Friday, and that they were only halfway up (approximately) on Tuesday. But there is bound to be disagreement whether the Duke of York was right when marching up his troops or whether he was right when he marched them down again. Surely he could not be right on both occasions. However this may be, it is indeed gratifying that the dramatic incident, of May 28, which threatened to develop into a tragedy, has after all turned into a comedy about which it is possible to joke.

The argument whether the market was right on Monday or on Friday is bound to continue until some more definite major trend in Wall Street confirms either those who think prices are once more too high or those who held all along—except perhaps during some agonizing hours on Black Monday—that they were not nearly high enough.

Why Europe's Exchanges Were Affected

The reason why the heavy fall in Wall Street last week was not at first shrugged off lightly as a freak movement, and why it caused such heavy repercussions on the Stock Exchanges of Europe, was that a great many investors and speculators have long been feeling underneath that the boom in equities had gone too far. A similar feeling existed also during the late 'twenties from about 1926 onward, but it did not prevent the boom from continuing for years. On the other hand a great many people in the 'twenties felt there was no reason why the boom should not continue forever, but it did not prevent it from coming to an abrupt and disastrous end.

Viewed in retrospect, it is rather perplexing how the Wall Street boom in the 'twenties could continue so long, seeing that it

was in flagrant conflict with the deflationary undertone of the world economy. But the Wall Street boom of the 'fifties and 'sixties was in perfect sympathy with the inflationary undertone of the world economy. And the undertone is still inflationary, in spite of what Mr. Per Jacobson says. Consumer purchasing power is still on the increase even if for some reason the curve of consumer spending has flattened out.

It is tempting to infer from this conclusion that in such circumstances there is much more economic justification for assuming now that temporary setbacks apart, the rise in Wall Street and on other Stock Exchanges will continue forever than there was for the similar assumption in the 'twenties. But those who think so overlook the contracting profit margins.

Deplores Quick Turnaround

Another reason why this argument cannot be accepted unconditionally lies in the paradoxical French proverb: "It is only the temporary that lasts". It is inevitable that the market should exaggerate in discounting future inflation and expansion, and that from time to time second thoughts should develop about whether these anticipations are not mistaken. The result of such second thoughts is Black Monday. In a way it is a pity that the Stock Exchanges did not settle down at the lower level from which there would have been a good scope for a prolonged rise without undue risk of another Black Monday.

Quite possibly the next setback, when it comes, may be so grave that it would reverse the basic economic trend itself. It is true, the sudden recovery that followed the slump will encourage investors and speculators to be more cold-blooded in face of the next slump. But this only means that prices in Wall Street are liable to rise to an even more vulnerable level at which the discounting of future rise will become flagrantly exaggerated.

Impact Upon Labor Demands

From the point of view of bringing trade unions to their senses it might have been better if the temporary setback witnessed last week had continued a little longer. In this respect the reaction of the workers of the British Ford at Dagenham was characteristic. On Tuesday, under the influence of the previous day's Wall Street slump and its effect on the London Stock Exchange, they abandoned strike threats and were eager to discuss improvement of labor-management relations. But on Wednesday, following on the Wall Street recovery and its repercussions on the London Stock Exchange, they reversed to their previous positions—demand for an immediate substantial wage increase reinforced by strike threat, and loss of interest in discussing an improvement in labor relations.

This means that, in Britain at any rate, but presumably also in the United States and other Western industrial countries, wage inflation will continue unabated. The question is whether it also means that consumer buying pres-

sure will resume its former upward course. If not, inflation and deflation will continue to run concurrently, to the grave detriment of profit margins. In that case Wall Street is bound to develop second thoughts once more before very long, and this time second thoughts, although temporary, might confirm the French proverb quoted above by lasting an uncomfortably long time.

Even if the trade unions feel they can afford to ignore any unemployment threat through official disinflationary policies, they would be unwise to ignore the possibility of unemployment through a major Wall Street slump and its repercussions. If Black Monday had no other effect it surely brought home the fact that such a thing must not be ruled out as being quite out of the question in the post-war world.

Haire Elected By Mutual Funds

ELIZABETH, N. J. — John R. Haire has been elected Executive Vice-President of Fundamental Investors, Diversified Investment Fund, Diversified Growth Stock Fund and Westminster Fund, Parker & Westminster.

Mr. Haire is Chairman of the Federal Taxation Committee of the Investment Bankers Association, Chairman of the Underwriter Division and a member of the Executive Committee of the Investment Company Institute, and a member of the Securities Advisory Committee of the State of New Jersey.

The mutual fund official is also Executive Vice-President of Anchor Corporation, a financial holding company whose subsidiaries include Hugh W. Long and Company, national distributor of the funds, Investors Management Company, investment advisor to the fund, and First Western Life Insurance Company.

A former Vice-President of the New York Stock Exchange, Mr. Haire became Vice-President of the funds in 1959. Before six years' association with the Exchange, he was associated with Nutter, McClennen & Fish in Boston, was legal and financial aide to William H. Vanderbilt and was an officer of a number of Vanderbilt enterprises.

S & S Inv. Company

S. & S. Investment Advice and Securities Dealers Co. has been formed with offices at 52 Wall Street, New York City, to engage in a securities business. Spiro Sideris is a Principal of the firm.

Cohen, Lahey Branch

Cohen, Lahey, Appel & Co. Incorporated has opened a branch office at 40 Exchange Place, New York City under the management of Sherman Chassen.

Darius in Minneapolis

MINNEAPOLIS, Minn.—Darius Incorporated has opened a branch office in the Soo Line Building under the management of Russel K. Johnson.

Dempsey-Tegeler Office

OXNARD, Calif.—Dempsey-Tegeler & Co., Inc. has opened a branch office in the Heiley Building under the management of H. Martin Bullock.

1962 Steel Production

By Joel Hunter,* President, Crucible Steel Company of America

A comfortable level of ingot production — 107 million tons which is 10 million short of record high in 1955 — is predicted for 1962 providing fourth quarter's general economy does not unexpectedly nose downward. Large proportion of our over-capacity is attributed to obsolescent equipment which probably will never be used. The sharp sell-off in steel company equities after the 3.5% price hike rescission is said to have been way out of proportion to the price change. Confidence is expressed that the difficult challenge of cost reduction — the alternative to a price increase — will be met with good results.

Nobody buys steel these days unless he needs it. Buyers are not concerned about the price going up — at least for a whole — and they know steel is available. The prospects for steel are, therefore, to be learned from the state of the steel-using segments of the economy.

These seem to be generally good. The consumer is spending well for hard goods. True enough, business investment in new plant is not yet impressive and whether confidence has been impaired remains to be seen. The intention surveys are optimistic and depreciation relief would be a stimulant. The magnitude of government spending and precarious equilibrium of the budget are to be reckoned with. If this moderate prosperity is less exuberant than had been expected, these are, nevertheless, good times.

Predicts Good Ingot Production Level

Ingot production in calendar 1962 may be about 107 million tons. This is a good level of production but by no means the best ever. It is well short of the 1955 record of 117 million tons but comfortably above the 85 million tons of the 1958 recession. Production of 30.6 million tons in the initial quarter will be down substantially in the current quarter, perhaps 20%. The sharp decline reflects the extension of contracts with the labor unions as the quarter began. If a new labor agreement had not been reached, mill activity would have continued at a high level until the old contract expired June 30. It would then have been necessary for inventories in customers' hands to be worked down to lower levels. Meanwhile, steel mill activity would fall from a rate well above consumption to one substantially below. The full year 1962 will not be quite so lopsided as it might have been, and second quarter's loss will be third and fourth quarters' gain.

The buying pattern in early 1962 followed the one in 1959 before the steel strike at mid-year. Consumers' stocks increased about 3½ million tons in the first 1959 quarter and a little over 3 million in the first period of 1962. In the second quarter of 1959, customers added 8¼ million tons to inventories but there will probably be a reduction during the comparable 1962 period. In other words, steel buyers laid down an extra ton for every two tons they used during the first half of 1959. In contrast, consumers' extra purchases will amount to about 150 pounds per ton of usage for the current half year.

Indications are that something like 52 million ingot tons will be produced in the last half of this year subject to an important "if." The third quarter is seasonally weak and will be affected by further inventory decumulation of moderate proportions. This assumes, therefore, a strong rebound in the final quarter to a

point about midway between the levels of the first and second quarters. This rebound will not occur if the general economy begins to nose downward, but this does not seem likely. On the contrary, as best we can tell, business will be pretty good in the latter part of this year going on into 1963. Inventories will be well balanced by the end of the summer and the steel industry will benefit directly from these general conditions.

So much for the immediate outlook.

Much of Our Over-Capacity Is Obsolescent

Before I conclude, I would like to make a couple of observations I think are germane to any discussion of steel.

It is said there is much more steelmaking capacity in existence than this country will ever require. I believe this to be literally true, but I am sure a very large proportion is so much lower in productivity that it is non-competitive and will probably never run again. There are no figures to prove this point but I have no doubt of its validity.

The steel industry is in a well-publicized price squeeze. So well publicized, in fact, that failure of an attempted 3.5% price increase brought a sharp sell-off in steel company equities on the stock exchange. If I relate cause and effect properly here, I can only suggest the latter is out of proportion. Such a small price change is hardly a matter of life and death. If a price increase is not feasible now, we must further reduce our costs and at the same time sell more steel. In this way we may counter rising costs of labor. There are long term factors which will aid these efforts. There is nothing easy about this, but I am confident there is much room for progress. As the situation develops in the next few years, I think you will see a vigorous response to this challenge to the steel industry.

*A talk by Mr. Hunter before the National Industrial Conference Board, New York City.

First Columbus Branch

CINCINNATI, Ohio—The First Columbus Corporation has opened a branch office in the Mercantile Library Building under the management of John P. Roach.

First Princeton Branch

MONTCLAIR, N. J.—First Princeton Corporation has opened a branch office at 35-37 North Fullerton Avenue under the direction of Philip W. Peters.

With Cyrus Lawrence

Cyrus J. Lawrence & Sons, 115 Broadway, New York City, members of the New York and the American Stock Exchanges, announce the appointment of Grenville K. McVickar to their investment advisory department. Mr. McVickar previously was with Montgomery, Scott & Co.

With Calif. Investors

SANTA BARBARA, Calif.—Arthur J. Maskala and Charles J. Nagel have joined the staff of California Investors. Both were formerly with F. J. Whitman Co.



Joel Hunter



John R. Haire

Money and Credit Outlook In the Next 12 Months

By William S. Renchard,* President, Chemical Bank New York Trust Company, New York City

Examination of factors bearing on money and credit conditions anticipates ample but not excessive credit will be available to finance at reasonable rates of interest any foreseeable volume of capital expenditures. Adequate bank credit is seen, also, for interim financing, plus inventory or receivables build-up, as well as consumer credit or the movement of goods in international trade. Business improvement generally predicted for the 12 months ahead is not expected to strain the monetary system. The gold-outflow is mentioned as our biggest problem but the Administration is believed to be fully capable of dealing firmly with it.

Having agreed to participate in this meeting prior to a recent visit to Japan, I was naturally thinking about it while in that country and I might start out with one or two comments on the economic situation there as a background to the subject of my remarks.



William S. Renchard

The money situation in Japan is extremely tight, and the 12 large foreign exchange banks there are experiencing an overwhelming demand for credit. For example, the most recent statement of the largest bank there, expressed in dollars, reflects total deposits of \$2.189 billion, total loans of \$1.833 billion, capital and surplus of approximately \$75 million, and borrowed money of \$268 million. Statements of the other large banks reflect a similar condition. The principal reasons for this situation, perhaps oversimplified, are as follows:

- (1) The exceptionally high rate of economic growth accompanied by heavy capital expenditures.
- (2) The fact that almost the full burden of financing this growth and expansion of industry falls on the banks due to the lack of a broad capital market such as we have in the United States which, in turn, is due to their inability as yet to develop sufficient accumulation of savings.

Recalls Our Own Situation

Looking back over the economic history of the United States, our own situation has been somewhat comparable to this in years past when the economic climate was not too unlike that of present-day Japan. For example, a combined statement of all member banks of the Federal Reserve System as of Dec. 29, 1920 showed total deposits of \$24 billion, loans of \$19.5 billion, capital funds of approximately \$4 billion, and bills payable of about \$3 billion.

The condition statements of the banks during the depression years of the '30's were in distinct contrast to these figures and the easy money and credit conditions of that period were continued throughout the tremendous monetary inflation that took place during World War II. It was during the '30's that the so-called prime commercial bank rate came into being at a figure of 1½% and the discount rate for 90-day U. S. Treasury bills was at the ridiculously low figure of ¾ of 1%. The prime rate remained at 1½% until December, 1947, when it was raised for the first time to 1¾%. In the ensuing 14 years there have been 18 changes in this rate, all but four of which were upward, and the present prevailing rate of 4½% has been in effect since Aug. 23, 1960.

This covers the period to which I like to refer as the postwar boom when our own country was engaged in filling the backlog of

consumers demand for goods and capital expenditures by industry were large and steadily rising. Some time within the past few years we have seen the end of this boom and our rate of economic growth appears to have reached a plateau and inflationary pressures have been moderated. I will not endeavor to go into all the reasons for this state of affairs but cite it simply as background material.

Factors Bearing on Money and Credit Conditions

My purpose in reviewing these few historical facts is to illustrate the effects of some of the factors which have a direct bearing on tight or easy money and credit conditions. The principal of these are the following:

- (1) Rate of economic growth and accompanying capital expenditures.
- (2) General level of business activity—Production and consumption.
- (3) Rate of accumulation of savings.
- (4) International transactions.
- (5) Last, but not least, Federal Reserve and Government fiscal policies.

We are now endeavoring to project the outlook for the next 12 months. Some wise man said, "The most difficult thing to forecast is the future." However, I believe it might be helpful to review the immediate past with particular reference to Federal Reserve policies and their effects on the money and credit situation since April, 1960.

Easy Money Policies Since February, 1960

As we well remember, in the fall of 1959 many economic forecasts were made not only for the year 1960 but for the entire period of the 1960's. These were highly optimistic. Along about February, 1960, business showed signs of weakening, running quite contrary to the predictions made the previous fall. Looking back now the record seems clear that the Federal Reserve Open Market Committee began to take steps around April 1, 1960 to ease the money situation by increasing the amount of reserves available to the banking system. Between March 30, 1960 and March 28, 1962, total reserve bank credit increased \$3.343 billion, resulting principally from an increase in the holdings of governments by the Federal Reserve Banks in the amount of \$3.5 billion and offset principally by the loss of gold in the same period of \$2.8 billion. In addition to these factors, the Federal Reserve reduced the discount rate from 4% to 3½% in June, 1960, to 3% in August, 1960, and reduced member bank reserve requirements in September, November and December of 1960, as well as giving the banks permission to use vault cash for reserve purposes for the first time in the history of the System. The net effect of all these changes was that member banks increased their earning assets between the end of March, 1960, and the end of March, 1962, by a total of \$25.5

billion. Loans increased \$11.5 billion. United States Government securities, mostly short-term, increased by \$9.4 billion and other securities, mostly tax exempt, increased approximately \$4.6 billion. This permitted the banks to reduce their borrowings by more than \$800 million and provided the greatest degree of liquidity the System has had in recent years. Meanwhile, the Government in its debt management program issued approximately \$5 billion of additional Treasury bills in order to keep the short-term rate up to a point where it would not invite foreign deposits to leave the country seeking a higher investment rate in other markets.

Operation Nudge Instituted

Also, the Federal Reserve Board changed its open market policy and began operation "nudge," using a policy of providing reserves by the purchase of various maturities other than 90-day bills. In March, 1961, the policy was changed to permit the purchase by the Open Market Committee of any maturity. The bond market responded to these various actions and has been both active and strong, with bonds and mortgages selling at lower yields than when the operation started. In fact, in recent weeks both long-term governments and high-grade corporate bonds have been selling at lower yields than we have had for approximately 2½ years.

General business continued to decline from the early months of 1960 until about February or March of 1961. The recovery from February, 1961, measured by the Federal Reserve production index, which moved from a low of 102 to 116, was a substantial improvement, but most of it took place in the first six months and while it did produce an increased use of bank credit, it resulted in no real pressure on the liquidity position of the banks due to the tremendous amount of reserves put into the System by the Federal Reserve Open Market Committee.

During this period, also, the disposable income of individuals was at a very high rate and resulted in the piling up of substantial new savings. Consumer credit increased only slightly during this period, in fact the total figures have been almost static. Also, it is worthy of comment that during this entire period the price level has been quite steady and, therefore, it has not been necessary to use credit to finance any increase in the price level, which was true in previous periods of expansion. Even the loss of gold, which ordinarily would be a strain on the credit structure, has had no restraining influence on money and

credit because it was more than offset by the open market operations of the Federal Reserve System.

There are two additional factors which can contribute to the demand for money. One is the deficit on a cash basis of the Federal budget. This must be financed in the capital market in competition with other segments of the economy. The second factor is the financing in the American capital market for foreign account either governmental or private. There is no way to estimate the volume of this and so far it has not been significant. Recently, however, we have noticed a tendency for this to increase rather rapidly.

Today's Increased Liquidity

As we look at the money and credit situation in May of 1962, therefore, it appears that banks have increased their liquidity position considerably over what it was two years ago. In fact, average free reserves of all member banks have swung from a minus figure of \$533 million in February, 1960, to a plus figure of over \$400 million during most of this year. The cash flow of corporations has increased and exceeds the estimated expenditure for plant and equipment. Savings are still expanding. Therefore, there should be ample availability of credit to finance at reasonable rates of interest any foreseeable volume of capital expenditures. Bank credit should be adequate for interim financing, plus any build-up of inventory or receivables, as well as consumer credit or the movement of goods in international trade.

Denies Credit Is Excessive

I do not wish to imply from all of the foregoing that our banking system is by any means confronted with excess lendable funds at the present time. The fact of the matter is that total loans of all commercial banks in the United States during the past 12 months have increased by approximately \$9 billion, or roughly 8%. The present ratio of total loans to total deposits in the large New York City banks is roughly 60%. Obviously the situation would be much tighter, were it not for the monetary policies followed by the Federal Reserve during the past two years to which I have referred earlier in these comments, and a reversal of these policies at any time in the near future could change the picture materially.

If, as I suspect, my colleagues predict an improvement in general business over the next 12 months in the magnitude of 3 or 4%, I believe I can predict with

some assurance that funds will be readily available to finance such an improvement without putting an important strain on the monetary system. Looking ahead, it seems to me that one of the blackest clouds on the horizon is the possibility of continued loss of gold to foreigners because of the imbalance in our international payments and the psychological effects of both this and the expectation of continued deficits in our domestic budget. Assuming that the Administration will develop the courage and foresight to deal firmly with these questions, I anticipate no great problems from a money and credit standpoint in the immediately foreseeable future.

*An address by Mr. Renchard before the 5th Annual Economic Conference of the National Industrial Conference Board, New York City, May 17, 1962.

Form Brokerage Bookkeeping Corp.

The first complete, independent data processing service bureau designed expressly for New York area brokerage firms has been established by Brokerage Bookkeeping Corporation, 47 Beaver Street, New York City.

Using specialized, high-speed computer systems of the type developed for the largest brokerage houses, and select clerical technicians, the new service is geared to process the entire daily paperwork requirements of individual brokers, including all stock, bond or commodity transactions, with maximum efficiency, and on a regular time schedule regardless of volume.

According to Seth Rosenbaum, President of Brokerage Bookkeeping, who is an automation consultant in the brokerage industry, the principal advantage of data processing by computers is the better customer service obtained through stepped-up efficiency in documenting day-to-day transactions, and fewer headaches for work-overloaded brokers and their staffs. Charges for the new service are calculated on a per-transaction basis.

Richter Opens Branch

Richter & Co., member of the New York Stock Exchange, has opened a branch office at 1431 Broadway (at 40th Street), New York, N. Y.

James Richter of Richter & Co. has appointed Abraham Seif as Manager of the new office.

The brokerage firm's headquarters is at 350 Madison Avenue, New York, N. Y.

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

NEW ISSUE

June 4, 1962

73,500 Shares Uneda Vending Service, Inc.

(A New York Corporation)

Common Stock

(Par Value .01c per share)

Price \$3.00 per share

Copies of the Offering Circular may be obtained from the undersigned only in such states as the securities may lawfully be offered for sale.

FABRIKANT SECURITIES CORP.
125 Maiden Lane, N. Y. 38, N. Y.

KAREN SECURITIES CORP.
15 William St., N. Y. 5, N. Y.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

American Electric Power Company

American Electric Power is an integrated holding company system with annual revenues of \$352 million, serving electricity (only) in highly-industrialized areas of seven states, the area having a population of about 5,349,000. These states (which are contiguous) are Ohio, Michigan, Indiana, Virginia, Kentucky, West Virginia and Tennessee. The system is fully interconnected, some of the major transmission lines having 345,000 volt capacity. In addition to some prosperous farming areas, industries are well diversified, including coal mining, steel and metals, automotive, railroad, textile, plastics, paper, chemical, glass, cement, rubber, and furniture. Natural resources include substantial amounts of coal, oil and gas, iron ore, limestone, clay, moulding sand, and salt.

1961 revenues were 34% residential, 15% commercial, 38% industrial and 13% miscellaneous. System low rates are low residential revenues per kwh, averaging 2.20¢ compared with a national average of 2.47¢; annual usage is 4,273 kwh compared with the national figure of 3,827 kwh.

AEP is noted for its operating efficiency, as reflected in an average Btu per kwh generated of only 9,363. Fuel cost per million Btu was 18.43¢, reflecting low shipping costs for coal in much of the area, since a number of mines are located in the service area. A 600,000 kw generating unit is under construction and scheduled for completion in 1964 at the Tanners Creek plant. System capability at the end of 1961 was 6,719,000 kw compared with the year's peak load of 5,209,000 kw indicating about 29% reserve capacity. System capability is expected to reach 8,071,000 by the Spring of 1964.

Capital structure is conservative, being as follows at the end of 1961:

	Amount (000)	
Long-Term Debt (including const. loans)	\$750,876	52%
Preferred Stock (excluding premiums)	98,525	7
Common Stock Equity	583,243	41
Totals	\$1,432,644	100%

With the present above-average equity ratio it seems probable that AEP will not have to sell any additional common stock during the 1960 decade. The last offering was 1,200,000 shares in 1959.

American Electric Power is one of the leaders in the campaign of the investor-owned electric utilities to increase interconnection and the pooling of power facilities. By next year, the System will be interconnected with 19 other electric utilities, and thus is described as "The Most Interconnected Electric Power System in the U. S. A." 345,000 volt transmission lines are planned or under construction to connect the System with Indianapolis Power & Light, Cleveland Electric Illuminating and Illinois Power. Last year, by interchange of over 2.2 billion kwh of economy energy with five neighboring systems, AEP obtained production savings of about \$650,000, and such interchange is expected to increase substantially in the future.

AEP is actively promoting electric heating. Some 25,800 homes on the System are heated in this manner and use more than five times as much electricity as non-heating customers. A System objective is to have 80,000 all-electric homes by the end of 1964 and 500,000 by 1975. Revenues from residential heating alone are

already about \$6.2 million or nearly 2% of total revenues.

In addition, schools, motels and shopping centers are using electric heating. Twenty-one motels were added to the System during the year, bringing to 155 the number partly or completely heated by electricity. AEP now has 55 completely and 27 partially electrically heated schools on the System. Probably the outstanding all-electric installation of 1961 was that of the College of Steubenville; the heating system for all seven buildings in the present college plant is electric. Also, the new \$5 million Crossroads Mall shopping center in Roanoke, Va., is one of the largest heat pump installations in the System; it has 800 employees, six acres under roof, and will have an annual electric usage of about 4.3 million kwh—equal to almost 1,000 average homes. To stimulate electric heating, one AEP subsidiary has adopted the low rate of 1.4¢ per kwh and this may be extended to other subsidiaries.

In addition to reduced rates, the System has been active in other promotional efforts. Two intensive campaigns to persuade residential customers to convert their existing heating systems to electric heating were very successful; about 25% of heating customers have converted from other types of heating systems. Symposiums designed to help sell more all-electric homes have created great interest among builders; one series, held in seven Ohio cities during a 10-day period, was attended by 1,630 builders, heating contractors, realtors, and financial institution representatives.

In 1961, due primarily to the low level of general business activity in the first quarter, AEP showed gains of only 4.9% in kwh sales and 4.4% in revenues. However, 1962 is enjoying a sharp rebound, with kwh sales for the week ended May 19 running 15.2% ahead of 1961. As a result 1962 earnings are estimated at about \$2.78 compared with \$2.52 in 1961, a gain of 10%. With no dilution from equity financing likely, Standard & Poor's has projected earnings of \$3.08 for 1964. If realized, this would mean an average rate of gain (compounded) of nearly 7% for the three years 1962-64.

Over the past decade, AEP has had a consistently good (but not sensational) growth record. Consolidated earnings per share increased in each year except in 1959 when they remained unchanged, and the average rate of gain was about 5%. Dividend payments increased in each year of the decade.

At the recent price of 60½ (closing June 1st) the stock yields 3.2% based on the dividend rate of \$1.96. The 1962 range is 72½-53½, the low reflecting the recent sharp decline in the general market. The price-earnings ratio is about 22 based on the estimate of 1962 earnings.

Charles Andrews Opens

HOUSTON, Texas — Charles E. Andrews is conducting a securities business from offices at 1625 Main Street under the firm name of Charles Andrews & Associates.

Summar, Bethshares Opens

NASHVILLE, Tenn. — Summar, Bethshares & Co. has been formed with offices in the Third National Bank Building, to engage in a securities business. James C. Bethshares, Jr. is a principal.

AF-GL Names Three Sr. V.-Ps.

The election of Frank D. Cruikshank, John R. Knipping and William V. Schwarting, vice-presidents and advertising account supervisors, as senior vice-presidents of Albert Frank-Guenther Law, Inc., has been announced by Howard W. Calkins, chairman of the board of the national advertising and public relations agency. Mr. Cruikshank, now director emeritus, is a 46-year veteran of the agency and was active on the board of directors for many years. Mr. Schwarting, a member of the board, and Mr. Knipping rejoined the AF-GL staff in 1950 from J. Walter Thompson Co. Mr. Schwarting had left Albert Frank-Guenther Law in 1932 and Mr. Knipping in 1936.

New York Cotton Exchange Elects Officers

G. Clarke Watson of New York City, was elected Chairman of the Board of the New York Cotton Exchange at the Annual Election. Elected Vice Chairman was William Reid of Bache & Co.; John M. Williams of New York City was re-elected Treasurer. Those elected to the Board of Managers are: Harry B. Anderson of Merrill Lynch, Pierce, Fenner & Smith Inc.; Donald B. Conlin of New York City; Tinney C. Figgatt of New York City; Joseph J. Gollatz of New York City; Joseph Grogan of New York City; Frank Knell of New York City; L. Hudson Leathers of Hayden, Stone & Co. Inc.; William K. Love, Jr. of Anderson, Clavton & Co.; W. Gordon McCabe, Jr., J. P. Stevens & Co. Inc., Greenville, S. C.; George A. Oberle of Volkart Bros. Co. of New York City; Fred W. Perutz of Schwabach, Perutz & Co.; W. Brewster Southworth of Nichols & Co., Boston; J. Raymond Stuart of E. F. Hutton & Co.; Bert Unobsky of Block & Unobsky, Memphis, Tenn.; Robert K. Vincent of The Kendall Co., Boston; Charles B. Vose of Kohlmeyer & Co.; Albert M. Weis of Irving Weis & Co.; and J. Antonio Zalduendo of Orvis Brothers & Co., the retiring Chairman.

With the exception of Messrs. Leathers and Weis, all were members of the retiring Board who were re-elected.

Bache Investment Course

Bache & Co., members of the New York Stock Exchange, will conduct a program on "A Practical Course for Investors and Traders" at their 770 Lexington Avenue, New York office. The course, covering a variety of timely investment topics, is offered free to all interested investors, and will run June 12, 19 and 26.

Morgan Co. Branch

BEVERLY HILLS, Calif.—Aaron M. Binder is Resident Manager of the newly opened branch office of Morgan & Co., at 9731 Santa Monica Boulevard.

Nation-Wide Office

ST. LOUIS, Mo.—Nation-Wide Diversified Service, Inc. has opened a branch office at 418 Olive Street, under the management of Walter Neun.

Rubin, Rennert Office

ATLANTA, Ga.—Rubin Rennert & Co., Inc., has opened a branch office in the Bank of Georgia Building, under the management of Harry Berchenko.

In Securities Business

(Special to THE FINANCIAL CHRONICLE)
OAKLAND, Calif.—Martha S. Adams is conducting a securities business from offices at 484 Lake Park Avenue.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The market for fixed income bearing obligations is still showing some signs of caution even though defensive action in the equity market has in the past had a favorable influence on bonds and the capital market. The uncertain action of the common stock market may be forecasting better conditions in the bond market, since a let-down in the business pattern which may result from the equity market set back will most likely mean that investors will be more inclined to move into bonds in larger volume. In addition, it would appear as though any decrease in the rate of economic growth would probably result in some further ease in capital market conditions. This would be a favorable development for both corporate and Government bonds. Tax-exempt bonds because of the heavy supply would probably not fare as well.

Treasury to Continue Short-Term Financing

The opinions now making the rounds of the financial district are that the money and capital markets will continue to remain pretty much in the areas where they have been in the immediate past. It is believed that the new money raising operations of the Treasury, the terms of which should be coming along soon, will show that the near-term sector of the money market will be the principal avenue for this venture.

In the first place, there is need to keep short-term rates high enough so that funds which might be inclined to move to higher income areas will remain here. Secondly, the demand for short-term securities is increasing because of the uncertainties which are now clouding the domestic picture, as well as the international situation. Funds which, under less trying conditions, would be finding an outlet in other than the most liquid Treasury obligations are now being invested in Treasury bills until there is clarification of some of the conditioning factors which are plaguing those who have funds to put to work.

Therefore, because of the larger takings of short-term Government obligations by the investing community, the near-term new money raising obligations of the Treasury will find a ready market and will be a welcome addition to the list.

Long-Term Rate Stability Indicated

The capital market beyond question has been effected by the top-heavy positions in tax-free bonds. As a result, many investors have not been inclined to expand their ownership of corporate bonds to any great extent. In addition, there is a growing tendency for holders to not only take profits in the tax-exempts but also to sharply limit the purchases of these issues for the time being except for selected maturities of specific issues which appear to have attraction in spite of the low yield level of the securities. The corporate bond market, due almost entirely to purchases by public pension funds and in a much more limited way certain private pension funds, has remained very much in the plateau it has been in of late probably waiting to see what will develop in the economy. At this time, opinions are still rather strong that the upward trend will continue even though it may not be as rapid as had been predicted

but may carry on for a longer period of time.

However, as matters now stand, there are no indications that the level of interest rates in the capital markets is going to change very much from where they have been. This should make for a fairly stable bond market so that corporate bonds will continue to be offered at rates which will be favorable to both the investor and those who are seeking the funds.

Treasury Intermediates in Good Demand

The intermediate-term Government obligations are attracting more buyers from the commercial banks since it is reported that a considerable part of the profit funds realized from the sale of tax-exempt bonds are being invested in these securities. In addition, the 3½% of 1971 continue to play a leading role as far as many investors are concerned since this medium term bond is being well bought by those who are interested in a very high grade issue with a satisfactory yield. As has been the case for some time now, there is a very good interest in the market for the 4s of 1980. This bond, according to reports, is also being used as a replacement for lower coupon tax-exempt bonds which have been sold by certain public pension funds.

Wool Associates Elect

Irving Weis of Irving Weis & Co., New York City, has been elected President of the Wool Associates of the New York Cotton Exchange, Inc. Elected 1st Vice-President is Charles R. Rudd of Marriner, Reed & Company, Lawrence, Mass. Re-elected 2nd Vice-President is Elliot W. Brown of the National Wool Marketing Corp., Boston, Mass. Elected Treasurer is Frank Knell of New York City.

Those elected to the Board of Governors are: James J. Cairns, Boston; Marshall N. Cohan of Cohan and Company, Boston; Robert E. Fields of New York City; Georges A. Florin of Prouvost Lefebvre of Rhode Island, Inc., Boston; Eugene M. Grummer of New York City; E. Bradford Keith of The Top Company, Inc., Boston; W. Gordon McCabe, Jr., of J. P. Stevens & Co., Inc., Greenville, S. C.; William Reid of Bache & Co., New York City; W. Brewster Southworth of Nichols & Co., Boston, Mass.; George M. Thurmond of Thurmond & Co., Inc., Boston; and John M. Williams of New York City.

All were members of the retiring Board who were re-elected.

S. D. Ackerman Opens

(Special to THE FINANCIAL CHRONICLE)
PALO ALTO, Calif.—Sidney D. Ackermann is engaging in a securities business from offices at 879 Newell Place.

Forms Wright Inv. Co.

(Special to THE FINANCIAL CHRONICLE)
DENVER, Colo.—Richard H. Wright is engaging in a securities business from offices at 2801 East Colfax under the firm name of Wright Investment Co.

Clark Ramsey Co. Opens

FT. WAYNE, Ind.—Clark Ramsey is conducting a securities business from offices in the Lincoln Bank Tower under the firm name of Clark Ramsey & Company. Mr. Ramsey was previously with Bond, Grumet & Seigel and G. J. Mitchell & Co.

PROGRESS
PROGRESS
PROGRESS

Progress is more than a word. / Progress is schools for on-the-grow children . . . modern medical facilities for the entire community . . . civic centers and centers of worship. / Progress is buildings going up, aspirations going up, too. / Progress is the steel industry of the Nineteen Sixties, as different from the steel industry of the Twenties as the futuristic car in the automobile show is from the surrey with the fringe on top. The numerous family of

steels has grown vastly in number, in composition, and in structure; and through the wonders of research the members of this remarkably useful family of materials have been almost completely revolutionized. / But, most of all, progress is people constantly on the go toward tomorrow and tomorrow and tomorrow. U.S. Steel, now in its 61st year, is proud of the part it is playing—and will continue to play—in this progress.



The State of TRADE and INDUSTRY

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

Signs of fatigue crept into the improvement of business activity in May. This is the consensus of Purchasing Executives submitting their latest report on the pulse of the economy. Last week's monthly survey is based on the composite opinion of purchasing agents who comprise the National Association of Purchasing Agents Business Survey Committee, whose Chairman is E. F. Andrews, Vice-President in Charge of Purchases, Allegheny Ludlum Steel Corp., Pittsburgh, Pa.

Both new order and production improvement rates show deterioration in the past 30 days. Those reporting a drop-off of new orders rose to the highest percentage recorded since February, 1961, while those reporting increased new orders slipped to a level touched only one other time since March, 1961.

New Orders	Better	Same	Worse
May	34	45	21
April	42	44	14
Production			
May	36	46	18
April	38	52	10

Each of our other indicators also reflects some bogging down of the recovery rate during May, and while some members feel that the momentum of the upswing is sufficient to carry us at least through the balance of 1962 in reasonably good shape, the caution lights are flashing a little more noticeably. It is a situation which will bear close watching and analysis to determine whether the symptoms reflect only a temporary readjustment or the onset of something more serious.

In last month's report, we remarked that the majority of our committee saw no topping out in 1962, but cautioned that 26% did have misgivings about the latter part of the year.

Commodity Prices

Though more survey respondents still report higher prices than report lower, 9% to 4%, the

gap is the narrowest in nine months. Resulting from this situation is a large increase in the "no change" category. We are told that prices are generally the same as last month, by 87%. This stability peak is the highest in almost four years, and is up 11% from April and 16% from March.

Clearly, some of the pressures that had been building under prices have relaxed in spite of the ever-growing need for profit improvement. Fear of Federal knuckle-rapping appears to be a factor, along with the oft-mentioned competitive climate which continues to rule the market place.

Purchased Materials Inventories

A close look at our charts reveals that inventory accumulation began last September, proceeded on a modest scale through the end of 1961, then burst forth with considerable gusto in the new year, reaching a peak in the first quarter. During the past two months, however, the rate of accumulation has dropped sharply. In May, 25% of our members added to their inventories, down from 34% in April, and 44% in March, and 18% reduced their stocks. It is difficult to see any more boost to continued improvement stemming from this force in the economy.

Some further cutting back is to be expected from the 36% who last month, in reply to a special question, indicated they considered their inventories higher than desirable.

The increasing rate of improvement in employment, noted since

	Hand to Mouth	Per Cent Reporting				
		30 Days	60 Days	90 Days	6 Mos. to 1 Yr.	
May						
Production Materials	8	43	30	15	4	
MRO Supplies	24	45	23	6	2	
Capital Expenditures	13	6	15	27	39	
April						
Production Materials	6	39	33	17	5	
MRO Supplies	23	48	22	6	1	
Capital Expenditures	10	5	19	20	46	

the first of the year, suffered a setback in May. Fewer names on the payroll are reported by 17%, a jump of 8% since last month and the largest number so reporting since April, 1961. Those registering employment gains numbered 27%, a tiny 1% off last month's figure. While there are still more adding than reducing, this indicator also reflects a shrinking of the margin between the two.

Buying Policy

Purchasing Executives pulled in their horns a bit further in May, shortening up their commitments for production materials and capital goods. We first hinted of a slight movement in this direction in March and followed a similar report in April.

As we have cautioned in previous commentaries, buying policy statistics are subject to more random fluctuation than our other indicators, but it does seem that the long slow trend toward lengthening over the past year may have been reversed.

Some members remark that faded hopes for price relief and profit growth are discouraging capital outlays. Hopes nevertheless remain high that favorable depreciation legislation promised for this summer will materialize. There is no question but that many will continue to sit on improvement and expansion plans until the picture is clarified.

Specific Commodity Changes

Changes reported this period were mainly commodities that have shown price movement over the past month or two. Carbon steel scrap dropped to an eight-year low, and fuel oils continued their seasonal weakness. No general shortages are indicated at the present time, marking the 13th consecutive month that this situation has prevailed.

On the up side are: Sugar and corrugated.

On the down side are: Steel

scrap, fuel oil, plywood, and polyethylene.

In short supply: None.

Bank Clearances Increase 4.1% 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, June 2, data from all cities of the United States from which it is possible to obtain weekly figures will be 4.1% above those for the corresponding week last year. Our preliminary totals stand at \$26,121,375,335 against \$25,105,132,994 for the same week in 1961. Our comparative sum-

Continued on page 47

DIVIDEND NOTICES

UNITED STATES LINES COMPANY



3%
Stock
DIVIDEND

The Board of Directors has declared an extra dividend payable July 6, 1962, in shares of common stock amounting to three per cent (3%) of the common stock registered in the name of each stockholder of record June 15, 1962.

THOMAS R. CAMPBELL, Secretary
One Broadway, New York 4, N. Y.

DIVIDEND NOTICES

LEHIGH VALLEY INDUSTRIES, INC.

May 23, 1962.
The Board of Directors of Lehigh Valley Industries, Inc., today declared a dividend of 75¢ a share on the \$1.50 Cumulative Convertible Preferred Stock, Series A, for the half year ending June 30, 1962, payable July 2, 1962, to stockholders holding such shares of record at close of business June 13, 1962.

The holders of record on June 13, 1962 of the First Preferred, Second Preferred, or \$50 par Preferred Stock of the Corporation, or of the Capital Stock of Lehigh Valley Industries, Inc., who have not surrendered such shares for exchange pursuant to Agreement and Plan of Merger dated March 21, 1960, will be entitled to said dividend upon their exchanging said shares and thereby becoming holders of record of \$1.50 Cumulative Convertible Preferred Stock, Series A.

EUGENE SCHOENER
Executive Vice-President

CONSOLIDATED NATURAL GAS COMPANY

30 Rockefeller Plaza
New York 20, N. Y.

DIVIDEND No. 58

THE BOARD OF DIRECTORS has this day declared a regular quarterly dividend of Fifty-Seven and One-Half Cents (57½¢) per share on the capital stock of the Company, payable August 15, 1962 to stockholders of record at the close of business July 16, 1962.

JOHN MILLER, Secretary
June 6, 1962

National Mercantile Corporation

On May 31, 1962, the Board of Directors of National Mercantile Corporation declared its fourth consecutive dividend of 10¢ per share on its Common Stock, which was designated a quarterly dividend for the 3 months ended April 30, 1962. The dividend is payable June 15, 1962 to stockholders of record at the close of business on June 8, 1962.

By Order of the Board of Directors
Jesse Selter
President

CERRO

Cash Dividend No. 168

The Board of Directors of Cerro Corporation at a meeting held on June 5, 1962, declared a cash dividend of twenty-seven and one-half cents (27½¢) per share on the Common Stock of the Corporation, payable on June 29, 1962, to stockholders of record on June 15, 1962.

MICHAEL D. DAVID
Secretary

CERRO CORPORATION
300 Park Avenue
New York 22, N. Y.

YALE & TOWNE

297th Quarterly Dividend

25¢ a Share

Payable:
July 2, 1962
Record date:
June 12, 1962
Declared:
May 31, 1962

Elmer F. Franz
Vice President
and Treasurer

THE YALE & TOWNE MFG. CO.
Lock and Hardware Products since 1868
Materials Handling Equipment since 1875
Cash dividends paid every year since 1899

DIVIDEND NOTICE

QUALITY

The
American Tobacco
Company

231ST PREFERRED DIVIDEND

A quarterly dividend of 1½% (\$1.50 a share) has been declared upon the Preferred Stock of THE AMERICAN TOBACCO COMPANY, payable in cash on July 2, 1962, to stockholders of record at the close of business June 8, 1962. Checks will be mailed.

J. R. WATERHOUSE
Treasurer

May 29, 1962



DIVIDEND NOTICES

THE ATCHISON TOPEKA AND SANTA FE RAILWAY COMPANY

New York, N. Y., May 29, 1962.
The Board of Directors has this day declared a dividend of Twenty-five Cents (25¢) per share, being Dividend No. 127, on the Preferred Capital Stock of this Company, payable August 1, 1962, out of undivided net profits for the year ending June 30, 1962, to holders of said Preferred Capital Stock registered on the books of the Company at the close of business June 29, 1962.

R. M. SWEARINGEN,
Assistant Treasurer
120 Broadway, New York 5, N. Y.

COLUMBUS AND SOUTHERN OHIO ELECTRIC COMPANY



Dividend on Common Shares

The Board of Directors of Columbus and Southern Ohio Electric Company, on June 1st, 1962, declared a dividend of fifty-five cents (55¢) per share on the outstanding Common Shares of the Corporation, payable July 10, 1962, to shareholders of record at the close of business on June 25, 1962.

G. C. SHAFER, Secretary

the ELECTRIC Co.
COLUMBUS AND SOUTHERN OHIO
ELECTRIC COMPANY

CONTINENTAL BAKING COMPANY

Preferred Dividend No. 94

The Board of Directors has declared this day a quarterly dividend of \$1.37½ per share on the outstanding \$5.50 Dividend Preferred Stock, payable July 1, 1962, to stockholders of record at the close of business June 15, 1962.

Common Dividend No. 69

The Board of Directors has declared this day a regular quarterly dividend, for the second quarter of the year 1962, of 55¢ per share on the outstanding Common Stock, payable July 1, 1962, to holders of record of such stock at the close of business June 15, 1962.

The stock transfer books will not be closed.

M. C. WOODWARD, JR.
TREASURER

May 31, 1962



HOSTESS

Morton

Advice for the Investor

By Roger W. Babson

Dean of the stock market forecasting analysts advises against selling investment-grade stocks today, but does question whether the time is opportune to resume investing in the stock market. In tendering this advice, Mr. Babson is mindful of the market's rally and return to more normal operations. Nevertheless, he is dubious of low yields and had hoped to see it gradually corrected.

During the past week, almost everyone has been asking what has happened to the stock market. The newspapers have said "nothing like it since 1929." Yet the Dow-Jones Industrial Average is off only about 20% from its all-time high which occurred at the start of 1962. The Industrials have suffered the most; the utilities have suffered less; while the railroads have suffered the least. On the other hand, almost everything has suffered somewhat.

Real Estate, Automobiles, and Commodities

The newspapers, television, and radio have made so much of the big break that people are getting it into their heads that everything should go down in price. Therefore, whether they are looking for houses, automobiles, or even orange groves, they expect bargains, and they pay no attention to the prices of a month ago. This especially applies to used cars of which there is a surplus and the dealers are trying hard to convert them into cash.

The banks are getting frightened and have begun to ask their customers to reduce loans. They really have no reason for being frightened; but bankers are easily scared because it is not their money which they are loaning, but rather the money of their customers. They do not know when their customers will want to use their money to buy bargains themselves, and hence the bankers must be prepared to take care of them. Most bankers were much disturbed by President Kennedy's actions when he lost his temper over the price of steel. They feel that President Kennedy is against business and profits, and, perhaps, is too favorable to the labor leaders. Even the brokers are beginning to feel this way, owing to the SEC investigations. Some brokers are even unjustly saying that the past week will go down in history as the "Kennedy Break."

Mutual Funds

There has been a great sale of mutual funds during the past two years. It is reported that over 75,000 salesmen are selling mutual funds today. Most of the stock exchange firms are indulging in the sale of mutual funds. They are allowed a commission of one-eighth of one percent on listed stocks, and cannot afford to have their salesmen go out and solicit small investors for this fee; but they get about 5% on the sale of mutual funds which commission they can divide with the salesmen.

When a salesman sells a thousand dollars worth of mutual funds, the operators of the Fund generally must enter the stock market and buy a certain amount of stock, listed or unlisted. This has bolstered the stock market during the past two years. It will be more difficult to sell mutual funds and redemptions will increase until the news of the recent stock market break is forgotten. When a mutual fund holder turns in his shares to be redeemed, the Fund operators must sell some of their holdings. I believe these mutual funds are perfectly safe; but they must go down in price when a break such as we have had occurs. Therefore, the selling by mutual fund operators has been one cause of the decline in the stock market. The dividends on mutual funds may not be reduced, excepting the so-called bonus dividends which re-

is well. There are many sore spots to be cleaned up by foolish investors, although general business is continuing good.

As I have mentioned many times before in this column, there is too wide a gulf between the high prices that stocks have been selling at and their dividends. These low yields are unnatural and must be corrected. I had hoped to see it corrected by a gradual and orderly decline. Readers, however, should give much more attention to what stocks are yielding. Recent low yields cannot continue indefinitely; without a great improvement in business and dividends, the situation can be corrected only by reducing the price of stocks. I advise against selling investment-grade stocks today; but I question whether the time has come to resume investing in

the stock market. I say this notwithstanding that the market has rallied and is acting more normally.

First Boston Corp. In New Quarters

The First Boston Corporation, one of the country's largest investment firms, has moved its New York office to new and larger quarters. The corporation now occupies the 6th, 7th and 8th floors at 20 Exchange Place. The 55-story building was formerly headquarters for City Bank Farmers Trust Company.

The First Boston Corporation is one of the largest firms in the field of underwriting new issues

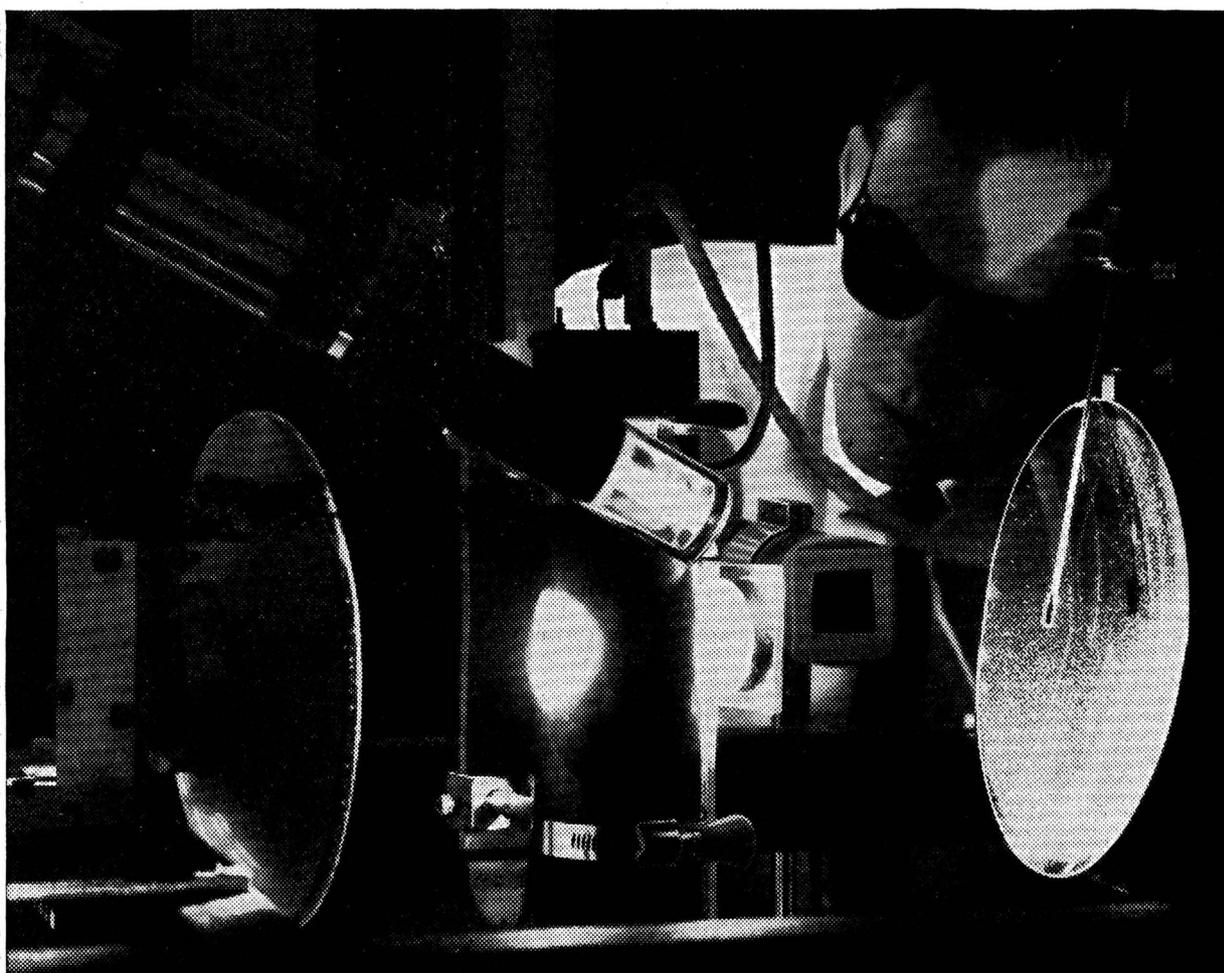
of securities and is also a leading dealer in U. S. Treasury securities, municipal bonds and corporate bonds and stocks.

The 7th floor, on which the firm's reception room is located, houses the trading and sales organization. The Buying and Research Divisions of the Underwriting Department are on the 8th floor, while the Securities Cage and Accounting and billing functions are on the 6th floor.

The new air-conditioned offices are decorated in traditional style in the executive and public sections, and functional elsewhere.

Forms Financial Factors

LONG BEACH, Calif.—David L. Hauser is engaging in a securities business from offices at 256 Siena Drive, under the firm name of Financial Factors.



VOICES OVER A BEAM OF LIGHT. Latest in a series of optical maser developments at Bell Telephone Laboratories, this new model is a solid state type using a ruby crystal and capable of continuous operation. The optical maser (or "laser") generates a kind of light beam that may some day transmit telephone calls, TV and data. Could conceivably carry far more communications than any radio system. Also a remarkably precise tool for study of atomic processes.

The Constant Search for a Better Way

Research and organization of the Bell System are vital factors in improving your communications services and holding down cost

The zest for discovery is a powerful factor in the vitality of the Bell System and its far-reaching progress in communications.

Today there are more than four thousand scientists and engineers at Bell Telephone Laboratories. They conduct research in behalf of the Bell Telephone Companies and Western Electric, the manufacturing and supply unit of the Bell System.

Without the close co-operation of research, manufacture and operations

in one organization, your telephone service would surely cost you more and the quality would be less.

Behind the day-to-day research for communications is a program of basic scientific research into wholly new ideas, principles and materials.

Out of it have come discoveries that have brought far-reaching benefits not only to telephone users but to many other businesses and the defense of the nation.

It was the basic scientific research

of the Bell Laboratories that resulted in the invention of the transistor, one of the biggest technological advances of all time.

The electronic "brains" that are capable of guiding missiles first took form in bold adventuring along unknown paths by Bell Laboratories scientists.

Telephone research and development, which have brought so much to so many, have but touched the fringe of still greater progress to come.



BELL TELEPHONE SYSTEM

Owned by more than two million Americans

The Market . . . And You

BY WALLACE STREETE

Heavy trading and erratic gyrations by prices continued in this week's stock market but with industrials on average still holding in the trading range that was established last week when the wild flips gave a bottom limit of 576 and a top one of 613.

The market gyrations were pretty much being led by a narrowing list of assorted quality and glamour issues when the heavy pressure wasn't around. For the general list, the balance between gainers and losers was pretty much maintained except for the second of the two Blue Monday's that have started to emerge as a standard pattern.

The Strange Face

The strange face in this group was the once-staid American Telephone, joining the other traditional sprinters such as IBM, Polaroid and Litton. Like the general list, it did little drastic despite its wide moves, holding well above the 98½ low that it had posted during the much more urgent selling of a week ago. In contrast, IBM was still slipping to new lows for the year. The lows were the poorest prices seen for the present shares and were also equivalent to new lows for the old shares dating back to 1959 after an earlier split.

The others in the wide-moving group were also busy carving out new lows, with Polaroid now less than half of its 1962 top, joining such as Beckman and Texas Instruments in that unhappy category.

Some Optimism Emerges

The ability of the general list to hold its ground fairly well without sinking further and further into new low ground was kindling a bit of optimism, at least among the professionals. At least there was near agreement that so far the damage hasn't been catastrophic. And some of the gloom was slowly evaporating.

Back in 1960 when all the talk was of recession, the list dropped from 685 early in the year to a low of 566 late in October, was back at 615 at the year-end, and proceeded to add more than 115 points during 1961.

So far in this reaction, the decline has been from a peak of 734 in mid-December, and a 1962 top of 726, to a low of 576 on May 28, or on the 1962 figures a reaction of a hair less than 21%.

And all of the so-far premature references to 1929, while inescapable, have been irking some of the market spectators. Certainly, for the general run of issues it hasn't been "another 1929" price-wise, merely in the trading statistics and that not surprising because of the vast number of stock splits that have inflated the available supply of shares and spread them to additional millions of stockholders in recent years. The number of listed issues had only reached 1000 for the first time in the late days of 1929; currently the total exceeds 1500 and 1300 or more trade on a given day as a consequence; in number of declines; number of new lows, and issues appearing on the tape, records come easy.

Two important 1929 record peaks still stand — the one-day volume and the hardest one-day setback ever seen in the industrial average. The day before the famous date of Oct. 29, 1929, the average, and from a much lower plane, had been trimmed 38.33 points. The next day, when an entire country dumped stocks, the trim was only 30.57 points, but volume soared to 16,410,000. Thus, the more serious decline of Oct. 28

was eclipsed and the later date became the "crash" one. The most serious slash made in the average this time was 34.95 on May 28, making it anything but historic. And the 14,750,000 peak volume of May 29 is still well under the 1929 level.

There was no sign of intervention from Washington, except comment deriding the panic and any implied prediction that business is to hit the skids. The more specific announcement is some time away—a revision of tax laws that promises cuts from "top to bottom" which the Treasury Secretary unveiled at a New York dinner. Action by Congress will probably not be taken before January; and, in fact, the plan apparently hasn't even gotten down to specific proposals.

The Street's usual hope for a cut in margins, now 70%, when market trouble is apparent has so far been unfounded. And after the margin calls and forced selling of stocks when no new money appeared, that went on for the last couple of weeks, there is serious doubt over the efficacy of any move to make it easier for laymen to trade in stocks on credit. Previous margin cuts, and the apparent effect on brightening the stock market, were in periods when optimism reigned and stimulating the market was far easier. Now that so many of the millions of stockholders have been frightened by an ominous crack in prices, a comparable effect is dubious.

Depreciation Reform Questioned

Specific proposals to lighten the depreciation troubles of business are pretty much stalled and, in fact, there is much debate over whether they would, in truth, be as helpful as the sponsors allege. And this entire subject is somewhat foreign to the market troubles. Moreover, what beneficial effects would be added to the business scene would be more than offset by tax proposals that would seriously hamper the operations of American firms abroad. They would make them pay tax on all foreign earnings, not merely those that are remitted to the parent company in this country. There are also other onerous proposals involved.

Preferreds Favored

With all the uncertainties, preferred stocks have been emerging as the preferred shelter for money seeking income until the market climate clears. This conclusion is confirmed in the market's "New highs" list.

With the exception of a random appearance by the new, when-issued shares of a couple of utilities, the only issues bolstering the sum total showing at new highs are preferreds. The when-issued items that have been traded for only a brief time have narrow ranges; so a random appearance at a new high is an easy chore for them.

The preferreds, moreover, offer definitely above average yields that make it easy for them to compete with banks for investor funds. One publication's listing of eight "sound" preferreds showed one offering 4.6%, four at the 4.7% level, one at 4.8%; Santa Fe's preferred at a flat 5%, and that of American Sugar at 5.3%. The others are preferreds of Pacific Gas, Macy, General Motors, Consolidated Edison, Champion Paper and American Tobacco.

After the market's trouncing, and its uncertain air since, it might be logical to assume that the sheer

weight of stock recommendations would be at something of a lull, but that is definitely not the case. Actually, with so many quality issues caught in the whirlpool, the now-depressed prices actually seem to be stimulating the recommendations and bringing out such descriptions as "excellent value."

But even with prices cut back so hard, yields of 4% on the average show up only for oils, the aircraft-missile items, rails and stores.

Another familiar description that is in common use in market letters was "Depressed Stocks for Recovery." One firm's selection of five issues — Pacific Telephone, Montgomery Ward, Diana Stores, American Export and National Can — noted that a round lot of each "can now be purchased for \$9,100, or about 50% less than at their highs."

Some of the market rebounds, particularly the one of May 29, seem to indicate that prices had reached levels that were attractive to many people, the surmise being that many of these buyers are long-term holders who were appalled at the levels prices had reached in a more enthusiastic period, and were quick to get in so as not to "miss the market" a second time.

[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.]

Philips N. V. Rights Offering To Stockholders

Philips N. V. (Eindhoven, the Netherlands) is offering its stockholders the right to subscribe for an additional 6,153,140 common shares at \$33 or 118.75 Nfl. per share 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.

Rights evidenced by coupons number 86 may be exercised for additional shares of New York registry or for additional shares in bearer form by depositing with the U. S. Subscription Agent, Bankers Trust Co., 16 Wall Street, New York City, such coupons accompanied by payment in full of the subscription price, together with a transmittal letter appropriately completed. Rotterdaamsche Bank N. V., Amsterdam, the Netherlands is manager of European subscription agents.

The offering, which is not being underwritten, is being managed in the U. S. by Smith, Barney & Co., New York City, which will organize a group of participating dealers to solicit subscriptions.

Philips N. V. owns more than 99% of the shares of N. V. Philips Gloeilampenfabrieken (Philips Industries) which manufactures television and radio sets, electronic tubes and semiconductors, incandescent and fluorescent lamps, pharmaceuticals, and various other industrial and consumer electronic and electrical products. Philips has plants in the Netherlands and in 29 other countries. Net sales of Philips Industries in 1961 totaled \$1,371,110,000.

Philips Industries will receive the net proceeds from the sale of the common shares of Philips N. V. and will simultaneously issue to Philips N. V. an equal number of its own common shares. Philips Industries will apply the proceeds for general corporate purposes, including working capital requirements and the continuing improvement, replacement and expansion of plant and other facilities.

BANK AND INSURANCE STOCKS This Week — Bank Stocks

BANK STOCK PRICES AND INTEREST RATES

From their high price levels of six months ago, bank stock prices have declined appreciably. The average decline approaches 30% — which is a somewhat greater figure than that of the Dow-Jones Industrial Index of 30 stocks. Some of this decline occurred prior to the recent sell-off in the stock market and may be attributed to the change in Regulation Q.

Bank earnings on the whole will be unchanged to slightly higher in 1962 with the exception of the West Coast banks, which have the higher percentage of time deposits. On the basis of earnings for the year, New York City banks are selling at their lowest multiple in the past year or more, and are not high priced historically. Banks away from New York, which are characterized as growth banks, are selling at fairly reasonable multiples, with the current average being lower than at any time in the past five years.

The only possible factor which could contribute to lower bank stock prices at this time is their further revaluation on the basis of yield. Historically, banks have been regarded as yield vehicles of investment, and, on the basis of current return, bank stocks are not as attractive as they have been over the past several years. Further price depreciation will occur only as other similar investment media, such as utilities, decline in price.

Over the long run, interest rates should tend upwards. This is predicated in part on our balance of payments, which is expected to remain unfavorable for some time. In order to keep our gold stock intact and to prevent foreign countries from converting dollars to gold, interest rates must remain high. This will not only insure a greater return on fixed income securities in this country, and in turn higher bank earnings, but will also mean greater foreign deposits in our banking system. Obviously, the administration, in its concern about inflation, is anxious to maintain a sound dollar. Even though the Federal Reserve is anxious to keep short-term rates low, there is no evidence that long-term rates will also fall. The banking system has adequate free reserves, and, to encourage loaning, the discount rate could fall. The Administration and Federal Reserve, however, have taken no action — an indication of our need for maintaining rates. With complete economic recovery, it is most likely that rates will rise — a fact that augurs well for banks.

SELECTED BANKS

Bank	Price 1962 (Bid)	1961-62 High	Current Dividend	Yield	P./E. Ratio on '62 Earnings	% Decline From High Price 1961-1962
Bankers Trust Co.	\$53½	\$77	\$1.97	3.68%	15.2x	30.5%
Chemical Bk.-N. Y. Trust Co.	73½	103	2.30	3.90	14.0	29.2
First National City Bank	82½	112	3.00	3.65	14.2	26.8
Morgan City Trust Co.	110	150	4.00	3.65	18.2	26.6
Average New York Banks				3.72%	15.4x	
First Nat'l Bank of Chicago	64	114	1.60	2.50	14.1	35.2
Continental-Illinois National Bank & Trust Co.	115	210	4.00	2.87	11.9	45.0
National Bank of Detroit	52	84	2.06	3.70	11.3	38.1
Nat'l City Bank of Cleveland	47	69	1.60	3.40	14.8	32.5
Citizens & Southern Nat'l Bk.	72	91	1.70	2.36	16.9	22.0
Wachovia Bank & Trust Co.	61	46	0.60	22.2	15.9	41.4
First Nat'l Bank in Dallas	67	83	1.50	2.45	22.2	44.5
Republic National Bank	63	83	1.68	2.67	21.0	33.8
Crocker-Anglo Nat'l Bank	47	68	1.40	2.96	20.8	31.0
Seattle-First Nat'l Bank	56½	86	1.70	3.02	16.8	35.7
Security-First Nat'l Bank	63	95	1.60	2.54	18.0	33.7
Wells Fargo Bank	57	88	1.60	2.81	17.0	35.2
Average				2.80%	16.7x	

PRICE-EARNINGS RATIOS AND YIELDS

Year	New York City Banks—Average		Outside New York City Banks—Average	
	Yield	P./E. Ratio	Yield	P./E. Ratio
1952	4.40%	13.1x	4.63%	11.1x
1953	4.46	12.9	4.47	10.1
1954	4.49	12.4	3.88	12.0
1955	4.04	14.9	3.92	12.2
1956	4.34	13.1	3.73	14.8
1957	4.74	12.0	4.40	13.1
1958	4.47	13.3	4.10	18.3
1959	3.71	14.3	3.48	18.3
1960	3.91	12.4	3.55	19.3
1961	3.18	16.8	2.80	23.0
1962	3.72	15.4	2.80	16.7

A. P. Kelly Co. Formed in N.Y.C.

Formation of A. P. Kelly & Co. to specialize in municipal securities and Federal Housing Administration debentures has been announced by Alexander P. Kelly, III, President. Other officers will be: John B. Kelly, executive Vice-President; Matthew L. Akers, Vice-President; Harold Groll, Vice President; and Maurice Deiter, Secretary. The firm will have offices at 40 Exchange Place, New York City.

Federal Housing Administration debentures are issued by the Administration in exchange for defaulted mortgages. A. P. Kelly & Co. plans to make an active market in these securities and will be one of four firms to do so.

N. Y. Analysts to Hear

Eugene V. Klein, President of National General Corporation, will be guest speaker at the luncheon meeting of the New York Society of Security Analysts to be held June 8.

BANK and INSURANCE STOCKS

Bought—Sold—Quoted

LAIRD, BISSELL & MEEDS

Members New York Stock Exchange
Members American Stock Exchange
120 BROADWAY, NEW YORK 5, N. Y.
Telephone: Barclay 7-3500
Bell Teletype NY 1-1248-49
Specialists in Bank Stocks

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Amateur Speculators and Investors

A security salesman should be able to recognize an amateur speculator and evaluate his emotional motivations, because there are times when these people dominate the buying and selling of securities by individuals. During the past decade we have seen an ever increasing participation in the security markets by what could be termed "amateur speculators." Unless a security salesman understands these people, and what makes them tick, he will not be able to do business with them. Most amateur speculators must lose some or all of their capital eventually. They cannot be classified as substantial clients who will become the year in, and year out, customers of a dedicated security salesman.

Nevertheless, much business can be consummated with these individuals and since they are a recurring phenomenon of the investment business, such as the seven year plague, or the periodic swarms of locusts that infest various parts of the universe, let us analyze their motivations and try to understand them. (Incidentally, many of these people will now remain a more reluctant and non-participating element in the securities, speculating, and investing rodeo during the next few months, or years—this is only a personal opinion and may not be of much interest or validity).

What Motivates an Amateur Speculator

Barnum not only was right, he was no hypocrite. The penchant of the amateur speculator is to "Get Something for Nothing." He is the same person who has forced your filling station, and your super-market, to ask you, "Do You Save Stamps?" He is easily motivated because of his primal urge to make money, quickly, and without sacrifice of time, study and work. He is the fellow who is manipulated by skillful press agents, advertising agencies, and politicians who make promises they can never keep and they usually buy what is offered. They eagerly sought the glamour stocks, the "fast movers," the "new issues" that moved to a premium, and they fell for every "gimmick" in the security markets from one hundred times earnings, to space, uranium, and what finally were termed the "exotic stocks." They cared not for yield, for quality, for management, for earnings, or reasonable price earnings ratios, their motivation was simple, "acquisitiveness." This may sound harsh, but it was not so long ago that the saying was current around the board-rooms that "the only people who have made any money in this market are those under 40 years of age"—remember?

The second and primal motivation of the amateur speculator is his great need and desire for "self preservation." All of us have this need but the amateur speculator will buy stocks that are overpriced, chase phantoms during a bull market, never sell when he has a profit because he doesn't want to pay the capital gains tax, or because he believes he should make a larger profit—then he refuses to take his loss because he won't face reality and admit that he already has it. These are the people who will wind up with stocks that will not recover in the next "bull market," nor will such companies grow and prosper. They will keep their wallpaper—hoping that someday they will get a chance to unload at a fantastic

price because they "bought in" at such a "low" level. The investment security salesman must live with these people. There is very little he can do to help them. But it is a wise investment man who does not build his clientele upon such a shaky foundation.

The investor has basic values. He plans a trip, he marks his map, he decides whether or not

the objective is worth its cost in time, energy, and expenditure. The investor is a realist. He is the fellow who didn't chase stocks to the sky—he didn't overbuy and run his bank to obtain additional purchasing power during the past decade. He lives simply, and with a recognition that there are natural laws in this universe that govern not only the price level of common stocks, but everything else. This is the investor who still desires: (1) Safety of his savings to the greatest extent possible; (2) A return on his investment that is commensurate with the risk he takes; (3) An investment that can appreciate in price due to the creation of value behind it, from the expenditure of effort of the people who are producing the profits that will create

more wealth for the shareholders (if the investment happens to be an equity, or a discount preferred, or bond).

I have a friend who is an investment dealer who specializes in high grade income producing bonds, common stocks, and mutual funds. He has built a clientele during the past 10 years that consists solely of investors. It has not been an easy road. On Monday, May 29, when the papers were blazing forth with headlines, "Wall Street Crash, Greatest Since 1929," he had the largest day of sales to his customers of mutual funds during 1962. I expect that he will continue to do more business as this market re-adjusts to reality, earnings, yields, and the future prospects of well managed, sound companies whose

obligations are available in the market, and where these equities can also be bought at sensible prices in relation to their earnings and income produced.

An amateur speculator is a very desirable customer during "bull markets" and he will always be with us. But an investor is more difficult to locate—you see, "He doesn't want something for nothing" and he is greatly outnumbered by those who do!

Chicago Analysts to Hear

CHICAGO, Ill.—William S. Vaughn, President of the Eastman Kodak Company, will address the luncheon meeting of the Investment Analysts Society of Chicago today (June 7) at the Midland Hotel.



FOR BEATING THE ELEMENTS, COPPER'S YOUR BEST BUY

These screws are made of Everdur® metal—pure copper with a little bit of silicon and manganese added. They're a terrific buy for jobs like fastening the planking of a hull, crossbars on an electric power pole, or any hardware exposed to the elements. They'll never rust—will stand up in all kinds of weather. Even in salt water. And they're so strong and

tough, you could drive them into undrilled oak with a power screwdriver if you wanted to put them to the test. Six 1¼-inch #8 screws weigh just over ½ ounce, contain about a penny's worth of copper at the refinery price. Of course, after you add the cost of alloying, fabrication, packaging, marketing, they cost considerably more. But they are still a terrific buy—

as are their counterparts, machine screws, bolts, nuts, nails—because the cost of not using them can be a great deal higher. This is but one simple example of the hundreds of ways copper and copper alloys can help prevent or reduce our nation's appalling annual losses from rust and corrosion. ©220318

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NEWS ABOUT BANKS AND BANKERS

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

First National City Bank, New York, returned to Santo Domingo, Dominican Republic, June 4, after a 21-year absence as it opens its 86th overseas branch. The bank's original office in the Republic was established as a branch of the International Banking Corporation in 1917. Heading the branch will be Edilmiro Salas who served as an officer of First National City in Santo Domingo from 1928 to 1941.

The 87th overseas branch of **First National City Bank, New York**, opened June 1 in the Kowloon section of Hong Kong, located on Nathan Road.

Charles Bradley heads the Kowloon branch, having been transferred from First National City's main Hong Kong branch.

Chemical Bank New York Trust Company, New York, has elected F. Leonard Bryant and Colonel Frank E. Mott to its Rockefeller Center Advisory Board, it was announced May 31, by Chairman Harold H. Helm.

Mr. Helm also announced the election of John E. Cookman to its Grand Central Advisory Board.

Commercial Bank of North America, New York, received approval from the New York State Banking Department to increase its capital stock from \$3,288,060, consisting of 657,612 shares of the par value of \$5 each, to \$3,600,560, consisting of 720,112 shares of the same par value.

Sterling National Bank & Trust Company, New York, announced the following promotions and appointments:

John S. Booth, formerly with **Bank of Commerce, New York**, has joined Sterling National as Assistant Vice-President in charge of the new Park Hills office. He will be assisted by Joseph Barthel, who has been promoted to Assistant Cashier.

Patrick A. D'Onofrio, formerly Manager of the Bank's Foreign Department, has been advanced to Assistant Vice-President.

Enrico F. Caruso, formerly Assistant Cashier, has been advanced to Assistant Vice-President in charge of the Dealer Loan Department.

The election of six Assistant Treasurers at **The Marine Midland Trust Company of New York** has been announced by George C. Textor, President.

The newly-elected officers are: Kenneth W. Ake, Jr., 52nd Street Office; Clyde R. Claus, Midwestern States Division; Jeffrey Lalkind, Metropolitan New York Division; William A. Murphy and John J. Raphael, Jr., Yorktown Office; and Leonard A. Siwek, International Banking.

The Federation Bank and Trust Company, New York, opened its 10th office June 5. The office, the first branch in the Bronx, located at 1800 Williamsbridge Road, is called "The Morris Park Office."

Mr. William J. Hartmann, Assistant Vice-President, will be the Manager of the Morris Park Office.

Paul A. Becker has joined **Security National Bank of Long Island** as Assistant Vice-President in the personal credit department.

William W. Post, Executive Vice-President of **The County Trust Company, White Plains, N. Y.**, will retire on July 1, after 38

years of service with the bank. Mr. Post's career in banking started 49 years ago as messenger with the **New York Produce Exchange Bank, New York**.

In 1924, Mr. Post came with **The County Trust Company from the American Trust Company, New York**. In 1926 he was made an Assistant Treasurer of County Trust and thereafter became Treasurer, Vice-President and Secretary, and in 1957 was elected Executive Vice-President of the bank.

National Bank of Westchester, White Plains, N. Y., announced June 1 that approval of a branch office in Armonk, Town of North Castle, has been received from the Comptroller of the Currency.

Following a special meeting of the Board of Directors of the **Marine Trust Company of Western New York, Buffalo, N. Y.**, announcement was made of the appointment of John M. Galvin as Chairman of the Executive Committee and Chief Executive Officer of the bank, and of Robert S. Scheu as President. Additionally, Baldwin Maull, President of Marine Midland Corporation, was named Vice-Chairman of the Board of Directors of the Marine Trust Company, and Albert L. Sander-son, Senior Vice-President and Secretary, and Martin J. Travers, Senior Vice-President at Niagara Falls, were advanced to Executive Vice-Presidents. Both Mr. Galvin and Mr. Scheu were also named as members of the bank's Board of Directors.

Mr. Galvin is advanced from Executive Vice-President, to which position he was appointed in January, 1961.

The Mellon National Bank and Trust Company, Pittsburgh, Pa. announced that Samuel M. Linduff, Assistant Vice-President and Manager of the Mt. Lebanon Office of Mellon Bank, has been named manager of the Bank's Washington Office. He succeeds Raymond F. Talbert, Vice-President and Manager of the Washington Office since 1955, who has resigned to assume a post as Vice-President with the **Crocker-Anglo National Bank, San Francisco, Calif.**

Ralph W. Utley, Assistant Vice-President and Manager of the Bank's Carnegie Office, will return to take charge of the Mt. Lebanon Office.

William Dougherty, Manager of the Ford City Office of Mellon Bank, will succeed Mr. Utley as Manager of the Carnegie Office. William A. Hallett, Assistant Manager at Ford City, has been promoted to Manager.

The Union Commerce Bank, Cleveland, Ohio, announced June 4 the election of Merle Hostetler as Vice-President and Economist.

Clark Cox, Vice-President in the investment department of **Harris Trust and Savings Bank, Chicago, Ill.**, celebrated his 35th anniversary with the bank, June 1. He is head of the St. Louis office of the Harris Bank's investment dept.

Mr. Cox joined Harris Bank in 1927, he was elected Sales Manager in 1947, Assistant Vice-President in 1951, and Vice-President in 1956.

The East Side State Bank of Wichita, Wichita, Kansas, has converted into a national Bank, under the title of **East Side National Bank of Wichita**, effective May 25.

Howard Wayne Teller has been appointed an Assistant Cashier of **First National Bank in St. Louis, Missouri**.

Merger of the Bank of Wilmington, N. C., into North Carolina National Bank, Charlotte, N. C., has been approved by the Comptroller of the Currency and will become effective June 8. Stockholders of both banks previously approved the merger on March 6.

Archibald Eccleston III, Assistant Trust Officer, has been assigned to the Oakland Office of **The Bank of California, San Francisco, Calif.**

Bank of America, San Francisco, Calif., elected Wilson H. Asdel a Vice-President. Frederick R. Pierre, Vice-President, was made head of time-plan loan activities in Northern California, succeeding Marcel Delabriandais, who becomes commercial loan supervisor.

Security - First National Bank Los Angeles, Calif., elected Carl E. Carlson a Vice-President.

Bank of Nova Scotia, Toronto, Canada, elected Robert L. Dales and John S. Proctor Deputy Chairmen and Executive Vice-Presidents.

Chicago Bond Club Golf Outing

CHICAGO, Ill.—The 51st annual golf outing of The Bond Club of Chicago will be held on Friday, June 8, at Knollwood Country Club, according to Charles R. Perrigo of Hornblower & Weeks.

Mr. Perrigo, President of the group, anticipates a turnout of over 400.

The Bond Club, with a membership of 600, was founded in 1911.

Named Director

Paul L. Mullaney, President of Mullaney, Wells & Co., Chicago was elected a Director of Illinois Capital Investment Corp., Chicago.

Mr. Mullaney is also a director of Riverside Plaza Corp., past governor of the Investment Bankers Association of America, and past president of the Bond Club of Chicago. Mr. Mullaney also participates in charitable activities as president and director of Catholic Charities of the Archdiocese of Chicago.



Paul L. Mullaney

CORRECTION

LOS ANGELES, Calif.—In reporting the formation of Capital Consultants, Inc., 6505 Wilshire Boulevard, it was indicated that J. Robert Cole, President of the new company, had formerly been Vice-President of First Investment Company, Inc. Mr. Cole is still Vice-President of First Investment Company in addition to being President of Capital Consultants.

Rejoins Mason Brothers

(Special to THE FINANCIAL CHRONICLE)

OAKLAND, Calif.—Richard J. Janusch has rejoined Mason Brothers, First Western Building, members of the Pacific Coast Stock Exchange. Mr. Janusch has recently been with Sellgren, Miller & Co., Inc., and Hugh W. Long & Co., Inc.

COMMENTARY...

BY M. R. LEFKOE

While President Kennedy and his staff of economic advisors are loudly proclaiming that a significant upturn in business is in sight for some time to come, stories of behind the scenes conferences belie their publicly spoken words. Although not yet confirmed publicly, rumors are starting to spread that the President is *even more concerned* about the nation's economic health than most businessmen and private economists.

With a Congressional election this November and a Presidential election to follow shortly afterwards, Mr. Kennedy is well aware of the political liabilities which would accrue to him and his party if another period of business decline were to begin so shortly after the recession which ended last spring. It appears that he has told his advisors that he is prepared to do anything and everything possible to prevent a new recession from occurring.

Early Tax Reduction?

Of particular interest is the story, not yet widely circulated, that he is prepared to ask Congress for a 2% cut in the corporate income tax rate *this year* if the 7% investment credit is not approved by Congress. Furthermore, while Mr. Kennedy has stated publicly that he is not particularly concerned with the gyrations of the stock market, another story just starting to make the rounds is that he might also ask for a cut in personal income taxes for those in the higher tax brackets this year. The rationale here is that those in the higher income brackets would very likely invest a good deal of their tax windfall in securities, and thus act as a prop under the rapidly sagging stock market.

As was mentioned in this column several weeks ago, the uncertainty induced by President Kennedy's "anti-business" and "anti-profits" attitude have all but completely undermined the confidence of businessmen. It is, therefore, highly problematical that even a cut in corporate taxes will be sufficient to turn the tide at this stage of the game. For a fuller understanding of why this is so, it is important to understand the nature of government engendered uncertainty, and how it affects plans for capital expenditures.

Role of Capital Spending

Most economists, including those employed by the government, recognize that a stable economic expansion requires steadily increasing capital expenditures. Not only are new capital investments needed to provide jobs for the three million new job hunters each year, but even more important, increased production of consumer goods ultimately depends on a rising stock of plant and equipment. Thus, while steadily increasing capital expenditures would not guarantee business expansion in itself, it is a significant factor in providing a strong base for economic growth. Conversely, while a decline in capital expenditures on a year-to-year basis would not necessarily bring about a recession immediately, a severe business decline could not be avoided for long if the trend were not ultimately reversed.

With this in mind, the next question to ask is: what are the factors determining capital expenditures?

Although not the only factor of importance, a stable set of cost-price relationships is certainly one of the more important elements considered by businessmen when examining possible new

capital expenditures. Our government today has made these relationships critically unstable by intervening in the economy in almost every way possible—e. g., the "guidelines" it has laid down regarding wage and price increases, its direct intervention in pricing decisions, its direct intervention in the process of collective bargaining, and the inflation which is a necessary result of its fiscal and monetary policies.

The "Guidelines"

Perhaps the best summary of the administration's "guidelines" policy can be found in President Kennedy's recent Economic Report to Congress, in which he stated: "If labor leaders in our major industries will accept the productivity benchmark as a guide to wage objectives, and if management will practice equivalent restraint in their price decisions, the years ahead will be a brilliant chapter in the record of the responsible exercise of freedom." In other words, management and labor are "free" to act as they please—as long as the decisions they reach and the actions they take are in accordance with the government's "guidelines."

Although there have been many instances of direct government intervention in the area of pricing decisions, Mr. Kennedy's assault on the steel companies which caused them to rescind their recent price increase is perhaps the best known instance of such a policy.

Discussions over wages and fringe benefits were once attended by representatives of management and labor. During the Kennedy Administration, however, a third party has been added—Secretary of Labor Arthur Goldberg. Although his stated intention is to induce "more voluntary cooperation" between the two groups, the effect of his intervention has been to create confusion on the part of each of them.

The current administration's policy is perhaps best defined by a statement made by W. Rathbone, head of Britain's National Union of Railwaymen: "The financial inability of the industry to pay increased wages cannot be accepted as a reason for refusing a justifiable wage claim." Thus, with the assistance of the government, labor is able to constantly win arbitrary and uneconomic increases in wages and fringe benefits.

Living Costs Rising

A recent newspaper headline reported that the consumer price index climbed to a record high in April for the third consecutive month. Government price officials said that they expect another jump in the index for May, perhaps matching the April rise. In commenting on the increase, Robert J. Myers, Deputy Commissioner of labor statistics, told a news conference that the April increase was "an irregular little jump in a period of long price stability that should continue at least the rest of this year."

A look at the figures, however, tells a story that neither Mr. Myers nor Mr. Kennedy are willing to admit. While they blithely assure us that the last few years have exhibited a trend toward price stability, they neglect to inform us as to what they mean by "price stability." The consumer price index has risen 3.48% over the last three years, or 1.15% annually. Even if we were to assume that inflation will remain as "stable" as this indefinitely (an unlikely prospect, at best, given the government's inflationary monetary and fiscal policies), a

MUTUAL FUNDS

BY JOSEPH C. POTTER

Leave It to Heaven

"Do your duty, and leave the rest to heaven," said Pierre Corneille, 17th Century French author.

This apt quotation was recalled last week by the beleaguered manager of a mutual fund, who had little time in May for classical reading. With the market undergoing the worst sinking spell in a generation, many Wall Streeters, who should have known better, were reviling fundmen for "not rescuing the stock market."

When the market rebounded, of course, not a few fellows in the Financial District were quick to chortle that "the funds are buying."

The notion that the function of the funds is to support the stock market is absurd and can only be explained away by the fears that gripped many people when stocks plunged sharply amidst hectic trading. If fundmen have any responsibility beyond protecting the investment of their army of stockholders, it has never been set forth by reasonable men. A suggestion that they have other duties would be ridiculous coming even from men who had always been kindly disposed toward the funds.

Plainly, in the feverish month of May, the fundmen went their own way and they may be counted on to do this, whatever the future may hold for the stock market. It makes about as much sense to implore the funds to bail out the fellows who are long in a bear market as for the funds to plead with traders to support the list because the asset value behind fund shares are declining.

So it was something of a disappointment when the Investment Company Institute, at the end of last week's frenzied trading, rushed in with a statement that the "funds were heavy buyers of securities during the first two days of this week . . ." The release was based on a study covering 54 mutual funds, indicating that brokers weren't the only ones kept hopping last week.

No doubt, this kind of news can be counted on to bring in others to support the market. If the list should now sustain another sinking spell, the funds will make few friends.

The announcement that the funds were "heavy buyers" also causes one to wonder whether, at some future date, assuming the funds were heavy sellers, they would rush in to spread the news.

To even the cursory reader of the press, it would seem that fundmen have enough problems of their own, many of these of long standing and others which only now have arisen.

Among the problems that have been around for quite some time is the matter of salespeople. With the passing of the years, it has become quite clear that selling funds is a sensitive chore that requires understanding and training of personnel who must bring to this work character of the highest order. Reports that the Securities and Exchange Commission frowns on certain sales techniques are cause for concern.

Surely, there must be a better way to sell mutual funds than to utilize supermarket booths complete with green stamps for investors. For many people, the purchase of a mutual-fund holding may be one of the most important investments of a lifetime. It should not be consummated in the atmosphere of a dollar-day sale. Understandably, most fundmen feel strongly that they should be left to police themselves, but they

stand to lose that freedom if the snooty practitioners run rampant.

One of the latter-day problems of the funds, coincidentally, is the need for continued high-level investment by the public. After all, investors in the funds, no less than people who do their own picking of stocks, are deeply concerned about the market gyrations. As for those people, who have never invested in stocks but have been solicited by fund salesmen, it will take salesmanship of the highest order to convince them that they should launch an investment program at this juncture.

This department, as an example, has first-hand knowledge of the lady who had made the initial payment last month under a contractual plan of a top-flight fund. With the market plummeting, she called to ask whether it would not be wise to cancel.

Now, this department, which believes strongly in the funds but recommends no fund, pointed out that the lady had had a long-range goal when she made the commitment. All we could do, in good conscience, was to state our considerable respect for the particular fund and express our faith in the long-term future of American industry. Since the lady decided to continue her monthly payments, we suppose that comes rather close to selling a mutual fund.

Assuming that the funds can keep their own house in order, it is a pretty fair guess that from all the tumult and shouting that have gone out from Wall Street this spring there will emerge a new respect for this fund business. For it is no secret that some of the most severely wounded combatants in this bear market have been folks who tried to anticipate the day-to-day trend amidst caring for their customers, clients and patients. From all this there could develop an awareness that money management—no less than vending meat, bread and candles—requires a certain expertise.

The Funds Report

Total net assets of **American Mutual Fund** at April 30 were \$169,428,704, or \$8.97 a share, according to the semi-annual report. This compares with \$170,126,118, or \$9.83 per share, at Oct. 31, 1961.

New names appearing in the portfolio during the latest quarter include Atlantic Refining, Crown Zellenbach, Stokely-Van Camp, Tennessee Gas Transmission, Western Airlines and Westinghouse Air Brake. Over the same three-month span the fund eliminated Beneficial Finance, Campbell Soup, Columbia Broadcasting, Fireman's Fund, Goodyear Tire & Rubber, Great Atlantic & Pacific Tea Co., International Minerals & Chemicals and International Telephone & Telegraph.

Boston Fund closed the first quarter of its fiscal year on April 30 with total net assets of \$301,613,751, equal to \$18.81 a share. This compares with assets of \$280,909,327, or \$19.22 a share, a year earlier. Three months earlier the share value was \$19.27.

The company also reports that common stocks of Gulf State Utilities and Radio Corp. of America were eliminated along with a preferred commitment in Sunray Mid-Continent Oil.

The Chase Fund of Boston in its report for the six months ended April 30, 1962, put total net assets

at \$39,576,735, equivalent to \$7.59 a share. Comparable figures at Oct. 31, 1961, were \$41,789,089 and \$8.40.

Total net assets available for investment of over \$100 million were announced by James H. Orr, President of **Colonial Fund, Inc.**, in the quarterly report.

On April 30 net assets totaled \$100,883,226, or \$11.27 per share, against \$90,260,522, equal to \$11.70 a share, a year earlier.

During the latest quarter the company bought American Metal Climax, Courtaulds, Decca Records, Ford Motor Co., Pittsburgh Plate Glass, Royal Dutch Petroleum and Tennessee Gas Transmission. During the same period it sold Atlantic Refining, Central Illinois Public Service, Frito-Lay, Holt, Rinehart & Winston, Parke, Davis & Co. and Sinclair.

Total net assets of **Commonwealth Stock Fund**, on April 30 were placed at \$20,381,112, equal to \$16.22 per share. On April 30, 1961, assets were \$19,476,439, or \$17.64 a share.

New holdings of the fund include General Foods, International Harvester, Northern Natural Gas, Oklahoma Gas & Electric and Procter & Gamble. Eliminations include Broadway-Hale Stores, Friden, Salada Foods and Texas Instruments.

Total assets of **Investors Stock Fund, Inc.** at April 30 amounted to \$993,527,761, or \$18.41 a share. This compares with \$978,730,731 of assets and \$19.93 a share on Oct. 31, 1961.

Lexington Income Trust announces that during the six months to April 30 it made new investments in Cities Service, \$4.40 cumulative convertible preferred, Lake Central Airlines 6½% convertible preferred, Behlen Manufacturing, Copperweld Steel and Montgomery Ward. It also increased holdings of Northwest Airlines 5¼% cumulative convertible preferred and Royal Dutch Petroleum 20-guilder par. It eliminated Atchison, Topeka & Santa Fe Railway, Baltimore Gas & Electric, Columbian Carbon, Penn Dixie Cement, Republic Natural Gas, Tractor Supply Co., U. S. Rubber and Western Bancorporation.

Total net assets of **The Putnam Growth Fund** amounted to \$264,819,900 on April 30, compared with \$207,361,400 six months earlier and \$144,586,700 a year earlier, according to the semi-annual report. Asset value per share declined to \$9.16 on April 30, compared with \$9.78 six months earlier and \$9.44 on April 30, 1961.

Television-Electronic Fund, Inc. reports total net assets at the end of its fiscal midyear on April 30 of \$401.1 million. This compares with resources of \$443.8 million on Oct. 31, 1961, end of the last fiscal year, and \$431.1 million at the midyear point in 1961. Net asset value per share declined to \$7.83 at midyear, compared with \$8.92 at the end of the fiscal year and \$8.82 a year earlier.

Vance Sanders & Co., Inc. reports sales for the first four months of 1962 were more than \$23 million ahead of last year, while redemptions were some \$13 million less than those of a year ago. Henry T. Vance, President, said sales through April 30 were in excess of \$94 million, against \$71 million for the same period last year.

With Shearson, Hammill

(Special to THE FINANCIAL CHRONICLE)
LOS ANGELES, Calif.—William D. Rains has joined the staff of Shearson, Hammill & Co., 3324 Wilshire Boulevard. He was formerly with Harris, Upham & Co., for many years.

Lester, Ryons Adds

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Joseph N. Alewine has been added to the staff of Lester, Ryons & Co., 623 South Hope Street, members of the New York and Pacific Coast Stock Exchanges. He was formerly with Marache & Co.

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Cause and Effect

The stable cost-price relationships necessary for long-range planning do not currently exist. Instead, we have some prices held down by arbitrary government edicts while others rise under the pressure of government induced inflation. Wages and fringe benefits, one of the largest cost items for many companies, are rising due to government intervention in the collective bargaining process. Uncertainty pervades and the prospects for increasing capital expenditures have become somewhat tenuous at best.

President Kennedy does have good reasons for being concerned about our country's economic health, but he shouldn't be too surprised. He is only seeing the consequences of his own policies and actions coming home to roost.

Nat'l Securities & Research Elects

Lawrence R. Kahn has been elected Senior Vice-President, Investments, and Philip C. Smith, Senior Vice-President, Sales, of



Lawrence R. Kahn Philip C. Smith

National Securities & Research Corporation, 120 Broadway, New York City.

Mr. Kahn will be a member of the Policy Committee and direct all activities of the Economics and Investment Department staff. A past President of The New York Society of Security Analysts and currently Chairman of the Admissions Committee of the Financial Analysts Federation, Mr. Kahn was formerly Vice-President in charge of Investment Research at A. G. Becker & Co., Inc., and Director of Research at E. F. Hutton & Co.

Mr. Smith joined National in 1954 as Manager of the Profit Sharing, Trusts and Institutional Department following six years of law practice. He later became a Regional Vice-President, first in the New York Metropolitan Area and then in Chicago. In 1961 Mr. Smith returned to New York as Sales Vice-President.

Mr. Smith was graduated from Williams College and The Fordham Law School. He resides at 55 Hillside Road, Rye, N. Y.

Paul Aschkar Forming Own Co.

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Paul H. Aschkar has formed Paul H. Aschkar & Company with offices at 639 South Spring Street to engage in a securities business. Forest W. Shipley will be associated with the new firm as Manager of the trading department. Both were formerly with the Los Angeles office of Sellgren, Miller & Co., of which Mr. Aschkar was Manager.

Taking a Short and Long Look at the Stock Market

Continued from page 3

owners took a well-rounded view. I think that the biggest seller this year, despite some big secondary blocks, has been the small stockholder.

Doubts We Are Through With Inflation

There is one reason currently given for the decline in which I can not agree. That is that we are through with inflation.

The latter word has been used very loosely. We have been in a period of currency debasement and rising wages. This has affected the cost of living and increased it.

It has increased values in some directions — decreased them in others.

It costs more to put up a factory or a house.

On the other hand, it puts a squeeze on corporation profits.

Many commodities are in great supply at low figures. There is no inflation here.

I do not think there is even a remote possibility that we are through with spending and monetary inflation. Quite the contrary, I think we are increasing both.

The very concern of Washington about wages and prices is a concern about RISING wages and prices. They are talking controls — not supports.

Overall a dollar is going to continue to buy less—the cost of living is going to continue to rise. A properly managed, selected and timed equity position is going to continue to offer better protection than fixed dollar obligations, or a creditor position. It could mean losing less—but whether a lesser loss, or a profit, I feel sure investments based on equities will work out to better advantage.

One Must Be a "Lone Wolf" To Make Money

To talk about successful investment principals for a bit, the truth is that to consistently profit in the market one must be a "lone wolf". Not really a "wolf" of course—I am not thinking of the "wolf of Wall Street"—but definitely a "loner", completely independent in one's actions. It is also necessary to make investment decisions on investment principles devoid of emotions. Unfortunately, we all share to a varying degree the human herd instinct.

And if we keep ourselves apart, and the market for a time goes with the herd—then almost surely sooner or later we will begin to believe the herd is right, and that we are wrong.

It is easy to stand up here and say—"Be a lone wolf—don't follow the crowd." It is a thousand times more difficult actually to do. Because the crowd is right for a while and sometimes a long while.

I remember back in 1929 telling a friend who had a lot of Simmons Company that it was ridiculously high. He believed me and told me to sell 5,000 shares. I think I sold the first 1,000 at 170 and the rest at rising prices. This convinced him that I was wrong and he bought his 5,000 shares back at 175. In this case, it went higher but not much. I forget how long it eventually went, probably under \$10 a share.

This is the most difficult disciplining we have to do. It is sticking to our guns at times when it looks like we are wrong.

It is of course mathematically obvious that the greatest bargains occur at the period of maximum pessimism, and the best sales when the skies are bluest. Recognition of these periods is next to impossible. On the other hand, it is reasonably feasible to recognize

a trend early enough to follow it profitably.

I might say, on the other hand, "don't fight the trend". It sounds contradictory but it isn't.

This is really one of these situations where judgment rather than rules or formulas count.

The point is to have no illusions as to where your expected profit is coming from or what your risks really are.

If you know you are buying too high but expect to resell even higher there is some safety in that knowledge. You will then cut your losses quickly.

On the other hand, you might buy real low and be a little obstinate.

Valuation of Stocks

The danger is when people think they are buying values when in fact they are not. Then they hang on until it is too late.

The truth is we are all every one of us locked in an investment valuation system that rests on fashion and popularity. We might make fun of the ladies constantly lengthening and shortening their skirts as fashion dictates. In fact, this isn't very serious, except as a waste of money.

But it is serious when we overbid price-earnings ratios, first in one group and then in another. And it is also serious if we avoid solid situations because they are for the moment unpopular.

Maybe we meet together too much—have too many common lunch clubs, etc. A little isolation might lead to more independent thought.

In looking over our tabulation of institutional portfolio changes for the first quarter of this year, the aluminum stocks were up at the top of the list as being heavily sold. Back in 1955, they were the darling of the gods. Or, look at IBM, which has been one of the weakest stocks in the last few days. This was also very popular in 1955 and has been up at the top of the Favorite Fifty list for a long time.

It is certainly a double barreled way to lose money if an issue or a group goes out of fashion, and at the same time its earnings level off or decline. Usually the two things happen together.

Looked at the other way, one certainly makes the maximum profit by a combination of rising P-E ratio and rising earnings. I wonder sometimes whether today's analysts who seem to know how high P-E ratios can go have any idea how low they can go. I just thumbed through a manual the other day and by pure happenstance came upon Denver & Rio Grande Railroad. It sold under twice its earnings in 1947. This occurred just before it started a big upswing in both earnings and investor status.

I remember back in the early forties going to Toledo and recommending the purchase of Paramount. It was selling, as I recall it, at about \$8 and earning over \$2. It had just been reorganized, and was in first class financial shape, good for a few years no matter what happened. One of our big clients bought a block and not so long after it was selling at 4½. He was rather upset at having a paper loss of practically half his capital. Of course here the facts were right and the stock recovered and gave him eventually a very generous profit.

Wall Street Is More Than a Barometer

What can we see ahead?

First, remember there is no such thing as a certain forecast — no such thing as a "real" value for securities.

Next, that we are subject to

underappraisal as well as overappraisal. We are a nation that goes to extremes—especially in the stock market.

All we hear today is that business is good and getting better.

Much of the shape of things to come depends on the news. We in Wall Street used to feel that the stock market was the barometer of things to come. This is true up to a point. Basically, stock prices always have a great deal of the indicator of expectations of the future in their make-up.

We like to say the market reflects conditions — but does not make them.

However, the truth is it does a little of both. The directions of a sweeping move in the markets is bound to affect business judgment. The price level certainly affects the cost of business financing.

Mr. Heller (Chairman of President's Council of Economic Advisers) tells us about the present state of the economy and that economic prospects provide no basis for the stock market's "correction", as he calls it.

This remains to be seen. We have gone through some revision of the P-E ratio. Now we have to see whether or not we are going through a revision of the earnings themselves on which the ratio is based.

This is of course perhaps the paramount question of the day.

What Can Washington Do?

There is a great deal of talk about what if anything Washington might do or what it should do. Fundamentally, Washington is interested in employment and taxes. Neither can be good without healthy and prosperous business. The more business and labor are allowed to work things out for themselves the better they will do. Whether our government will come around to realizing this, I am sure I can't say. What they do or don't do is going to play a big part in the future of the market.

I counsel an open mind.

I have just returned from London. Had I made this talk before I left, I would not have correctly predicted what occurred while I was abroad. I would have told you that the market was very broad. That the old line modestly priced values were going up, even while many overpriced issues were going down.

I might have whispered privately to sell IBM—but at the same time to buy AT&T.

Instead of a selective market, we have of course seen a general fall.

Strangely, for the longer run, I felt less optimistic. I attended a luncheon of 48 analysts last December. The average of their expectation for the Dow next December was 715.54. The highest was 862. Eight of the analysts selected figures under 600. I was at the bottom of the list, No. 48, with 500 as my prediction. I would have done better to constantly keep it in mind.

Key to Pricing

I do not know, but I fear the thinking that created the pricing in the last ten years plus has been discredited.

If this view proves correct, then the key to the next round of market profits is not the same key we have been using.

I can not now tell you what the new key will be. The decline has to run its course first. New strength has to commence.

I do not know how this will occur. I doubt that the bottom will be a high volume climactic day, or that we will go down, and turn about, and go right up again. This can probably only happen on a piece of major unpredictable news.

More likely the market will make a bottom and a turn in dullness. It will probably be quite some distance on its way to recovery, before even the most astute recognize the change. It will occur first in one issue, and then

N. Y. Bond Club Elects Officers

H. Lawrence Bogert, Jr., of Eastman Dillon, Union Securities & Co., has been elected President of the Bond Club of New York to succeed W. Scott Cluett of Harriman Ripley & Co., Incorporated.



H. L. Bogert, Jr.



Blancke Noyes



Howard B. Dean

The election was one of the main events of the Bond Club's annual Field Day at the Sleepy Hollow Country Club.

Elected to succeed Mr. Bogert as Vice-President was Blancke Noyes of Hemphill, Noyes & Co. Other new officers chosen were James F. Keresey of Baker, Weeks & Co. for Secretary and Howard E. Dean of Harris, Upham & Co. for Treasurer.

Two new members of the Board of Governors were named for three-year terms: Robert A. Powers of Smith, Barney & Co. and H. Virgil Sherrill of Shields & Company.

Winners of the ex-President's cup for low gross in the golf tournament were Thomas H. Choate, White, Weld & Co., and William E. Hutton, W. E. Hutton & Co.

Other winners were:

Candee Cup for low net: W. Scott Cluett, Harriman Ripley & Co. Incorporated and Avery Rockefeller, Jr., Dominick & Dominick.

Christie Cup for match play vs. par: Joseph O. Rutter, Rutter & Co., and Frank L. Mansell, Blyth & Co., Inc.

Wallace C. Latour, Francis I. du Pont & Co., and E. A. Stanley, Jr., Bowne & Co., Inc., won the tennis tournament, defeating Charles Symington, G. H. Walker & Co., and John Friday, Morgan Stanley & Co. with scores of 6-4, 3-6 and 6-2.

Sumner Emerson, Morgan Stanley & Co., and John Glidden, Stone & Webster Securities Corporation, won the consolations doubles match.

Robert A. Powers, Smith, Barney & Co., was Chairman of the field day.

another, and finally in enough, to broadly mean something.

I believe more success comes from spotting trends, than attempting to spot final high or low price levels. I do not think any of us can tell how hot the very hottest will be, or how cold the coldest, in a market sense.

I can say it can be very costly to probe for a bottom.

I am rather sure that the majority of the favorites of the recent past have very little chance.

It takes many years to correct a very overdone technical and price situation, even where real merit exists.

Where little merit exists, it takes not only years to effect the needed change of ownership, but something has to happen to affect the fortunes of the companies that lie behind the shares.

I have gone through a book of supposedly 1,000 charts to try to find some issues to watch, and investigate as possible big gainers in the next sustained upswing.

Will Investigate Dozen and a Half Stocks

I have so far selected about a dozen and a half. They are all currently unpopular. They are inactive. They are deflated. Brokers' holdings are near an irreducible minimum. None seems to be looking at them. They are not currently the subject of favorable market letters or analyses.

I am going to look over the position of these companies, and see if there is any hope for any of them. There is no bargain in buying something at a seemingly low price, that is only worth a low price, and has no prospects.

After, and if I find a handful that seem worth more study, I will visit the companies in question, and maybe their competitors and bankers.

I might come up with something. I do not know.

More likely when our next market is underway we will see volume and strength in new and strange places. A study then, is

sure to be more conclusive, than trying to beat the gun.

I want stocks that will go up because their earnings, dividends and market valuation are all advancing together.

I want red chips turning to blue —stocks not in the current Favorite Fifty, or likely to be low in the list, and with promise to move higher.

It may seem a little like Alice in Wonderland but in this connection one does stop and wonder once in a while. I have never been one to look for dividends except perhaps where I felt it might establish a value that others might buy. I can't help but note a statistician who was quoted in the New York Times recently as saying that American Telephone in its drop from the high of last year to Tuesday's (May 29) low lost value equal to all the cash dividends paid by the company in the last 30 years. In the case of IBM I think he figured it at 82 years.

Nothing is said about the taxes the recipients had to deduct.

So, like Alice, I wonder sometimes what it is we are really looking for. As near as I can condense it we are looking for a stock that we can sell to somebody else six months or more later at a higher figure.

Sets the Record Straight on Diversification

In closing, I want to say that I have never stressed diversification. I have, in fact, been misunderstood and misquoted on the subject. I have simply said no big fortune was ever made, except by extreme concentration in one issue.

Very, very few of us ever make a big fortune.

The untutored should certainly not try. They need diversification, as a protection against their lack of knowledge, or experience, or risk-taking ability.

But there is one kind of split decision I suggest for almost

everyone. That is diversification in time.

I do not think any of us can say with total authority—NOW is the time to buy. NOW is the time to sell. THIS is the next sensational leader.

Hence, I counsel getting your toe wet first—and maybe pulling it out—rather than diving in.

Each time things happen to reinforce your conclusions, commit some more. Each time they disappoint you, pull out some of your stake.

You might, in fact you certainly will, be whipsawed a bit now and then. But you find it pays over and over.

Insurance premiums, we will all agree, are fully worth what they cost. Insurance in the stock market is worth its price as well.

*An address by Mr. Loeb before the Investment Group of Hartford, Hartford, Conn., May 31, 1962.

Mountain States Tel. & Tel. Corp. Debens. Offered

The First Boston Corp., New York City heads an underwriting group that is offering publicly an issue of \$50,000,000 Mountain States Telephone & Telegraph Co. 4½% debentures, due June 1, 2002, at 102.35% to yield 4.375%. The group was awarded the issue at competitive sale June 5 on a bid of 101.58% for the 4½% coupon.

The debentures will not be redeemable prior to June 1, 1967. Thereafter, they will be redeemable at prices ranging from 105.85% for those redeemed prior to May 31, 1968 to 100% for those redeemed on or after June 1, 1997.

Proceeds from the sale will be applied toward repayment of advances from company's parent, American Telephone & Telegraph Co., which are expected to approximate \$107,000,000 at the time the proceeds are received.

Headquartered in Denver, the company is engaged in the business of furnishing communication services, mainly local and toll telephone service, in Arizona, Colorado, Montana, New Mexico, Utah and Wyoming, in Idaho south of the Salmon River and in El Paso County, Texas. Its subsidiary, Malheur Home Telephone Co., furnishes such services in Malheur County, Oregon.

ASE 5 & 20 Golf Tournament

The American Stock Exchange Five and Twenty Club, Fiftieth Annual Golf Tournament and Dinner will be held June 14 at the Sunningdale Country Club, Scarsdale, N. Y.

Swarthout V.-P. Of H. Neuwirth Co.

H. Neuwirth & Co., Inc., have acquired the business of Swarthout & Kemmerer, Inc., and have removed their offices to 5 Hanover Square, New York City. Harold Swarthout has become a Vice-President of H. Neuwirth & Co.

Kenneth Cutler Opens Own Office

(Special to THE FINANCIAL CHRONICLE)
VAN NUYS, Calif.—Kenneth R. Cutler has opened offices at 13431 Weddington Street to engage in a securities business. For many years he was President of California Fund Management Company.

As We See It Continued from page 1

large, for a century and a half hold steadily to the view that government should not undertake "a duty, in attempting to perform which he (it) must always be exposed to innumerable delusions, and for the performance of which no human wisdom or knowledge could ever be sufficient; the duty of superintending the industry of private people, and of directing it towards the employments most suitable to the interests of society."

Voices are still heard in the land proclaiming such beliefs, and doubtless with sincerity, but the record of official actions in Washington makes it clear enough that no such ideas prevail in the national capital, and if one may judge from such evidence as is at hand, it is not held by the great rank and file which have all too often become habitual seekers after help and guidance from Washington.

It is, of course, customary to say that all this started with the New Deal which took advantage of the terrible 1929 depression to install all manner of innovations in Washington and to lead the people to believe that it is to Washington, and not to themselves, that they must look for salvation. It is certainly true that Franklin Roosevelt and his followers wrought enormous changes in public policies and, we are afraid, in private thinking about many if not all these things. Certainly, there is no other single regime and no other comparable period in history which must be held accountable for so much of the reckless abandon of traditional American philosophy. Yet in all fairness and to be certain that we do not misunderstand our current problems, let it be said that a good deal had taken place before the New Deal which would hardly have met with the approval of our forefathers.

Our tariff laws throughout much of our history have not been consistent with a fully developed *laissez faire* system of economics, and customs tariffs were certainly not an invention of the New Deal. If anything they were the darlings of the Republican party. Again take agriculture. It was long before the New Deal was ever thought of that we began in one way or another to subsidize the farmer. Under President Hoover further important steps were taken to place the farmer under the protective wing of the Federal Government—but this type of favor for agriculture long preceded President Hoover. What the New Deal did, by and large, was to develop and advance the work that had already been started

in this area and to initiate the notion that the output of the farmer must be regulated from Washington in one way or another—as it indeed needed to be if funds in the billions paid out to the farmer were not to bring something close to disaster. Of course, this effort to control production was deeply affected with politics, and has never been much of a success. And long ago the farmer was made exempt from the rigors of the antitrust laws. All in all we could not find a much better illustration of the Adam Smith's warning that public control of the produce of any section of the people must end in failure if not disaster.

The Farmer, Too

Of course, labor as well as agriculture controls many votes. Even before the New Deal came into existence, but particularly after it got well underway, organized labor—and other labor, too, for that matter—became subject of sharp deviation from the earlier ideas of *laissez faire*. It has been the subject of special treatment in many laws drawn and adopted in Washington and in the general attitudes and policies of administrative government at all levels. The labor union and its members may with impunity forget about antitrust laws. They may and often do forget about a number of the other laws of the land. At the

present moment the Administration is making an attempt to tell these powerful creatures of special favor just what the public welfare requires and is hopeful that they will take heed—but if they do not, no one knows precisely what this or any other Administration could do about it under existing laws. These powerful organizations, moreover, have strongly held views about special steps that they think should be taken to promote greater business activity, faster growth and more employment, and none of them are remotely consistent with traditional American philosophy about dealing with business.

And Housing

For years the Federal Government, and for that matter various local units, have been taking repeated and often long steps toward influencing the flow of capital into housing. So far from showing any disposition to withdraw or to bring practices and policies more in keeping with traditional American ideas, the Administration is even now insisting that more be done to stimulate the construction of housing—in part at least at Government expense. Naturally, subsidies have been demanded and often granted to enable this, that, or the other industry to cope with the problems all this special legislation have posed. The list might well be almost indefinitely extended,

but nothing is to be gained by unduly laboring the point.

We have moved so far away from the traditional American practices and beliefs that we are in effect now operating under a different system—almost as much like socialism as the older *laissez faire* which saw us grow to such greatness.

Financiers on Dinner Committee

Eight members of the financial community have been named on a committee of 75 planning the dinner in honor of General Lucius D. Clay, board chairman, Continental Can Company, to be held Monday, June 18, in the grand ballroom of the Waldorf-Astoria, New York.

The \$100 per plate event will benefit the human relations program of the National Conference of Christians and Jews.

Harold Boeschstein, President, Owens-Corning Fiberglas Corp., is serving as dinner chairman.

Committee members from the financial world are: Robert B. Anderson, Carl M. Loeb, Rhoades & Co.; Paul C. Cabot, State Street Investment Corp.; George Champion, Chase Manhattan Bank; Robert Lehman, Lehman Bros.; Lewis L. Strauss, former chairman, Atomic Energy Commission; Sidney J. Weinberg, Goldman, Sachs & Co.; Charles E. Wilson, former chairman, General Electric Co.; and George D. Woods, First Boston Corp.

In a featured ceremony, General Clay will receive the Brotherhood Award of the National Conference "for distinguished service in the field of human relations."

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.

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THE COMMERCIAL & FINANCIAL CHRONICLE

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Steel's Profit Problem

Continued from page 7

plants, and this arouses controversy.

Profit Trends

Steel industry profits have been scored repeatedly by a distinguished array of critics. Politicians, labor leaders, pseudo-economists, and many well known socialist propagandists have at various times denounced our profits as "exorbitant," "shameful," "fantastic" and even "fabulous." Even recent industry profits (in the range of \$700 to \$800 million a year) are cited as evidence of "unconscionable gouging." Excessive profits have been the battle cry for attacks on steel by those who seek to extend the coercive control of government over private business.

And now this time-tested, anti-business strategem is being used again. The White House points to the profits of a few companies, for one or two quarters, labels them among the highest on record, and implies that we are profiteering.

This charge, however, has never gained much acceptance with the financial community and investing public. They view our profits as a 5 to 6% return on our current \$13.7 billion in total investment, and on our annual sales volume in the range of \$13 to \$14 billion; and they fail to find the glamor in it. They appraise our

financial record, and regard our profits as uncertain and sporadic. Some are beginning to question the wisdom of all steel investments.

And so we find profits—indisputably the essential prerequisite to progress—surrounded by confusion and misunderstanding. The very word evokes political emotions, when this serious hour calls for objective study of the facts. The course of future legislation, therefore, will depend in large measure on this industry's ability to create greater understanding of our profit problem.

To this end, I would like to offer a new approach to understanding profits. It is not my intention to overwhelm this paper with statistics; but the problem is not simple. My purpose is to present steel's profit problem as it relates to economic forces.

Profit analyses are most commonly based on time comparisons. For example: what did the industry make in 1961 as compared to 1960, or in 1961 versus '55 or '50? But when profits are analyzed using time as the basis for comparison, some important facts are concealed.

Profits do not fluctuate because of time. They are directly related to economic forces—the most important being: (1) cost-price relationships, and (2) volume. For many years now, each round of wage increases, and consequent

adjustments in the cost-price relationship, have eroded our earning capacity. So this analysis will take the cause-and-effect approach—providing a before-and-after look at what has happened to our profits.

First, to reflect the influence of cost-price relationships, we can select four periods during these past 12 years: 1950-51, 1953-54-55, 1957-58, and 1960-61. These periods were free from strikes—the strikes having occurred before each period—and reflect the after-effect on cost-price relationships.

Second, to reflect the influence of volume, we can use quarterly sales in each of these periods. This lets us evaluate profits at many more levels of sales activity, for valid comparisons. Analysis of industry earnings for one or two quarters—by a few companies—White House style—is not nearly so revealing as study of the earnings of 36 separate quarters at 36 different volume levels—showing the average trend for 576 quarterly returns by 16 companies representing 87% of the industry.

Chart No. 1

Here is a chart showing the profit path for these companies during the eight quarters in the 1950 to 1951 period. Notice the base of the chart represents quarterly sales in billions of dollars. The vertical scale shows profit as a per cent return on invested capital. To determine profits, quarterly pre-tax returns have been

uniformly reduced by the 52% income tax rate to avoid the distortions caused by changes in tax regulations; and annualized to present a correct relationship to invested capital. So, they provide a valid basis for comparison of performance.

Each dot on this chart represents profit for a certain quarterly sales volume. For example, the first dot on the left shows that industry profit at a quarterly sales volume of \$1.8 billion amounted to a 9% return on invested capital. The last dot on the right shows that profit at a quarterly sales volume of a little over \$2.6 billion amounted to a 14% return on invested capital. The diagonal line through these dots shows the calculated profit-volume path for 1950 and 1951, following the 45-day strike in 1949.

Chart No. 2

Here are the 12 quarters during the 1953-54-55 period—following the 59-day strike in 1952. Note that the first dot on the left shows profit at a quarterly sales volume of \$2.2 billion, amounting to just over 6% return on invested capital. At right, profits on quarterly sales in the range of \$3.4 billion amounted to a 13% return on invested capital. The diagonal line represents the calculation of our profit-volume path for these years.

Chart No. 3

Here is our profit-volume path for the eight quarters in the 1957-1958 period, following the 36-day strike in 1956. Note that the first

dot on the left shows profit at a quarterly sales volume of \$2.5 billion, amounting to just over 4% return on invested capital. At right, profits on quarterly sales of about \$3.7 billion amounted to just under 12% return on invested capital.

Chart No. 4

Finally, we come to our profit-volume path for the eight quarters in the 1960-61 period, following the 116-day strike in 1959.

Chart No. 5

Here is what happened to our profit path during these past 12 years. Note the descending levels of return on investment following each change in the cost-price relationship. Here is the result of the cost-price squeeze. Here is irrefutable evidence of the erosion of our profit potential. Let's analyze this chart.

Chart No. 6

Let's compare profits during periods of equivalent sales volume over these 12 years. On quarterly sales volume in the range of \$2.6 to \$2.8 billion: our profit amounted to a 14.4% return on investment in 1950-51. It declined to 8.9% in the 1953-54-55 period. It slipped to 5.9% in 1957-58; and reached 3.7% during 1960-61. On the same sales volume, our profit as a return on investment is approximately one-fourth of what it was 12 years ago.

Chart No. 7

Let's compare profits at an equivalent range of return. Let's

CHART NO. 1

Profit as a Percent Return on Invested Capital

For 16 Steel Companies Representing Over 87% of the Industry

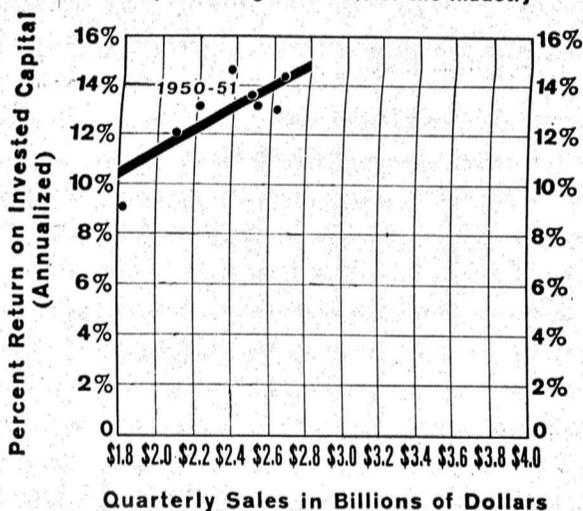


CHART NO. 2

Profit as a Percent Return on Invested Capital

For 16 Steel Companies Representing Over 87% of the Industry

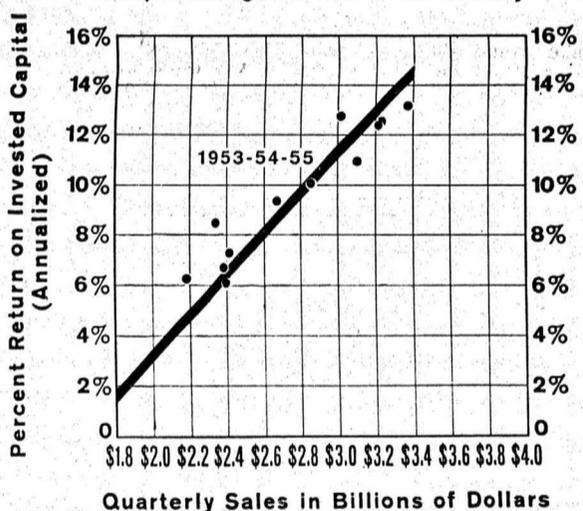


CHART NO. 3

Profit as a Percent Return on Invested Capital

For 16 Steel Companies Representing Over 87% of the Industry

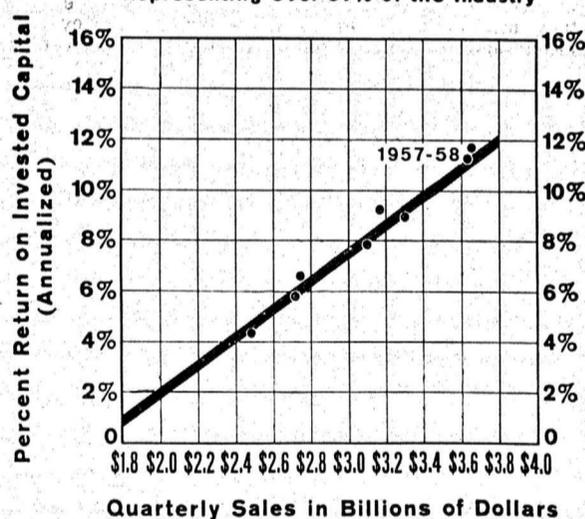


CHART NO. 4

Profit as a Percent Return on Invested Capital

For 16 Steel Companies Representing Over 87% of the Industry

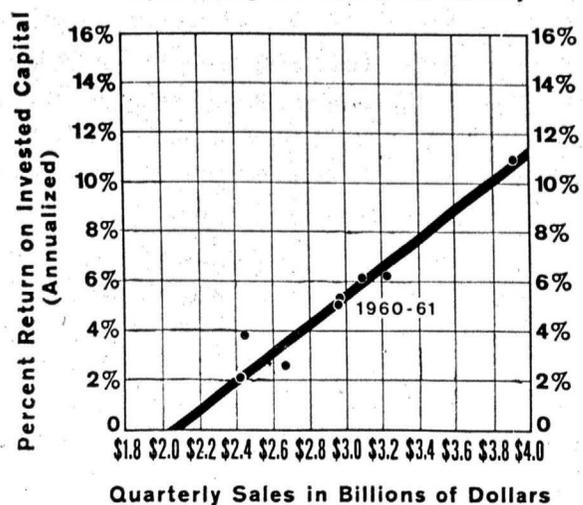


CHART NO. 5

Profit as a Percent Return on Invested Capital

For 16 Steel Companies Representing Over 87% of the Industry

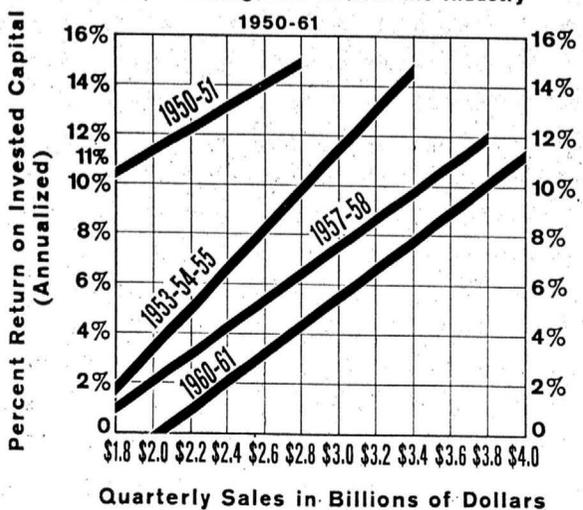
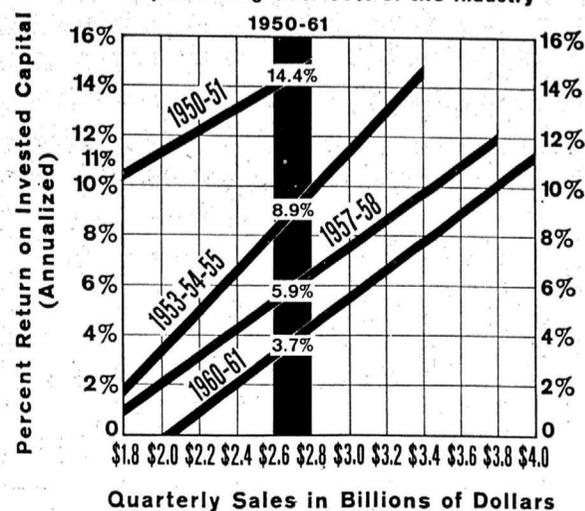


CHART NO. 6

Profit as a Percent Return on Invested Capital

For 16 Steel Companies Representing Over 87% of the Industry



take the 10 to 12% range for example. In the 1950-51 period, we could generate this return on average quarterly sales of \$1.9 billion. To generate this return during 1960-61 required average quarterly sales in the range of \$4 billion—or double the sales volume required 12 years ago.

This analysis conforms to established accounting practice in every detail. From an accounting standpoint, the evidence is unassailable. Further analysis will show that profit returns on sales follow the same trend. We have dwelt on returns on invested capital, because they relate to the availability of funds for new equipment.

However, the practice of picking up figures out of context, and misusing them to distort the truth, seems to have become a popular pastime among industry critics. So let's summarize this study with a more conventional approach.

Chart No. 8

This chart shows the specific net profit return on invested capital, taken from annual reports for the same 16 companies. Note that we have preserved the same cause-and-effect time periods for our before-and-after look at profit returns as they relate to growth in investment. The bars show how capital investment has climbed during these past 12 years—increasing from \$5.8 billion in 1950-1951 to an average of \$11.6 billion in 1960-61. The line shows what has happened to our average after-tax profit as a per cent return on investment. It has dropped from 11.1% to an average of 9.7% following the 1950 strike — and finally to 5.8% following the 1959 strike.

I realize that any analyst can lift a simple dollar transaction into the dim and mystic realm of confusion. I submit that there can be no confusion here. These are unvarnished facts. And ugly as they may appear, they must be faced; and we must probe still deeper to assess their true significance.

Some proponents of big government can look upon these facts with joy. They see our loss of earnings as evidence of victory for what they term the "public interest." But if it is a victory, according to their socialistic precepts, it will be short lived.

The true interests of the public are not served by loss of profit, because profit is the wellspring of growth. When profits fall, funds for new investment vanish. When profits rise, investment funds abound.

Funds for New Equipment

Let's see what has occurred in steel. Let's look at the effect of waning profits on funds required to replace worn out and obsolete equipment; and funds required to

modernize with new equipment—new equipment that will reduce our costs to competitive levels.

To begin with, dig into the profit trends we have explored and you will find that they are inflated. In part, they represent capital erosion. Allowances for replacement of facilities are understated because of tax rules and accounting practice in the reporting of depreciation allowances.

Over the past 12 years, construction costs have risen 66%. We have needed far more depreciation than we have been allowed, just to stay even—just to keep abreast of the wear and tear on existing facilities. Amendment of tax regulations to permit realistic depreciation policies is long overdue.

Tax regulations providing anything less than full replacement allowance, in current dollars adjusted for inflation are not enough, if we are to compete on fair and equal terms with foreign producers. And as noted speakers in the steel industry have repeated, time and again, fair provision can't come soon enough.

In the absence of adequate depreciation allowances, we have been forced to rely more heavily on profits for income to reinvest—just to stay even. But as we have already seen, profits are shrinking.

So we have gone beyond this, and resorted to heavier borrowings. We have gone still further and sold stock. To the extent that borrowings and the sale of stock have been required to make up for capital erosion, we have increased our debt load, diluted stockholders' equity, and heavily mortgaged future earnings. Yet we have been unable to keep pace with our favored foreign competition.

Liberalized depreciation rules and tax credit legislation now before the Congress will, without question, serve to ease this problem. But they will not provide the total answer as some would lead us to believe. They will aid us in the future, but do not make up for inflation in the past. So they do not change our problem: to meet our competition, we must increase our profits.

The Route to Socialism

Let's turn now from economics to the political arena. By reviewing economic trends, we can do some Monday morning quarterbacking, and move to change them in the future. But let's not count on being Monday morning quarterbacks in the game of politics. Few have ever found a way to replay the game that we're engaged in now.

Contrary to popular belief, socialistic governments do not spring up overnight. Change from a democracy to government by regimentation is seldom quite that

rapid. The transformation comes gradually, by stealth. Trace the histories of countries swallowed by dictatorship, and you will find this common pattern:

A closely-knit clique acquires power by slowly and tentatively expanding their sphere of control, watching signs of public reaction, pausing and changing their tactics, then moving relentlessly onward—until they gain unrestrained power. Sometimes, the final seizure is quite sudden, but it has always been a long time in the making.

For many years now, since the days of the New Deal, observers have been warning us that America is losing its freedoms, and moving in the direction of socialism. Now listen to this newspaper report from just six weeks ago:

"The arsenal of weapons the President wheeled into his all-out economic foray against big business leaders was an awesome display of coldly determined political and economic power seldom, if ever before, employed by government. Every major governmental department got into the act."

You will recall the circumstances. United States Steel Corporation had raised its prices. To discuss the merits of the U. S. Steel decision here would be inappropriate, and totally irrelevant. But the issue it has raised is of vital importance to each of us, and to all free citizens. One very noted and respected commentator put it this way:

"Is this democracy, or is it the forerunner of a quasi-Fascist system? Is it a government under a written constitution; or is it a government by usurpation of legislative authority?"

When the White House was informed of U. S. Steel's price raise, the newspapers factually reported that businessmen could now expect all hell to break loose. The White House clique displayed its fury. But what is more significant, it did so in a way implying dire consequences: let the nation tremble; retribution is at hand.

And what is more profoundly disturbing, few considered it to be important that now law had been violated. Yet U. S. Steel, and other companies which increased their prices competitively, were treated as transgressors.

Law of the New Frontier

The indictment: their actions did not conform to the "public interest" as viewed by the Administration. Their crime: they did not obey some nebulous "higher law"—a set of "guidelines" the Administration alone can define and enforce, without benefit of

legislation—the law of the New Frontier.

Now we have some insight into what this new law means. It means sacrifice of traditional freedoms. Few seem to recognize that in the Administration's appeal for sacrifice in the name of its concept of public interest, we are being asked to deny the fundamental freedoms that are basic to democracy.

We may decry specific power tactics, but these are merely symptoms of an issue far more fundamental and decidedly more dangerous. It would be an error to dismiss these actions as merely anti-business; when the real issue is that Big Government is anti-individual rights.

The obvious direction of all of its policies is toward a form of socialism in which the pretense of private property is retained, while in fact, prices, wages, production and distribution are dictated by bureaucrats.

As of the present moment, the Administration will not dare to advocate price or wage controls openly. It knows the public would repudiate such policies. What it seeks, therefore, is to be the unofficial arbiter of wages and prices. It imagines—or pretends—that it will confine price and wage control to critical industries such as steel, while leaving the rest of the economy relatively free.

But controls breed controls. Every act of government intervention into free markets produces harmful consequences. And then, the choice of government becomes: abandon intervention, or extend it further. Inevitably the choice will be extension. And the result: more and more controls, more and more regulations, to get us over crises and emergencies which government policies have actually created.

People fall prey to socialism by failing to recognize the signs of its approach soon enough; by failing to oppose the growing restriction of freedoms until it is too late — sometimes through ignorance, sometimes through moral cowardice, sometimes through suicidal belief that they will be able to profit from it. We can not afford to let this happen to us.

The Task Ahead

Now let's summarize. Let me again state that the remarks I offer are strictly my own. They have no endorsement by American Iron and Steel Institute, or by any member companies. Yet, it is my deep conviction that this statement must be made. The economic problem this in-

dustry faces is grave. We must generate more profit—in the tradition of a free market economy—and use it wisely.

We cannot permit slow strangulation of our profits — as we are caught in the crush between rising costs and competitive prices—to choke off our progress, to weaken our market position and to take further toll in wages and unemployment. We must meet this problem head-on. The need for greater profit is exceedingly important to the long range welfare of the steel industry and to the public interest of the nation we serve.

We must modernize more rapidly to reduce costs, to recover markets in the future, and ultimately to surpass our competition. We must pay more dividends to restore investor confidence, and to attract more funds to build up more efficiency. And our success will be recorded in the cold figures on our profit statements.

The political problem we face is equally as grave. In this serious hour in our nation's history, when we are confronted with grave crises abroad, when our government is asking servicemen to risk their lives, I am sure you will find it hard, as I do, to accept a situation in which a tiny handful of government officials, in their pursuit of monopoly power over business and industry, undermine the profit system that has made our nation great, and the very constitutional freedoms they have sworn to uphold.

By what principle under the Constitution, or by what Act of Congress, does this oligarchy set prices, malign free citizens, and unleash retaliation against those who do not conform to their decrees against pursuit of private business enterprise?

Sixteen months ago, the nation asked this Administration to defend the Constitution and the principles for which it stands. Six weeks ago, we had our answer.

I am sure you will find it hard, as I do, to witness the powers of regimentation we are seeking to defeat abroad, now threatening our way of life at home; to witness government's inflationary over-spending, and find inflation blamed on industries that must—by economic law—confine their spending to the limits of their balance sheets; to hear an appeal for restraint, and witness those who voice the appeal, deny by their actions, that this applies to them; to hear demands for sacrifice, when the sacrifice they seek is freedom.

Many hundreds of thousands of steelmen, who have given their lives on the battlefield or fought to preserve our freedoms, or produced the overwhelming tonnages of steel to bring us victory, down through the great conflicts of modern warfare, must view in mute amazement the spectacle presented, when their patriotic sacrifice is ridiculed by this Administration.

Despite this effrontery, we must continue to do our part and more, for the economic welfare and the public interest of the nation we have helped to build. We must cooperate with government to do this job effectively. We can not permit the misguided ambitions of a few to defeat these vital objectives. And we would indeed be derelict in our duty to all steelmen, and to our nation, if we did not strive, with every effort we can muster, to defend our freedoms.

Cooperation must result from greater understanding — of the problems steel faces—of our resolution to resolve them. And to serve the public interest best, cooperation must be based on mutual respect for the traditions of our American heritage.

*An address by Mr. Maxwell before the General Meeting of the American Iron and Steel Institute, New York City, May 24, 1962.

CHART NO. 7

Profit as a Percent Return on Invested Capital

For 16 Steel Companies Representing Over 87% of the Industry

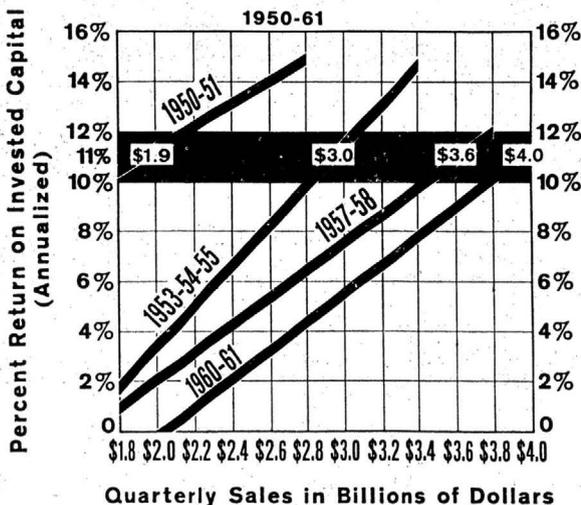
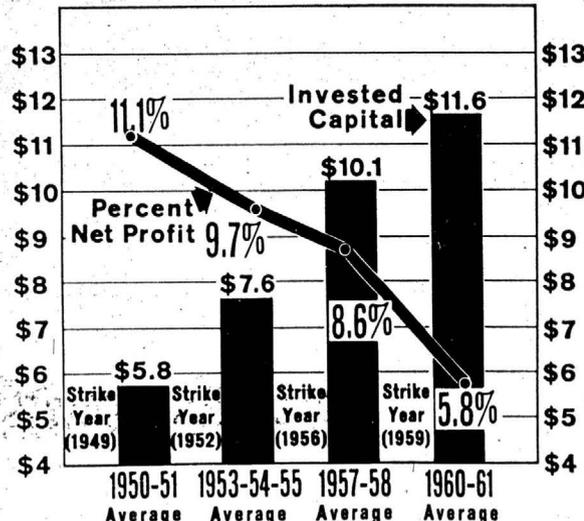


CHART NO. 8

Percent of Net Profit to Invested Capital

for 16 Steel Companies Representing 87% of the Industry in Billions of Dollars



Steel Industry Roadblock: Ignorance of Its Problems

Continued from page 1

suffering from a profit squeeze which is thwarting our efforts to continue to go forward with badly needed modernization of our plants.

To attain adequate profits and to continue with modernization of these facilities, we need a business climate in which our industry and other industries can grow. Such a business climate can exist only if government and industry have mutual respect and confidence, each for the other, and cooperate to establish and maintain that kind of a climate.

To that end it is important that those in positions of government have a full understanding of business problems.

They must understand that capital and profits are essential to the operation of American business. They must recognize that profitable business operations provide over one-half the entire income of our country—for government as well as for individuals.

It is equally important that leaders of business make it part of their jobs to understand the problems of government and their impact on the business community.

Industry and government, it seems to me, must seek the same objectives; namely, a nation economically healthy and able to defend its freedom . . . an expanding economy, at home and in our foreign trade . . . industry that is modern and efficient . . . an end to inflation and its hardships on people and businesses.

Since there should be agreement on these broad objectives, what roadblocks stand in the way of their achievement?

Overcoming Today's Roadblocks

One confronting the steel industry at this moment is that there exists in the minds of many Americans, including public officials at all levels of government, widespread confusion of fiction with fact about our industry. This confusion exists regarding such vital matters as steel's prosperity, the economics of steel production and marketing, and even the relationship of our industry to the national interest.

If the questions being raised in the public mind can be sorted out for classification, I should say that they fall into three main categories. As I see it, these are the questions:

(1) Does the steel industry conduct its affairs in the national interest?

(2) Is the steel industry making adequate profits?

(3) Why should the public be concerned with the adequacy of steel profits?

In answering the first question, let us look at the record of the steel industry in times of national peril.

Within the lifetime of most of us, the steel industry has contributed mightily to the defense of our nation in two world wars and in the campaign in Korea. In recent years, the industry has provided essential materials for building the great defensive strength of our armed forces; and it is today playing a telling part in our exploration of space.

And, incidentally, what about profits during war years? The facts are so plainly on the record that no one needs to misread them, unless he is determined to do so. The four years of World War II were the lowest profit years for steel in the past 22. Profit as a per cent of sales in steel dropped from 8% in 1940 to a little more than 3% during the war years.

After World War II, the great

pent-up demand for consumer goods and the expansion taking place in the economy on a broad front created the need for more steel - producing capacity. The steel companies responded by spending an average of nearly a billion dollars a year for the next decade in expanding their facilities. New melting, rolling and finishing capacity was built at a record rate.

Steel Has Not Caused Inflation

Some of those who contend that steel has ignored the public interest have charged us with contributing to inflation.

But neither steel, nor any other single industry, is a prime mover of national inflation. This problem must be stopped largely where it started — in the fiscal policies of our government which have to do with spending and deficit financing.

Steel has never failed to meet the nation's need. We produce quality products which are continuously being improved so as to be more useful to consumers.

The prices of our products are well below prices of other materials which fill a comparable need.

To conclude this point — the question of steel in the national interest—I want to say this:

The steel industry provides good employment and exceptional wages for 700,000 employees and has attracted the savings of well over a million investors.

We can be proud of the steel industry as an institution whose contributions to our national interests have grown greatly with every passing year. We can be proud of steel as a metal indispensable to the ever-improving standard of living in this great country of ours.

Profits Are Not Adequate

Let me turn now to the second question that I believe is before the public: Is the steel industry making profits which are adequate to fulfill its responsibilities to its shareholders, its customers, and the growing national economy?

The answer to that question must be "no."

Despite all that has been done in technological advancements, tighter cost controls, and improvement in output per man-hour, our profits have been squeezed severely by the narrowing margin between our costs and our extremely competitive prices.

Many yardsticks are used to measure corporate profits.

No matter which one is put up against earnings of the steel industry, however, our profits measure out as inadequate.

Steel finds itself listed 33rd among 41 industries whose profits on net assets are compared by The First National City Bank of New York. An industry that makes only 6.4 cents per dollar of net assets, as ours did last year, can hardly be said to make satisfactory profits.

And of greater importance, the trend is downward. A comparison of the four-year period 1954-1957 with the most recent years 1958-1961 shows four declining trends. Total profits after taxes are down 22%; profits per dollar of sales are down 20%; profits per dollar of net assets are down 37%; and the rate of profits retained in the business is down 57%.

The results for the first quarter of 1962 are another dramatic example of the profit squeeze from which the industry suffers today.

With an almost identical volume of business as in the first quarter of 1959, industry earnings in the first quarter of this year—although varying from company

to company—showed an over-all decline of 34%. Yet more than \$2½ billion had been spent to improve plant efficiency in the intervening period.

We have here a serious downturn in profits on an industry-wide basis that cannot be ignored. Its serious effect on the future dare not be discounted.

Stake of Shareholders

And in connection with our profits, we must never overlook the stake of our shareholders in our business. When we talk about our shareholders, we are talking about one million persons, a number considerably larger than the total of employees in the steel industry. They invested money which has gone into plants and equipment, and they are entitled to a reasonable return on their investments.

The people whose money is invested in the steel industry come from all walks of life.

Our leading company in our industry, after a study a few years ago, indicated that about half of its investors have an annual income of \$5 thousand or less. There is every reason to believe that this would hold true of other companies.

For thousands of people, dividends from their investments in steel constitute a major source of income. Many families rely on dividends to help to put sons and daughters through college, and to provide income for retirement.

Flags Notion to Skip Dividends to Pay for Modernization

Recently I have heard the suggestion that the steel companies could obtain the money needed for modernization by the simple stroke of omitting all the dividends on their equities. I wonder if those who gave birth to this idea ever thought of the consequences of such an act. Think of the damage that would be done—not only to individual investors, but also to pension funds, investment trusts, colleges and insurance companies, which likewise are shareholders in steel companies and are dependent upon these dividends.

Equally alarming would be the devastating effect upon business and financial confidence throughout the country. No responsible person could seriously entertain such a suggestion.

Neither is it practical when profits are inadequate for steel companies to seek the additional funds they need by selling more stock or by borrowing.

We must not forget that we would be competing with hundreds of other businesses and industries, including those in other countries, for available investment dollars. A low profit potential is hardly an inducement for further investments in the steel industry. As for borrowing, the ability of any company to obtain funds by this method at reasonable interest rates, is directly related to its demonstrated ability to earn satisfactory profits.

Consequently, no matter where the necessary funds come from—from reinvested profits, the selling of equities, or borrowing—their availability depends upon adequate profits.

A Matter of Public Concern

Now we come to the third question: Is all this a matter for public concern? The answer is "yes." The public should indeed be concerned, because a modern, healthy, efficient steel industry is vital to the continued progress of our national economy.

And public opinion can help to achieve this goal. Informed public opinion can help to bring reason to bear on the problem of rising employment costs. Informed public opinion can help to persuade the government to revise its tax policies to recognize the urgent importance of keeping American steel facilities competi-

tive with the rapidly advancing steel industries of the rest of the world.

We in the industry are keenly aware of the changing technology in world steelmaking, and of the rapidity with which obsolescence is overtaking our own plants and facilities. In this we are not alone. Extensive economic studies have indicated that \$100 billion of America's industrial plants and equipment are obsolete today—and \$60 billion more will become obsolete by 1970.

But steel's problems, I would say, are among the more acute. Despite our investment of over \$14 billion in new facilities, modernization and improvement in the postwar years—much of this in the past five years—the capital needs of the industry still are tremendous.

The inadequacies of our facilities may not have been recognized by the public and our government in the past, but certainly they cannot be overlooked today in the face of intense foreign competition. Postwar plants, modern equipment and low wage rates are giving steel producers in the other industrial countries important competitive advantages.

Japan alone is exporting more steel than the United States. In 1959, for the first time in more than half a century, our country imported more steel than it exported—and this situation continues to this day, with its present and future consequences for the American economy.

It has been estimated that tens of thousands of jobs would exist in the American steel industry today if the steel import and export balance of former years continued to prevail.

Only by having adequate profits can we obtain the capital necessary to keep competitive in the growing world markets. Without adequate profits, we can neither plow money back into plants nor attract capital from investors to do so. Unless the situation is changed, it is difficult to see how we can keep pace in world markets, let alone regain the position we once held.

The competitive disadvantage in which we find ourselves is greatly aggravated by the fact that the depreciation provisions of our tax laws probably are the least liberal of any industrial nation. The present inadequate depreciation allowances do not permit companies to recover the full cost of replacing existing facilities, let alone modernize them.

Steps apparently are being taken in Washington to improve this situation by providing a tax credit for new facilities and a revision of existing depreciation schedules. These will help some companies. However, to really do the job needed we must have basic changes in the whole approach to depreciation allowances in our tax laws. We must continue to impress upon our tax authorities the urgency of recognizing this fact.

Certainly, the government and the nation have much to gain by completely modernizing this area of our tax laws to conform with the more favorable patterns existing in other industrial nations of the world.

These facts, I repeat, are matters for public concern, and to help solve them every man with management responsibilities in industry must speak up and speak clearly for the public's support of the kind of business climate that will enable us to hold costs in line, improve profitability, and meet competition from whatever source it comes.

To this end let us do everything we can to improve our communications with the public and with our public officials. Let us never stop seeking to gain better public understanding of the economics of our industry.

We who have the responsibility

of managing America's steel companies want to move ahead in building an ever more efficient steel industry, with good jobs for our employees, fair profits for our stockholders, and always enough steel to meet the growing needs of our nation whether for peace or for our national defense.

We do not lack one ounce of confidence in ourselves or in our industry. We are not wringing our hands. We simply want to get on with our jobs under conditions which give us a fair chance to do them with success—and these conditions, I repeat, can only exist if government and industry have mutual respect for each other, and if, and only if, we have in this country a business climate that will enable us to hold costs in line, improve profitability and meet competition from whatever source it comes.

*An address by Mr. Patton before the General Meeting of American Iron and Steel Institute, New York City, May 24, 1962.

Vacco Valve Co. Common Offered

Public offering of 125,000 common shares of Vacco Valve Co., at \$4 per share is being made by California Investors, Los Angeles, and associates. Net proceeds will be used by the company for the purchase of land and construction of new facilities, acquisition of equipment tooling for a newly developed filter, and other corporate purposes.

The company of 1445 Lidcombe Avenue, El Monte, Calif., has developed and manufactures over 600 proprietary items of its own design, principally valves and regulators for use in the oil, chemical and missile industries.

Uneda Vending Service, Inc. Common Offered

Offering of 73,500 common shares of Uneda Vending Service, Inc., at \$3 per share is being made by Fabrikant Securities Corp., and Karen Securities Corp., New York City. Net proceeds will be used by the company for the purchase of equipment, research and development, investments in foreign affiliates and working capital.

The company of 250 Meserole Street, Brooklyn, N. Y., is engaged in the purchase of new and used coin operated vending machines. The used equipment is overhauled and reconditioned to factory specifications at the company's plant. Sales of both new and reconditioned machines are made directly to the route operators in the U. S., and abroad.

Phila. Bond Club To Hear on Common Market

PHILADELPHIA, Pa.—Dr. Wilfried Platzer, Austrian Ambassador to the United States, will be guest speaker at a luncheon meeting of The Bond Club of Philadelphia to be held on Tuesday, June 19, at The Barclay Hotel.

Dr. Platzer will speak on "The Common Market."

Albert A. R. Wenzel, resident manager of Francis I. duPont & Co. is in charge of arrangements.

H. A. Wall Co. Opens

Harvey A. Wall has opened offices at 11 Broadway, New York City, effective June 1 to engage in a securities business under the firm name of H. A. Wall Co.

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		Latest Month	Previous Month	Year Ago	
AMERICAN IRON AND STEEL INSTITUTE:					CIVIL ENGINEERING CONSTRUCTION—				
Indicated steel operations (per cent capacity)..... June 2	54.5	56.5	62.5	70.0	ENGINEERING NEWS RECORD—Month of May (000's omitted):				
Equivalent to—					Total U. S. construction.....	\$2,252,000	\$1,687,000	\$1,789,000	
Steel ingots and castings (net tons)..... June 2	1,586,000	1,646,000	1,820,000	2,052,000	Private construction.....	1,142,000	736,000	1,022,000	
AMERICAN PETROLEUM INSTITUTE:					Public construction.....				
Crude oil and condensate output—daily average (bbls. of 42 gallons each)..... May 25	7,278,560	7,287,410	7,344,810	7,068,010	State and municipal.....	1,110,000	951,000	787,000	
Crude runs to stills—daily average (bbls.)..... May 25	8,299,000	8,292,000	8,321,000	8,049,000	Federal.....	924,000	781,000	607,000	
Gasoline output (bbls.)..... May 25	29,562,000	29,263,000	28,993,000	29,089,000		186,000	170,000	180,000	
Kerosene output (bbls.)..... May 25	2,888,000	2,930,000	2,591,000	1,741,000	COKE (BUREAU OF MINES)—Month of Apr.:				
Distillate fuel oil output (bbls.)..... May 25	13,075,000	12,814,000	12,626,000	12,952,000	Production (net tons).....	5,003,518	*5,249,631	3,853,382	
Residual fuel oil output (bbls.)..... May 25	5,044,000	5,594,000	5,556,000	5,922,000	Oven coke (net tons).....	4,927,657	*5,155,326	3,797,501	
Stocks at refineries, bulk terminals, in transit, in pipe lines—					Beehive coke (net tons).....	75,861	94,305	66,581	
Finished gasoline (bbls.) at..... May 25	191,767,000	193,521,000	199,855,000	196,245,000	Oven coke stocks at end of month (net tons).....	3,650,930	*3,637,304	4,726,113	
Kerosene (bbls.) at..... May 25	26,312,000	25,569,000	23,879,000	27,154,000	CONSUMER CREDIT OUTSTANDING—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—REVISED SERIES—Estimated short and intermediate term credit in millions as of April 30:				
Distillate fuel oil (bbls.) at..... May 25	99,118,000	94,859,000	88,534,000	90,259,000	Total consumer credit.....	\$56,650	\$55,680	\$53,756	
Residual fuel oil (bbls.) at..... May 25	40,486,000	41,017,000	39,387,000	44,039,000	Installment credit.....	43,285	42,304	41,423	
ASSOCIATION OF AMERICAN RAILROADS:					Automobile.....				
Revenue freight loaded (number of cars)..... May 26	580,361	586,946	577,534	578,767	Other consumer credit.....	11,333	11,256	10,915	
Revenue freight received from connections (no. of cars)..... May 26	502,219	508,166	506,607	495,925	Repairs and modernization loans.....	3,094	3,084	3,073	
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:					Personal loans.....				
Total U. S. construction..... May 31	\$471,100,000	\$559,700,000	\$392,300,000	\$399,900,000	Noninstallment credit.....	13,365	12,976	12,333	
Private construction..... May 31	231,200,000	351,200,000	161,300,000	225,400,000	Single payment loans.....	5,111	5,056	4,589	
Public construction..... May 31	239,900,000	208,500,000	231,000,000	174,500,000	Charge accounts.....	4,451	4,191	4,203	
State and municipal..... May 31	206,600,000	166,500,000	196,600,000	138,000,000	Service credit.....	3,803	3,729	3,541	
Federal..... May 31	33,300,000	42,000,000	34,400,000	36,500,000	COTTON SEED AND COTTON SEED PRODUCTS—DEPT. OF COMMERCE—Month of April:				
COAL OUTPUT (U. S. BUREAU OF MINES):					Cotton Seed—				
Bituminous coal and lignite (tons)..... May 26	8,250,000	8,255,000	8,515,000	8,189,000	Received at mills (tons).....	22,900	47,100	10,300	
Pennsylvania anthracite (tons)..... May 26	312,000	300,000	294,000	308,000	Crushed (tons).....	437,200	528,600	401,800	
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100					Stocks (tons) April 30.....				
EDISON ELECTRIC INSTITUTE:	148	156	153	137	Hulls—				
Electric output (in 000 kwh.)..... June 2	15,471,000	16,202,000	15,369,000	13,887,000	Stocks (tons) April 30.....	156,900	123,400	270,500	
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.					Produced (tons).....				
IRON AGE COMPOSITE PRICES:	280	285	314	254	Shipped (tons).....	158,600	232,700	190,800	
Finished steel (per lb.)..... May 25	6.196c	6.196c	6.196c	6.196c	Cake and Meal—				
Pig iron (per gross ton)..... May 25	\$66.44	\$66.44	\$66.44	\$66.44	Stocks (tons) April 30.....	140,900	178,200	120,900	
Scrap steel (per gross ton)..... May 25	\$24.83	\$25.17	\$23.50	\$36.83	Produced (tons).....	109,900	132,500	93,200	
METAL PRICES (E. & M. J. QUOTATIONS):					Shipped (tons).....				
Electrolytic copper—					Linters—				
Domestic refinery at..... May 30	30.800c	30.600c	30.800c	30.675c	Stocks (bales) April 30.....	141,700	150,400	226,400	
Export refinery at..... May 30	28.525c	28.575c	28.600c	29.650c	Produced (bales).....	124,300	156,500	113,800	
Lead (New York) at..... May 30	9.500c	9.500c	9.500c	11.000c	Shipped (bales).....	133,000	170,300	117,700	
Lead (St. Louis) at..... May 30	9.300c	9.300c	9.300c	10.800c	EDISON ELECTRIC INSTITUTE—				
Zinc (delivered) at..... May 30	12.000c	12.000c	12.000c	12.000c	Kilowatt-hour sales to ultimate consumers—				
Zinc (East St. Louis) at..... May 30	11.500c	11.500c	11.500c	11.500c	Month of March (000's omitted).....				
Aluminum (primary pig, 99.5%) at..... May 30	24.000c	24.000c	24.000c	26.000c	Revenue from ultimate customers—Month of March.....	\$1,066,329	\$1,068,590	\$981,032	
Straits tin (New York) at..... May 30	116.000c	116.375c	120.750c	111.375c	Number of ultimate customers at March 31.....	60,238,163	60,103,210	58,994,828	
MOODY'S BOND PRICES DAILY AVERAGES:					FABRICATED STRUCTURAL STEEL (AMERICAN INSTITUTE OF STEEL CONSTRUCTION)—Month of April:				
U. S. Government Bonds..... June 5	89.42	89.35	90.06	88.92	Contracts closed (tonnage)—estimated.....	273,796	221,253	309,400	
Average corporate..... June 5	87.72	87.86	87.32	87.32	Shipments (tonnage)—estimated.....	312,177	327,210	318,657	
Aaa..... June 5	91.91	92.06	91.62	91.62	METAL OUTPUT (BUREAU OF MINES)—				
Aa..... June 5	89.92	90.06	89.37	89.78	Month of March:				
A..... June 5	87.32	87.45	86.91	86.38	Mine production of recoverable metals in the United States—				
Baa..... June 5	82.40	82.45	82.03	82.03	Gold (in fine ounces).....	122,160	*115,839	126,096	
Railroad Group..... June 5	84.55	84.68	84.17	84.81	Silver (in fine ounces).....	3,200,394	*2,830,783	3,187,803	
Public Utilities Group..... June 5	89.09	89.09	88.27	88.67	Copper (in short tons).....	109,730	*101,327	100,395	
Industrials Group..... June 5	89.78	90.06	89.78	88.67	Lead (in short tons).....	23,522	*21,923	24,584	
MOODY'S BOND YIELD DAILY AVERAGES:					Zinc (in short tons).....				
U. S. Government Bonds..... June 5	3.74	3.75	3.66	3.94	42,608	*36,722	43,176		
Average corporate..... June 5	4.58	4.57	4.61	4.61	REAL ESTATE FINANCING IN NONFARM AREAS OF U. S. — HOME LOAN BANK BOARD—Month of March (000's omitted):				
Aaa..... June 5	4.28	4.27	4.30	4.30	Savings and loan associations.....	\$1,172,389	\$971,185	\$1,060,220	
Aa..... June 5	4.42	4.41	4.46	4.43	Insurance companies.....	89,641	78,887	94,363	
A..... June 5	4.61	4.60	4.64	4.68	Banks and trust companies.....	442,024	374,297	394,477	
Baa..... June 5	4.99	4.98	5.02	5.02	Mutual savings banks.....	119,611	114,467	106,218	
Railroad Group..... June 5	4.82	4.81	4.85	4.80	Individuals.....	305,376	263,646	316,940	
Public Utilities Group..... June 5	4.48	4.48	4.54	4.51	Miscellaneous lending institutions.....	498,210	435,571	472,100	
Industrials Group..... June 5	4.43	4.41	4.43	4.51	Total.....	\$2,627,251	\$2,238,053	\$2,444,318	
MOODY'S COMMODITY INDEX					TIN—CONSUMPTION OF PRIMARY AND SECONDARY TIN IN THE UNITED STATES BUREAU OF MINES—Month of March (in long tons):				
NATIONAL PAPERBOARD ASSOCIATION:	361.7	361.9	364.3	369.6	Stocks in beginning of period.....	33,815	35,435	31,640	
Orders received (tons)..... May 26	345,165	318,172	323,759	320,360	Receipts.....	7,080	*5,525	5,220	
Production (tons)..... May 26	342,424	358,809	330,628	331,806	Supply.....	40,895	*40,960	36,950	
Percentage of activity..... May 26	94	97	91	93	Stocks at end of period.....	33,370	*33,815	30,310	
Unfilled orders (tons) at end of period..... May 26	457,694	448,637	468,481	432,421	Total processed.....	7,525	*7,145	6,650	
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1947 AVERAGE=100					Intercompany scrap transactions.....				
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS	112.68	112.43	111.68	113.40	Consumed in manufacturing.....	7,360	*6,970	6,490	
Transactions of specialists in stocks in which registered—					Primary.....	5,280	*4,990	3,990	
Total purchases..... May 11	2,942,610	3,044,320	2,438,240	3,954,200	Secondary.....	2,080	2,280	2,500	
Short sales..... May 11	528,110	674,290	471,870	656,730	U. S. GOVT. STATUTORY DEBT LIMITATION				
Other sales..... May 11	2,184,770	2,688,160	2,016,110	3,298,410	As of May 31 (000's omitted):				
Total sales..... May 11	2,712,880	3,362,450	2,487,980	3,955,140	Total face amount that may be outstanding at any time.....	\$300,000,000	\$300,000,000	\$293,000,000	
Other transactions initiated off the floor—					Outstanding—				
Total purchases..... May 11	380,330	327,030	276,520	705,800	Total gross public debt.....	299,173,940	296,951,858	290,145,640	
Short sales..... May 11	38,200	60,180	55,700	64,100	Guaranteed obligations not owned by the Treasury.....	430,077	405,424	225,396	
Other sales..... May 11	329,090	344,840	293,420	638,360	Total gross public debt & guaranteed obligations.....	\$299,604,017	\$297,357,283	\$290,371,037	
Total sales..... May 11	367,290	405,020	349,120	702,460	Deduct—Other outstanding public debt obligations not subject to debt limitation.....	434,028	434,992	396,445	
Other transactions initiated on the floor—					Grant total outstanding.....	\$299,169,989	\$296,922,290	\$289,974,591	
Total purchases..... May 11	865,119	896,124	741,455	1,265,891	Balance face amount of obligations issuable under above authority.....	830,010	3,077,709	3,025,408	
Short sales..... May 11	122,510	114,630	90,700	197,210	UNITED STATES GROSS DEBT DIRECT AND GUARANTEED—(000's omitted):				
Other sales..... May 11	753,548	933,835	812,808	1,215,333	As of May 31.....	\$299,604,017	\$297,357,283	\$290,371,037	
Total sales..... May 11	876,058	1,048,465	903,508	1,412,543	General funds balance.....	8,140,542	4,995,139	5,161,665	
Total round-lot transactions for account of members—					Net debt.....	\$291,463,475	\$291,362,144	\$285,209,372	
Total purchases..... May 11	4,188,059	4,267,474	3,456,215	5,925,891	Computed annual average.....	3.236%	3.216%	3.075%	
Short sales..... May 11	688,820	849,100	618,270	918,040	STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE—SECURITIES EXCHANGE COMMISSION				
Other sales..... May 11	3,267,408	3,966,835	3,122,338	5,152,103	Odd-lot sales by dealers (customers' purchases)—†				
Total sales..... May 11	3,956,228	4,815,935	3,740,608	6,070,143	Number of shares..... May 11	1,850,019	2,130,003	1,754,062	2,500,321
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE—SECURITIES EXCHANGE COMMISSION					Dollar value..... May 11				
Odd-lot sales by dealers (customers' purchases)—†					\$108,669,405	\$141,421,185	\$94,100,605	\$125,401,172	
Number of shares..... May 11	1,850,019	2,130,003	1,754,062	2,500,321	Odd-lot purchases by dealers (customers' sales)—				
Dollar value..... May 11	\$108,669,405	\$141,421,185	\$94,100,605	\$125,401,172	Number of orders—customers' total sales..... May 11	1,834,004	1,847,051	1,644,161	2,641,642
ROUND-LOT SALES BY DEALERS					Customers' short sales..... May 11				
Number of shares—Total sales..... May 11	544,490	513,070	485,050	831,600	Customers' other sales..... May 11	45,953	39,965	18,167	11,169
Short sales..... May 11	544,490	513,070	485,050	831,600	Customers' total sales..... May 11	1,788,051	1,807,086	1,625,994	2,630,473
Other sales..... May 11	591,220	736,220	576,280	672,100	Dollar value..... May 11	\$103,899,075	\$122,492,493	\$87,227,953	\$125,622,698
Round-lot purchases by dealers—Number of shares..... May 11	591,220	736,220	576,280	672,100	TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):				
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					Total round-lot sales—				
Short sales..... May 11	1,039,000	1,138,180	818,310	1,047,280					
Other sales..... May 11	18,091,230	18,985,000	15,591,290	25,779,940					
Total sales..... May 11	19,130,230	20,123,180	16,409,600	26,827,220					
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1957-59=100):					WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1957-59=100):				
Commodity Group—					All commodities..... May 29	100.1	100.2	100.3	a
All commodities..... May 29	100.1	100.2	100.3	a	Farm products..... May 29	95.5	95.7	96.7	a
Farm products..... May 29	95.5	9							

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., 120 Broadway, 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. (6/25-29)

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 Rafensperger, Hughes & Co., Indianapolis.

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. Offering—Expected in late August.

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.

Aerial Control Geotronics

May 28, 1962 ("Reg. A") 100,000 common. Price—\$3. Business—Application of electronic and air photography developments in the field of geodetic surveying and regional mapping. Proceeds—For debt repayment, equipment and working capital. Office—2412 S. Garfield Ave., Monterey Park, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

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.

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.

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. 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., New York. Underwriters—Kidder, Peabody & Co. and Dean Witter & Co., N. Y. Offering—Indefinitely postponed.

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.

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. (7/9-13)

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—Indefinitely postponed.

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.

Alco 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. (6/18-22)

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 Bolt & Screw Mfg. Corp. (6/29)

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. (6/25-29)

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 Hollowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia.

American Fidelity Corp.

June 4, 1962 filed 500,000 common. Price—\$11. Business—A small business investment company. Proceeds—For investment. Office—423 E. Market St., Indianapolis. Underwriters—Reynolds & Co., Inc., N. Y., and Crutenden, Podesta & Miller, Chicago.

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—Crutenden, Podesta & Miller, Chicago.

American Laboratories, Inc. (6/18-22)

Feb. 28, 1962 filed 200,000 common. Price—By amendment (max. \$6). Business—Operation of hospitals and medical laboratories. Proceeds—For debt repayment and working capital. Office—660 S. Bonnie Brae, Los Angeles. Underwriter—California Investors, Los Angeles.

American 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.

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American Phoenix Corp.

Jan. 24, 1962 filed 315,000 class A shares. Price—\$10. Business—General real estate. Proceeds—For corporate purposes. Office—320 Park Ave., N. Y. Underwriter—Interamerica Securities Corp., N. Y.

American Plan Corp. (6/18-22)

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.

March 22, 1962 filed 300,000 common being offered initially for a 30-day period to its stockholders, and those of its parent, American States Insurance Co. of record June 2, with rights to expire July 5, 1962. The remaining shares will then be offered to the public. Price—\$4.25 (\$4.50 to the public). 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. (7/2-6)

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.

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).

Argus Inc.

May 29, 1962 filed \$4,000,000 of 6% convertible subordinated debentures due 1972. Price—By amendment. Business—Manufacture and distribution of amateur motion picture and still equipment. Proceeds—For debt repayment and working capital. Office—5950 W. Touhy Ave., Chicago. Underwriter—Freehling, Meyerhoff & Co., Chicago.

Arnay 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. Pro-

ceeds—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. (6/11-15)

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. (6/25-29)

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.

Atmosphere Control, Inc.

May 28, 1962 ("Reg. A") 200,000 common. Price—\$1.50. Business—Manufacture and sale of Misti-Cone humidifiers. Proceeds—For equipment, inventories and working capital. Office—668 Jenks Ave., St. Paul, Minn. Underwriter—Pewters, Donnelly & Jansen, Inc., St. Paul, Minn.

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. (6/25-29)

March 28, 1962 filed 140,004 common, of which 100,000 shares are to be offered by company and 40,004 by stockholders. Price—By amendment (max. \$7). Business—Design, manufacture and sale of kitchen range hoods, exhaust fans and kitchen cabinet hardware. Proceeds—For plant expansion, equipment, debt repayment and working capital. Office—South Main St., Union, Ill. Underwriters—Pierce, Carrison, Wulbern, Inc., Jacksonville, Fla. and A. M. Kidder & Co., Inc., N. Y.

Australia (Commonwealth of) (6/20)

June 1, 1962 filed \$30,000,000 of bonds due 1982. Price—By amendment. Proceeds—To assist in financing various public work projects. Underwriter—Morgan Stanley & Co., 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. Office—217 N. Willow Ave., Tampa. Underwriter—A. C. Allyn & Co., Chicago.

Babs, Inc. (6/18-22)

Nov. 27, 1961 filed 150,000 common. Price—\$4. Business—Sale of dairy products, through "Dairy Drive-ins." Proceeds—For debt repayment and working capital. Office—32550 Pulaski Dr., Hayward, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

Bacardi Corp. (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.

Bank "Adanim" Mortgages & Loan Ltd.

Dec. 29, 1961 filed \$558,000 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. (6/25-29)

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—Globe, 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.

Beaton (John J.) Co., Inc.

May 28, 1962 filed 150,000 common. Price—\$5. Business—Company plans to process and can cranberries, and distribute frozen cranberries and canned cranberry sauce. Proceeds—For plant expansion, equipment and working capital. Office—367 Main St., Wareham, Mass. Underwriter—Baruch Brothers & Co., Inc., N. Y.

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. Note—This letter was withdrawn.

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. Note—This registration was withdrawn.

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

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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. Note—This registration was withdrawn.

● **Biologics International, Inc.**

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. Offices—7520 Bergenline Ave., North Bergen, N. J. Underwriter—None. Note—This registration was withdrawn.

● **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—Temporarily postponed.

● **Bloomfield Industries, Inc.**

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 5 1/4% 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 (11 a.m. EDST).

● **Braun Engineering Co.**

May 11, 1962 filed \$400,000 of 6 1/2% 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.

● **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. (6/25-29)**

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.**

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. Note—This registration was withdrawn.

● **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—220 E. 23rd St., N. Y. Underwriter—Phillips, Rosen & Appel, N. Y.

● **Cambridge Fund of California, Inc.**

Sept. 28, 1961 filed 280,000 common. Price—By amendment. Business—General real estate. Proceeds—Debt repayment and working capital. Office—324 E. Bixby Rd., Long Beach, Calif. Underwriter—To be named.

● **Cameo Lingerie, Inc. (6/25-29)**

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 repay-

ment, inventory and working capital. Office—Fajardo, Puerto Rico. Underwriter—Schweickart & Co., N. Y.

● **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 Dronnings 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.**

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 6 1/2% convertible subordinated debentures due 1974. Price—For stock: \$5; for debentures: at par. Business—Company was formed to hold the stocks of a mortgage company, an insurance agency and a real estate development company. Proceeds—For debt repayment and working capital. Office—44 Forsyth St., N. W., Atlanta, Ga. Underwriters—Joseph Walker & Sons, N. Y. and Clark, Landstreet & Kirkpatrick, Inc., Nashville, Tenn. Note—This company formerly was named Continental Investment & Mortgage Co.

● **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.

● **Century Molybdenum & Copper Co.**

May 21, 1962 ("Reg. A") 200,000 common. Price—\$1. Business—Acquisition and development of unpatented mining claims in Arizona. Proceeds—For mining operations and other corporate purposes. Office—55 N. Matlock St., Mesa, Ariz. Underwriter—None.

● **Century Real Estate Investment Trust**

June 4, 1962 filed 200,000 shares of beneficial interest. Price—\$10. Business—A real estate investment trust. Proceeds—For investment. Office—2651 E. 21st St., Tulsa, Okla. Underwriter—DeWitt, Herndon & Co.

● **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, coordinates, and dresses. Proceeds—For debt repayment, equipment and working capital. Office—2025 McKinley St., Hollywood, Fla. Underwriter—Clayton Securities Corp., Boston, Mass. Offering—Expected in 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.

● **Cinerama, Inc.**

June 1, 1962 filed 50,000 common. Price—By amendment (max. \$20). Business—Production, distribution and exhibition of wide angle motion pictures. Proceeds—For selling stockholders. Office—575 Lexington Ave., N. Y. Underwriter—Kidder, Peabody & Co., N. Y.

● **Clan Food Co.**

May 28, 1962 ("Reg. A") 79,600 common. Price—\$1. Business—Production and marketing of food products, primarily a patented "Turkey Log," which consists of frozen, compressed turkey meat. Proceeds—For equipment, debt repayment, plant expansion and working capital. Office—2817 Pine St., Boulder, Colo. Underwriter—None.

● **Clark Cable Corp.**

April 30, 1962 filed \$787,500 of 6 1/2% 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. (6/27)**

March 28, 1962 filed 164,000 common, of which 115,000 are to be offered by the company and 49,000 by stockholders. Price—By amendment (max. \$15). Business—Manufacture of shoeboard and boxboard. Proceeds—For

expansion, equipment and debt repayment. Office—615 Parker St., Manchester, N. H. Underwriter—Putnam & Co., Hartford, Conn.

Columbia Bancorporation (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. EDT) at the company's office.

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.

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—Doft & 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. EDT) at company's office. Information Meeting—June 11, 1962 (10 a.m. EDT).

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 (6/13)

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. Note—This registration was withdrawn.

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. (7/16-20)

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.

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. (6/11-15)

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, 1962 filed 190,000 common, of which 178,000 are to be offered for public sale by the company and 12,000 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.

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. Offering—Temporarily postponed.

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 late July.

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.

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.

Dakota Bankers Trust Co.

May 28, 1962 ("Reg. A") 2,379 common. Price—\$100. Business—A trust company licensed in North Dakota. Proceeds—For working capital and investment. Office—112 N. University Dr., Fargo, N. Dak. Underwriter—None.

Dart Drug Corp. (6/20)

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.

Davos, Inc.

May 28, 1962 ("Reg. A") 35,000 common. Price—\$6.50. Business—Development and operation of a ski resort. Proceeds—For debt repayment and working capital. Office—232 Madison Ave., N. Y. Underwriter—Oxford Securities Corp., N. Y.

Decorative Interiors, Inc.

Feb. 26, 1962 ("Reg. A") 52,000 class A common. Price—\$2.50. Business—Manufacture of draperies, furniture and bed spreads for hotels and institutions. Proceeds—For expansion and other corporate purposes. Office—1191 N. W. 22nd St., Miami, Fla. Underwriter—Lancer Securities Co., 92 Liberty St., N. Y.

Decorel Corp.

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. (6/25-29)

Dec. 11, 1961 ("Reg. A") 60,000 common. Price—\$5. Business—Construction and financing of shell homes. Proceeds—For working capital. Address—Allendale, S. C. Underwriter—Alessandrini & Co., Inc., N. Y.

Deuterium Corp.

Sept. 28, 1961 filed 140,000 common with attached warrants to purchase an additional 140,000 shares to be offered for subscription by stockholders in units (of one share and one warrant) on the basis of 3 units for each 5% preferred share held, 2 units for each 5% preferred A stock held and one unit for each 10 class B shares held. Price—\$20 per unit. Business—Company plans to manufacture and utilize all kinds of chemical materials. Proceeds—For start-up expenses for a laboratory and small plant. Office—360 Lexington Ave., New York. Underwriter—None.

Diamond Dust Co., Inc. (6/25-29)

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.

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.

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

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.

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. (6/11-15)

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, N. Y. **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 August.

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. (6/25-29)

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.

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

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. (6/25-29)

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.

Emcee Electronics, Inc.

June 4, 1962 filed \$200,000 of 6¼% conv. debentures due 1974, and \$50,000 common, to be offered in units of \$200 of debentures and 50 shares. **Price**—\$400 per unit. **Business**—Manufacture of precision instruments, and electronic devices for measurement and control. **Proceeds**—For plant expansion, inventory, and equipment. **Office**—1202 Arnold Ave., New Castle, Del. **Underwriter**—Weil & Co., Inc., Washington, D. C.

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

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.

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.

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.

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**—To be named.

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. (6/18)

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

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. **Offering**—Indefinitely postponed.

Financial Federation, Inc.

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. **Offering**—Indefinitely postponed.

First Connecticut Small Business Investment Co. (6/18)

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 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. (6/18-22)

March 16, 1962 filed \$95,000 of 6% subord. debentures due 1972 and 47,500 common shares, of which 44,650 are to be offered by the company and 2,850 by selling stockholders. The securities will be offered in units consisting of one \$100 debenture and 50 common shares (with attached warrants). **Price**—\$350 per unit. **Business**—Design, manufacture and sale, for amateur use, of camera lighting equipment and photographic accessories. **Proceeds**—For equipment, new product development, sales promotion and other corporate purposes. **Office**—39-08 24th St., Long Island City, N. Y. **Underwriter**—Bond, Richman & Co., N. Y.

Florida Bancgrowth, Inc.

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.

Florida Water & Utilities Co. (6/21)

May 29, 1962 filed \$750,000 of 5½% conv. subord. debentures due 1982. **Price**—By amendment. **Business**—Operation of water distribution and sewage collection systems. **Proceeds**—For debt repayment, plant expansion.

sion and working capital. **Office**—1491 N. W. 20th St., Miami. **Underwriter**—Finkle & Co., N. Y.

Floreal 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.

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, 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

Bldv., S., Las Vegas, Nev. **Underwriter**—Elmer K Aagaard, Salt Lake City.

● **Forst (Alex) & Sons, Inc. (6/11-15)**

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.

● **"42" Products, Ltd., Inc. (6/11-15)**

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 Sportswe, Inc.

March 27, 1962 filed 103,000 common. **Price**—\$3. **Business**—Design, manufacture and distribution of men's outerwear, sportswear and rainwear. **Proceeds**—For plant expansion, equipment and working capital. **Office**

—665 Broadway, N. Y. **Underwriter**—Magnus & Co., Inc., N. Y. **Offering**—Expected sometime in 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.

★ **Foxboro Co. (6/25-29)**

May 29, 1962 filed \$12,269,000 of conv. subord. debentures due July 1, 1982 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 20 common shares held. **Price**—At par. **Business**—Manufacture of industrial instruments for indicating, recording and controlling temperature, pressure, flow and other process variables. **Proceeds**—For plant expansion, debt repayment and other corporate purposes. **Office**—38 Neponset Ave., Foxboro, Mass. **Underwriter**—Paine, Webber, Jackson & Curtis, Boston.

Franklin Discount Co.

Feb. 9, 1962 filed \$500,000 of 8% subordinated debentures due serially 1969 to 1973 and \$500,000 of 8% subordi-

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NEW ISSUE CALENDAR

June 7 (Thursday)

Columbia Gas Systems, Inc.-----Debtures
(Bids 11 a.m. EDST) \$25,000,000

June 11 (Monday)

American Gas Co.-----Common
(Offering to stockholders—underwritten by Crutenden, Podesta & Miller) 548,532 shares

Artlin Mills, Inc.-----Common
(Mortimer B. Burnside & Co., Inc.) \$675,000

Ascot Textile Corp.-----Common
(To be named) 100,000 shares

Bacardi Corp.-----Common
(Eastman Dillon, Union Securities & Co.) \$1,750,000

Bebell & Bebell Color Laboratories, Inc.-----Common
(Stevens, Hickey & Co.) \$300,000

Computer Control Co., Inc.-----Common
(Kidder, Peabody & Co.) 157,500 shares

Corporate Funding Corp.-----Class A
(R. F. Dowd & Co., Inc.) \$300,000

Dulany Industries, Inc.-----Common
(Blair & Co., Inc.) 400,000 shares

Dyna-Mod Electronics Corp.-----Common
(Genesee Valley Securities Co., Inc. and H. B. Vesey & Co., Inc.) \$286,000

Forst (Alex.) & Sons, Inc.-----Common
(McDonnell & Co.) 100,000 shares

"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

Hardlines Distributors, Inc.-----Common
(McDonnell & Co.) 200,000 shares

International Protein Corp.-----Common
(Arnold Malkan & Co., Inc.) \$450,000

Kinney Service Corp.-----Common
(Bear, Stearns & Co.) 262,500 shares

Metropolitan Realty Trust-----Ben. Int.
(Eisele & King, Libaire, Stout & Co.) \$6,500,000

Multronics, Inc.-----Capital
(Switzer & Co., Inc.) \$300,000

Orion Electronics Corp.-----Common
(A. D. Gilhart & Co., Inc.) \$350,000

Peerless Radio Corp.-----Common
(Kordan & Co., Inc.) \$480,000

Ridgewood Financial Corp.-----Common
(Fulton, Reid & Co., Inc.) 60,000 shares

Salant & Salant, Inc.-----Class A
(Kidder, Peabody & Co. and Jessup & Lamont) 150,000 shares

Shelley Manufacturing Co.-----Common
(George, O'Neill & Co., Inc.) \$357,500

Wade, Wenger ServiceMaster Co.-----Capital
(Laren Co.) 140,000 shares

Widmann (L. F.), Inc.-----Common
(Godfrey, Hamilton, Taylor & Co.) \$486,000

June 12 (Tuesday)

All-State Properties, Inc.-----Debtures
(Bear, Stearns & Co. and Allen & Co.) \$5,000,000

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)

Container Corp. of America-----Debtures
(Kidder, Peabody & Co.) \$25,000,000

Louisville & Nashville RR.-----Equip. Trust Cfs.
(Bids 12 noon EDST) \$6,405,000

Wisconsin Power & Light Co.-----Bonds
(Bids 11:30 a.m. CDST) \$12,000,000

June 14 (Thursday)

Boston Edison Co.-----Bonds
(Bids 11 a.m. EDST) \$15,000,000

Texas Gas Transmission Corp.-----Debtures
(Dillon, Read & Co., Inc.) \$40,000,000

June 15 (Friday)

Air-Tech Industries, Inc.-----Common
(Fred F. Sessler & Co., Inc.) \$220,500

Great Plains Corp.-----Class A
(Birkenmayer & Co.) \$300,000

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

Alumatron International, Inc.-----Common
(B. C. Malloy, Inc.) \$511,000

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

American Plan Corp.-----Units
(Bear, Stearns & Co.) 248,000 shares

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

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 Eisenberg 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

FIFCO, Inc.-----Class A
(Sinclair Securities, Inc.) \$199,998

First Connecticut Small Business Investment Co.-----Common
(P. W. Brooks & Co.) 200,000 shares

Flex Electric Products, Inc.-----Units
(Bord, Richman & Co.) \$332,500

Gemco-Ware Corp.-----Common
(J. R. Williston & Beane) 146,000 shares

General Classics, Inc.-----Common
(Michael G. Kletz & Co.) \$315,000

Hargrove Enterprises, Inc.-----Common
(Switzer & Co., Inc.) \$800,000

House of Vision, Inc.-----Common
(Hornblower & Weeks) 150,000 shares

International Drug & Surgical Corp.-----Class A
(Seymour Blauner Co. and Wm. Stix Wasserman & Co., Inc.) \$600,000

Iona Manufacturing Co.-----Common
(Richard Bruce & Co., Inc. and Reuben Rose & Co., Inc.) \$840,000

Jackson's/Byrons Enterprises, Inc.-----Debtures
(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

Lewiston-Gorham Raceways, Inc.-----Units
(P. W. Brooks & Co.) \$1,000,000

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.-----Debtures
(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.-----Debtures
(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

Parkview Drugs, Inc.-----Debtures
(Scherck, Richter Co.) \$2,000,000

Pay'n Save Corp.-----Common
(Dean Witter & Co.) 40,576 shares

Pay'n Save Corp.-----Debtures
(Dean Witter & Co.) \$1,200,000

RF Interonics, Inc.-----Common
(Arnold Malkan & Co.) \$200,000

Roadcraft Corp.-----Common
(Vickers, MacPherson & Warwick, Inc.) 400,000 shares

Roblin-Seaway Industries, Inc.-----Debtures
(Brand, Grumet & Siegel, Inc.) \$1,000,000

Security Aluminum Corp.-----Common
(Vickers, MacPherson & Warwick, Inc.) 200,000 shares

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.) Mfg. 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

Turner (J. L.) & Son, Inc.-----Common
(Bear, Stearns & Co.) 120,000 shares

Unison Electronics Corp.-----Common
(Gateway Stock & Bond, Inc.) \$150,000

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

Welcome Baby, Inc.-----Common
(Globe, Inc. and First Philadelphia Corp.) \$150,000

World Scope Publishers, Inc.-----Common
(Standard Securities Corp.) \$600,000

World Scope Publishers, Inc.-----Debtures
(Standard Securities Corp.) \$350,000

Worth Financial Corp.-----Common
(D. A. Bruce & Co.) \$305,000

Wynlit 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

Martin (L. P.) Maintenance Corp.-----Common
(Johnson, Lane Space Corp.) \$500,000

June 20 (Wednesday)

Allegheny Pepsi-Cola Bottling Co.-----Common
(Suplee, Yeatman, Mosley Co., Inc.) 312,500 shares

Allegheny Pepsi-Cola Bottling Co.-----Debtures
(Suplee, Yeatman, Mosley Co., Inc.) \$1,250,000

Australia (Commonwealth of)-----Bonds
(Morgan Stanley & Co.) \$30,000,000

Automatic Controls, Inc.-----Common
(S. Schramm & Co., Inc.) \$200,000

Dart Drug Corp.-----Debtures
(Laird & Co. and Jones, Kreeger & Co.) \$1,000,000

Ideal Toy Corp.-----Common
(White, Weld & Co., Inc.) 490,000 shares

Pet Milk Co.-----Debtures
(Kidder, Peabody & Co., Inc.) \$20,000,000

Tyler Pipe & Foundry Co.-----Common
(First Southwest Co.) 120,000 shares

June 21 (Thursday)

Cincinnati Gas & Electric Co.-----Bonds
(Bids to be received) \$25,000,000

Florida Water & Utilities Co.-----Debtures
(Finkle & Co.) \$750,000

Paul, Harris Stores, Inc.-----Class A
(Kiser, Cohn & Shumaker and Crutenden, Podesta & Miller) \$300,000

June 22 (Friday)

Mercury Books, Inc.-----Common
(Meade & Co.) \$247,500

June 25 (Monday)

Accurate Parts, Inc.-----Common
(McDonnell & Co. and Rafensperger, Hughes & Co.) 100,000 shares

Adelphi Research & Mfg. Co.-----Common
(Fred F. Sessler & Co., Inc.) \$199,875

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nated capital notes due about 1970. Price—At par. Business—A consumer finance company. Proceeds—For debt repayment and expansion. Office—105 N. Sage St., Toccoa, Ga. Underwriter—None.

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. (7/9-13)

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 & Polonitza, Inc., Los Angeles.

Frouge Corp.

Jan. 26, 1962 filed 200,000 common. Price—By amendment. Business—Construction and operation of various type apartment, industrial and office buildings. Proceeds—For prepayment of debt and reduction of bank loans.

Office—141 North Ave., Bridgeport, Conn. Underwriter—Van Alstyne, Noel & Co., N. Y. Offering—Postponed.

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, Noyes & 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.

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Admiral Automotive Products, Inc. Common (Baruch Brothers & Co., Inc.) \$400,000

American Cardboard & Packaging Corp. Common (Milton D. Blauner & Co., Inc., M. L. Lee & Co., Inc. and Halliwell, Sulzberger, Jenks, Kirkland & Co.) \$525,000

American Southwest Realty Trust Common (Kidder, Peabody & Co. and Rauscher, Pierce & Co., Inc.) \$11,000,000

Assembly Products, Inc. Conv. Debentures (Prescott & Co. and William T. Robbins & Co., Inc.) \$1,250,000

Aubrey Manufacturing, Inc. Common (Pierce, Carrison, Wulbern, Inc. and A. M. Kidder & Co., Inc.) 140,004 shares

Barish Associates, Inc. Common (Gianis & Co.) \$200,000

Barker Bros. Corp. Common (William R. Staats & Co.) 200,000 shares

Buddy L. Corp. Common (Milton D. Blauner & Co., Inc.) 225,000 shares

Cameo Lingerie, Inc. Common (Schweickart & Co.) \$950,000

Coburn Credit Co., Inc. Debentures (Brand, Grumet & Seigel, Inc.) \$5,000,000

Columbia Bancorporation Units (Bear, Stearns & Co. and Allen & Co.) 1,500,000 units

Cosnat Corp. Common (Van Alstyne, Noel & Co.) 190,000 shares

DeLuxe Homes, Inc. Common (Alessandrini & Co., Inc.) \$300,000

Diamond Dust Co., Inc. Common (Magnus & Co.) \$306,000

Duro Pen Co., Inc. Common (Godfrey, Hamilton, Taylor & Co.) \$500,000

Eastern Camera & Photo Corp. Units (Edwards & Hanley and Street & Co., Inc.) 5,000 units

Electromagnetic Industries, Inc. Common (Pierce, Carrison, Wulbern, Inc.) 70,000 shares

Electromagnetic Industries, Inc. Conv. Debentures (Pierce, Carrison, Wulbern, Inc.) \$250,000

Electronic Transmission Corp. Common (V. S. Wickett & Co., Inc.; Thomas, Williams & Lee, Inc. and Crosse & Co., Inc.) \$375,000

Foxboro Co. Debentures (Offering to stockholders, underwritten by Paine, Webber, Jackson & Curtis) \$12,209,000

Garden State Small Business Investment Co. Com. (Godfrey, Hamilton, Taylor & Co.) \$990,000

Gaslight Club, Inc. Common (Myron A. Lomasney & Co.) 100,000 shares

Girard Industries Corp. Units (Edwards & Hanley) 2,500 units

Glensder Corp. Common (Sprayregen, Haft & Co.) 150,000 shares

Gould Paper Co. Common (Van Alstyne, Noel & Co.) \$1,540,000

Gulf American Land Corp. Debentures (Morris Cohon & Co. and Street & Co., Inc.) \$10,000,000

Interstate Equity Ben. Int. (Van Alstyne, Noel & Co.) 1,605,100 shares

Jaap Penratt Associates, Inc. Common (R. F. Dowd & Co., Inc.) \$800,000

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

Mac-Allan Co., Inc. Common (George K. Baum & Co.) \$651,300

Masters, Inc. Units (Sterling, Grace & Co. and Norton, Fox & Co.) 15,000 units

Nationwide Bowling Corp. Capital (Jennings, Mandel & Longstreth) 100,000 shares

New York Testing Laboratories, Inc. Common (Robbins, Clark & Co., Inc.) \$250,000

Micro-Dine Corp. Common (Irving J. Rice & Co., Inc.) \$700,000

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

Packard-Bell Electronics Corp. Debentures (Offering to stockholders—underwritten by Kidder, Peabody & Co., Inc.) \$5,023,800

Pearl Brewing Co. Common (A. C. Allyn & Co. and Dewar, Robertson & Pancoast) 148,300 shares

Perfect Photo, Inc. Common (Bear, Stearns & Co.) 154,800 shares

Puerto Rico Brewing Co., Inc. Units (Merrill Lynch, Pierce, Fenner & Smith Inc.) \$4,500,000

Radio Electric Service Co. of New Jersey, Inc. Common (Lee-Mosson & Co., Inc.) \$300,000

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

Schaevitz Engineering Common (Bear, Stearns & Co.) 150,000 shares

Servotronics, Inc. Capital (General Securities Co., Inc.) \$375,000

Signalite Inc. Common (Milton D. Blauner) \$567,000

Skiers Service Corp. Common (Pacific Coast Securities Co.) 550,000 shares

Solid State Products, Inc. Common (Wickler, Althoff & R. L. Day) 110,000 shares

Sun City Dairy Products, Inc. Common (Finkle & Co.) \$440,000

Superior Bakers, Inc. Common (Balogh & Co.) \$975,000

Tabach Industries, Inc. Common (Costello, Russotto & Co.) \$300,000

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

Trans-Alaska Telephone Co. Common (Milton D. Blauner & Co., Inc.) \$1,590,000

Tujax Industries, Inc. Class A (Richard Bruce & Co., Inc. and Reuben Rose & Co., Inc.) \$1,200,000

United-Overton Corp. Common (McDonnell & Co., Inc. and Oppenheimer & Co.) 450,000 shares

United Packaging Co., Inc. Common (Godfrey, Hamilton, Taylor & Co., Inc.) \$306,000

Universal Industries, Inc. Common (Edward Lewis Co., Inc.) \$500,000

West Falls Shopping Center Limited Partnership Units (Hodgdon & Co., Inc.) \$444,000

Wolverine Aluminum Corp. Common (F. J. Winckler & Co.) 100,000 shares

June 26 (Tuesday)

Lockfast Mfg. Co., Inc. Common (R & D Investors Corp.) \$297,500

Puget Sound Power & Light Co. Preferred (Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc.) \$15,000,000

Sierra Pacific Power Co. Bonds (Bids to be received) \$5,000,000

June 27 (Wednesday)

Colonial Board Co. Common (Putnam & Co.) 164,000 shares

Public Service Co. of New Hampshire Bonds (Bids 11 a.m. EDT) \$24,000,000

June 28 (Thursday)

Gulf, Mobile & Ohio RR. Equip. Trust Cfts. (Bids 12 noon CDST) \$1,575,000

Microdot, Inc. Capital (White, Weld & Co.) 170,000 shares

New Brunswick Scientific Co., Inc. Common (John Schuss & Co.) \$300,000

June 29 (Friday)

American Bolt & Screw Mfg. Corp. Common (S. D. Fuller & Co.) 150,000 shares

Joanell Laboratories, Inc. Common (Searight, Ahalt & O'Connor, Inc.) 114,500 shares

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

Arde Inc. Common (McDonnell & Co.) 100,000 shares

Bernalen, Inc. Common (Amber, Burstein & Co., Inc.) \$183,750

Electromagnetics Corp. Common (Gianis & Co., Inc.) \$375,000

Honora, Ltd. Common (Sunshine Securities, Inc.) \$286,875

Kaufman Carpet Co., Inc. Common (Michael G. Kletz & Co.) \$1,250,000

Mammoth Mart Inc. Common (McDonnell & Co.) 200,000 shares

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

Walston Aviation, Inc. Common (White & Co., Inc.) \$562,500

July 9 (Monday)

Alcolac Chemical Corp. Common (Robert Garrett & Sons) 50,000 shares

Dyna Mfg. Co. Common (Raymond Moore & Co.) \$300,000

Frederick's of Hollywood, Inc. Capital (Garat & Polonitza, Inc.) \$750,000

Sampson Enterprises, Inc. Common (Straus, Blosser & McDowell and Dempsey-Regeler & Co., Inc.) 450,000 shares

July 10 (Tuesday)

New England Telephone & Telegraph Co. Debens. (Bids to be received) \$50,000,000

July 16 (Monday)

Arnav Industries, Inc. Units (Gianis & Co., Inc.) 600 units

Chemical Coatings Corp. Common (Arnold Malkan Growth of Puerto Rico, Inc.)

Continental Telephone Co. Common (Allen & Co. and E. F. Hutton & Co.) 475,000 shares

General Investment Co. of Connecticut, Inc. Com. (Ingram, Lambert & Stephen, Inc. and Reuben Rose & Co., Inc.) \$1,500,000

Grand Bahama Development Co., Ltd. Common (Allen & Co.) 250,000 shares

Lesser (Louis) Enterprises, Inc. Class A (Morris Cohon & Co. and Leiberbaum & Co.) \$10,000,000

Valu-Rack, Inc. Common (Garat & Polonitza, Inc.) \$1,000,000

July 17 (Tuesday)

Missouri Power & Light Co. Bonds (Bids to be received) \$6,000,000

July 18 (Wednesday)

Atlantic City Electric Co. Bonds (Bids to be received) \$15,000,000

July 19 (Thursday)

Rochester Telephone Corp. Debentures (Bids to be received) \$12,000,000

July 23 (Monday)

United Markets, Inc. Common (Moran & Co.) \$500,000

July 30 (Monday)

Barogenics, Inc. Common (Globus, Inc.) \$750,000

July 31 (Tuesday)

Norda Essential Oil & Chemical Co., Inc. Class A (S. D. Fuller & Co.) 200,000 shares

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

August 27 (Monday)

Iowa Public Service Co. Common (Offering to stockholders—Bids to be received) 320,468 shares

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. Bonds (Bids to be received) \$6,500,000

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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. (7/16-20)

Mar. 14, 1962 filed 200,000 common. Price—\$7.50. Business—A small business investment company. Proceeds—For debt repayment and investment. Office—348 Orange St., New Haven, Conn. Underwriters—Ingram, Lambert & Stephen, Inc., and Reuben Rose & Co., Inc., N. Y.

General Realty Income Trust

April 27, 1962 filed 1,000,000 shares. Price—A maximum of \$10. Business—A real estate investment trust. Proceeds—For investment. Office—111 Broadway, N. Y. Underwriter—King Merritt & Co., Inc., N. Y.

General Vitamin & Drug Corp.

April 3, 1962 ("Reg. A") 78,000 common. Price—\$2.75. Business—Sale of vitamins through department stores and mail order. Proceeds—For debt repayment, new products, sales promotion and working capital. Office—88 Cutter Mill Rd., Great Neck, L. I., N. Y. Underwriter—J. J. Krieger & Co., Inc., N. Y.

Geriatric Research, Inc.

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, Meyerhoff & Co., Chicago. Offering—Indefinitely postponed.

Giffillan 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 July.

Girard Industries Corp. (6/25-29)

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.

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 Pharmaceutical 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—Droulia & 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.

Gotkam Investment Corp.

Nov. 21, 1961 filed 100,000 common. Price—\$6. Business—Real estate investment. Proceeds—For working capital and other corporate purposes. Office—1707 H St.,

N. W., Washington, D. C. Underwriter—Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C. Offering—Expected in September.

Gould Paper Co. (6/25-29)

Sept. 23, 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.

Gourmet 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") 28,213 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 Government 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. (7/16-20)

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.

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. Note—This registration was withdrawn.

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. (6/25-29)

Feb. 28, 1962 filed \$10,000,000 of 6½% conv. subord. debentures due 1977. 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.

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 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. (6/11-15)

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. (6/11-15)

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.

Hargrove Enterprises, Inc. (6/18-22)

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.

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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.

Herlin & Co., Inc.

May 29, 1962 filed 100,000 common, of which 80,000 are to be offered by company and 20,000 by stockholders. Price—By amendment (max. \$12.50). Business—Sale of wrist watches to holders of food chain, cash register tapes. Proceeds—For working capital. Office—2046 Bell Ave., St. Louis. Underwriter—Newhard, Cook & Co., St. Louis.

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—Indefinitely postponed.

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. Offering—Temporarily postponed.

Monora, Ltd. (7/2-6)

Nov. 29, 1961 ("Reg. A") 76,500 common. Price—\$3.75. Business—Purchase of cultured pearls in Japan and their distribution in the U. S. Proceeds—For general corporate purposes. Office—42 W. 48th St., N. Y. Underwriter—Sunshine Securities, Inc., Rego Park, N. Y.

House of Koshu, Inc.

March 29, 1962 filed 75,000 class A common. Price—\$5. Business—Importing of Japanese liquors. Proceeds—For debt repayment, advertising, inventory and working capital. Office—129 S. State St., Dover, Del. Underwriter—P. J. Gruber & Co., Inc., New York.

House of Vision, Inc. (6/13)

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.

Hyde Finance Co.

May 28, 1962 ("Reg. A") 60,000 common. Price—\$5. Business—A general finance company. Proceeds—To finance premiums of automobile insurance policies and business loans. Office—164 Milk St., Boston. 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 Toy 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.

May 11, 1962 filed 3,771,577 common being offered for subscription by stockholders on the basis of one new share for each 10 shares held of record May 29, 1962. Rights will expire June 29. 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.

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. Offering—In July.

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—Late July.

Instron Engineering Corp.

March 26, 1962 filed 120,000 common. Price—By amendment (max. \$14). Business—Development and production of equipment for use in testing the physical characteristics of various materials. Proceeds—For selling stockholders. Office—2500 Washington St., Canton, Mass. Underwriter—None.

International Drug & Surgical Corp. (6/18-22)

March 23, 1962 filed 150,000 class A shares. Price—\$4. Business—Importing, licensing, and manufacturing of pharmaceutical and medical instruments. Proceeds—For working capital and other corporate purposes. Office—375 Park Ave., N. Y. Underwriters—Seymour Blauner Co., and Wm. Stix Wasserman & Co., Inc., N. Y.

International Electronics Corp.

April 30, 1962 ("Reg. A") 75,000 class A common. Price—\$4. Business—Importing, processing and marketing of electron tubes. Proceeds—For debt repayment and general corporate purposes. Office—81 Spring St., N. Y. Underwriter—Brand, Grumet & Seigel, Inc., N. Y.

International Plastic Container Corp.

March 26, 1962 filed 200,000 common. Price—\$2.50. Business—Manufacture of plastic products produced by extrusion and thermoforming. Proceeds—For equipment, rent, salaries and working capital. Office—818-17th St., Denver. Underwriter—Amos C. Sudler & Co., Denver. Offering—Expected in August.

International Protein Corp. (6/11-15)

Jan. 26, 1962 filed 90,000 common. Price—\$5. Business—Distributes fishmeal and animal by-product proteins. Proceeds—For expansion, machinery, and working capital. Office—233 Broadway, N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y. Note—This firm formerly was named Marine & Animal By-Products Corp.

International Realty Corp.

April 27, 1962 filed \$18,000,000 of s. f. debentures due 1977, 360,000 common shares and five year warrants to purchase 540,000 common shares to be offered in 180,000 units, each unit consisting of \$100 of debentures, two common shares and warrants to purchase three additional shares. Price—By amendment (max. \$110 per unit). Business—Real estate investment. Proceeds—For debt repayment, construction, and other corporate purposes. Office—919 N. Michigan Ave., Chicago. Underwriter—Kidder, Peabody & Co., N. Y. 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—Drourr, 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, co-production, dubbing, adaptation and distribution of films, and working capital. Office—1776 B'way, N. Y. Underwriters—General Securities Co., Inc. and S. Kasdan & Co., Inc., N. Y. 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.

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.

Investors Realty Trust

May 31, 1962 filed 200,000 shares. Price—\$10. Business—A real estate investment trust. Proceeds—For construction and investment. Office—3315 Connecticut Ave., N. W., Washington, D. C. Underwriter—None.

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 (with warrants) to be offered for sale in units of one \$1,000 debenture and 10 common (with 20 attached 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. (6/29)

Dec. 21, 1961 filed 114,500 common, of which 32,500 are to be offered by the company and 82,000 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**—Sebright, Ahalt & O'Connor, Inc., N. Y.

Kaiser-Nelson Corp.

March 29, 1962 filed 140,000 common, of which 70,000 are to be offered by company and 70,000 by stockholders. **Price**—By amendment (max. \$10). **Business**—Reclamation of metallics from steel slag; mining of sand 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.

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. **Offering**—Temporarily postponed.

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 July.

Kelley 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 stockhold-

ers. **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. (6/11)

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**—Temporarily 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.

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.

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.

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**—Leeco Investors Corp. (a newly-formed subsidiary). **Offering**—Imminent.

Lenbo 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.

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. **Offering**—Temporarily postponed.

Lesser (Louis) Enterprises, Inc. (7/16-20)

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**—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. (6/18)

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 was 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.

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 Boarman 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

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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 Doff & 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. (6/25-29)
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. (7/2-6)
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.

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 July.

Maradel Products, Inc.
March 12, 1962 filed 335,000 common. **Price**—By amendment (max. \$20). **Business**—Manufacture of toiletries and cosmetics. **Proceeds**—For acquisitions, debt repay-

ment and working capital. **Office**—510 Ave. of the Americas, N. Y. **Underwriter**—Hornblower & Weeks, N. Y. **Offering**—Temporarily postponed.

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.
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. **Offering**—Postponed.

Marshall Press, Inc.
May 29, 1962 filed 60,000 common. **Price**—\$3.75. **Business**—Graphic design and printing. **Proceeds**—For publishing a sales catalogue, developing a national sales staff and working capital. **Office**—812 Greenwich St., N. Y. **Underwriter**—R. P. Raymond & Co., Inc., 26 Broadway, N. Y.

Martin (L. P.) Maintenance Corp. (6/19)
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.
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. **Note**—This registration was withdrawn.

Masters, Inc. (6/25-29)
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.

Masury-Young Co.
Dec. 4, 1961 filed 100,000 common. **Price**—\$6. **Business**—Manufactures commercial and industrial floor maintenance products. **Proceeds**—For repayment of debt, equipment, and other corporate purposes. **Office**—76 Roland St., Boston. **Underwriter**—Chace, Whiteside & Winslow, Inc., Boston. **Offering**—Indefinitely postponed.

Mechanex Corp.
May 28, 1962 ("Reg. A") 60,000 common. **Price**—\$2.50. **Business**—Manufacture of a valve stem lock to protect tires, and wheel oil seals for truck lubrication. **Proceeds**—For equipment, expansion and working capital. **Office**—3773 S. Jason St., Englewood, Colo. **Underwriter**—None.

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 and working capital. **Office**—12 Rochelle Ave., Rochelle Park, N. J. **Underwriter**—Charels 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. (6/22)
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, Libaire, Stout & Co., N. Y.

Micro-Dine Corp. (6/25-29)
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 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. **Offering**—Expected in July.

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 pro-

duction 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.

★ Monarch Plastics Corp.

May 28, 1962 ("Reg. A") 140,000 common. Price—\$2. Business—Manufacture and sale of plastic letters, embossed sign faces, quantity signs and boat windshields. Proceeds—For purchase of land and building, moving expenses, equipment and working capital. Office—5606 Stuebner Airline Rd., Houston. Underwriter—W. R. Sauve Co., 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. Offering—Indefinitely postponed.

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 cor-

porate purposes. Office—3306 Lancaster Ave., Philadelphia. Underwriters—William, David & Motti, Inc. and Crichton, Chersshore & 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 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. (6/25-29)

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.

★ New Brunswick Scientific Co., Inc. (6/28)

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.

★ 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. (6-25-29)

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.

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. (7/31)

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.

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—June 12, 1962 (10 a.m. CDST) in room 1100, 231 So. La Salle St., Chicago. Information Meeting—June 7 (11 a.m. EDST) at Schroder Trust Co., 57 Broadway, 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.

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-July.

★ 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.

★ Olympia Record Industries, Inc.

May 29, 1962 filed 66,000 class A shares. Price—\$4. Business—Wholesale distribution of phonograph records and albums. Proceeds—For debt repayment, inventory, product expansion and working capital. Office—614 W. 51st St., N. Y. Underwriters—Gianis & Co., Inc. and Jed L. Hamburg Co., 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.

★ Orbit Stores, Inc.

May 28, 1962 filed 100,000 common. Price—By amendment (max. \$6). Business—Operation of two discount type department stores. Proceeds—For equipment, inventory, expansion and working capital. Office—725 William T. Morrissey Blvd., Boston. Underwriter—None.

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'

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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.

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.

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. (6/18-22)**
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**—Scherek, Richter Co., St. Louis.

Parkway Laboratories, Inc.
Dec. 6, 1961 filed 160,000 common. **Price**—\$5. **Business**—Manufacture of drugs and pharmaceuticals. **Proceeds**—For an acquisition, research and other corporate purposes. **Office**—2301 Pennsylvania Ave., Philadelphia. **Underwriter**—Arnold Malkin & Co., Inc., N. Y.

● **Paul, Harris Stores, Inc. (6/21)**
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. (6/25-29)**
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 & Pan-coast, 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. **Note**—This registration was withdrawn.

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. Mensh Securities Co., Washington, D. C.

★ **Pet Milk Co. (6/20)**
May 29, 1962 filed \$20,000,000 of s. f. debentures due June 1, 1982. **Price**—By amendment. **Proceeds**—For an acquisition and repayment of debt. **Office**—Arcade Bldg., St. Louis. **Underwriters**—Kidder, Peabody & Co., Inc.; G. H. Walker & Co., N. Y., and Julien Collins & Co., Chicago.

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**—Late July.

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 Balogh & Co., Washington, D. C. **Note**—This offering was postponed indefinitely.

● **Premier Microwave Corp.**
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. **Offering**—Postponed.

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.**
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. **Offering**—Indefinitely postponed.

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.

Public Service Co. of New Hampshire (6/27)

June 5, 1962 filed \$24,000,000 of first mortgage bonds, due 1992. **Proceeds**—To redeem outstanding 5½% bonds, due 1987, 5½% bonds, due 1989, and 5½% bonds, due 1990, repay short term loans, and for construction. **Office**—1087 Elm St., Manchester, N. H. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Equitable Securities Corp.—Eastman Dillon, Union Securities & Co. (jointly); Kidder, Peabody & Co.—Blyth & Co., Inc. (jointly); White Weld & Co.; Lehman Brothers. **Bids**—June 27 (11 a.m. EDT) in Room 166, Parker House, Boston. **Information Meeting**—June 25 (3:30 p.m. EDT) at the same address.

Publishers Co., Inc.

Nov. 28, 1961 filed 541,000 common. **Price**—By amendment. **Business**—Book publishing. **Proceeds**—For an acquisition and other corporate purposes. **Office**—1106 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—Roth & Co., Inc., Philadelphia.

Puerto Rico Brewing Co., Inc. (6/25-29)

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.

Puget Sound Power & Light Co. (6/26)

June 1, 1962 filed 150,000 preferred (par \$100). **Price**—By amendment (max. \$103). **Proceeds**—For prepayment of bank loans and construction. **Office**—1400 Washington Bldg., Seattle. **Underwriters**—Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc., New York.

Pulp Processes Corp.

Sept. 20, 1961 filed 140,000 common. **Price**—\$5. **Business**—Development of pulping and bleaching devices. **Proceeds**—General corporate purposes. **Office**—Hoge Bldg., Seattle, Wash. **Underwriter**—Wilson, Johnson & Higgins, San Francisco. **Note**—This offering was temporarily postponed.

Pyramid Plastics Corp.

May 28, 1962 ("Reg. A") 5,000 non-voting common. **Price**—\$10. **Business**—Research and development of an underground conduit, and couplings for such conduit. **Proceeds**—For equipment and working capital. **Office**—156 N. Milton Ave., Baltimore. **Underwriter**—None.

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.

Quick-N-Clean Corp. of Minnesota, Inc.

May 28, 1962 ("Reg. A") 205,000 common. **Price**—\$1.15. **Business**—Company plans to operate a chain of low cost dry cleaning centers. **Proceeds**—For debt repayment and working capital. **Office**—712 Fir St., Brainerd, Minn. **Underwriter**—None.

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. (6/25-29)

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.

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.

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

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. (6/11-15)

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.

Dec. 15, 1961 filed 200,000 common. **Price**—\$5. **Business**—Manufactures plastic housewares, baby products and other plastic items. **Proceeds**—For debt repayment and other corporate purposes. **Office**—1517 Jarrett Place, Bronx, N. Y. **Underwriter**—Arnold Malkan & Co., Inc., N. Y. **Offering**—Imminent.

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 July.

Royalty Stores, Inc.

May 29, 1962 filed 75,000 common. **Price**—\$3.75. **Business**—Operation of discount stores and wholesale distribution of general merchandise. **Proceeds**—For expansion, advertising, and other corporate purposes. **Office**—10 Charles St., Floral Park, N. Y. **Underwriter**—R. P. Raymond & Co., Inc., 26 Broadway, N. Y.

Ruby Silver Mines, Inc.

Jan. 2, 1962 ("Reg. A") 2,400,000 common. **Price**—12½ cents. **Business**—Exploration and development of mineral deposits. **Proceeds**—For debt repayment and general corporate purposes. **Address**—Box 1088, Wallace, Idaho. **Underwriter**—Pennaluna & Co., Spokane, Wash.

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 & Sa'ant, 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.

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. **Offering**—Imminent.

Sampson Enterprises, Inc. (7/9-13)

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 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.

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. **Underwriter**—Straus, Blosser & McDowell, Chicago. **Offering**—Temporarily postponed.

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.

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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.

Sept. 23, 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. Offering—Temporarily postponed.

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. (6/25-29)

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. (6/11-15)

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. EDST), at 49 Federal St., Boston. Information Meeting—June 22 (10:30 a.m. EDST) at 90 Broad St., 19th floor.

Signalite Inc. (6/25-29)

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 installment retailing of furniture, appliances and other household goods. Proceeds—For expansion and modernization of buildings, repayment of debt and working capital. Office—253 Columbia St., Brooklyn, N. Y. Underwriter—Albion Securities Co., Inc., N. Y.

Solid State Products, Inc. (6/25-29)

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.

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. Note—This registration was withdrawn.

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.

Stack Electronics, Inc.

May 25, 1962 ("Reg. A") 60,000 common. Price—\$5. Business—Manufacture, sale and distribution of elec-

tronic equipment. Proceeds—For new products and working capital. Office—45 Washington St., Binghamton, N. Y. Underwriters—Arnold Malkan & Co., Inc. and Dean Samitas & Co. Inc., N. Y.

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.

Starmatic Industries, Inc.

Nov. 3, 1961 filed 100,000 common. Price—By amendment. Business—Manufacture of boxes, brochures, packaging materials and packaging machines. Proceeds—For debt repayment and other corporate purposes. Office—252 W. 30th St., N. Y. Underwriter—R. P. Raymond & Co., Inc., 26 Broadway, N. Y. Offering—Expected in late August.

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 23, 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 finance 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.

★ Summit Gear Co., Inc.

May 29, 1962 filed 167,000 common. Price—\$3.50. Business—Development, design and manufacture of gears and gear assemblies, precision instruments and appliances. Proceeds—For equipment, working capital and research and development. Office—5960 Main St., North-east, Minneapolis. Underwriter—Irving J. Rice & Co., Inc., St. Paul.

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. (6-25-29)

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. (6/25-29)

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, Russotto & Co., Los Angeles. Underwriter—Costello, Russotto & 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—Indefinitely postponed.

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.

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. Offering—Expected in August.

Texas Gas Transmission Corp. (G/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. (6/25-29)

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-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.

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. Offering—Imminent.

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.

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. (6/18-22)

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. (6/20)

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. (6/18-22)

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 Finance Corp.

May 28, 1962 ("Reg. A") 7,000 class A non-voting common. Price—\$7. Business—A small loan company. Proceeds—For general corporate purposes. Office—618 Washington St., Dorchester, Mass. Underwriter—None.

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 National Insurance Co.

May 29, 1962 filed 77,000 common. Price—\$15. Business—Sale of automobile insurance, and the writing of fire and extended coverage insurance. Proceeds—For expansion. Office—225 S. 15th St., Philadelphia. Underwriter—Suplee, Yeatman, Mosley Co., Inc., Philadelphia.

● United-Overton Corp. (6/25-29)

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.

United Packaging Co., Inc. (6/25-29)

Nov. 29, 1961 filed 102,000 common. Price—\$3. Business—A general packaging business. Proceeds—For new machinery, debt repayment and working capital. Office—4511 Wayne Ave., Philadelphia. Underwriter—Godfrey, Hamilton, Taylor & Co., Inc., N. Y.

U. S. 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 July.

● U. S. Scientific Corp.

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. Offering—Expected in August.

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. (6/25)

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. Offering—Temporarily postponed.

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.

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Proceeds—For debt repayment and working capital. **Office**—379 17th St., Ogden, Utah. **Underwriter**—Schwabacher & Co., San Francisco. **Offering**—Indefinitely postponed.

U-Teil 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.

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

• **Valu-Rack, Inc. (7/16-20)**

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.**

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). **Offering**—Temporarily postponed.

• **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. (6/11-15)**

Dec. 28, 1961 filed 140,000 capital shares. **Price**—By amendment. **Business**—Sale of franchises for on-location cleaning and moth-proofing of rugs, furniture, etc. Company also manufactures and sells cleaning equipment

and supplies to franchise holders. **Proceeds**—For debt repayment, new building and equipment and other corporate purposes. **Office**—2117-29 N. Wayne, Chicago. **Underwriter**—Laren Co., N. Y.

• **Wallace Investments, Inc.**

Feb. 12, 1962 filed 400,000 common. **Price**—By amendment (max. \$22). **Business**—Company makes short-term real estate loans, acquires, develops and sells land, and engages in the mortgage loan correspondent business. **Proceeds**—For selling stockholders. **Office**—1111 Hartford Bldg., Dallas. **Underwriter**—Harriman Ripley & Co., N. Y. **Note**—This registration is being withdrawn.

• **Walston Aviation, Inc. (7/2)**

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. (6/18-22)**

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 (6/25-29)**

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.**

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. **Offering**—Expected in July.

• **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, Rusotto & 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. (6/18-22)**

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.**

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. **Offering**—Temporarily postponed.

• **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.

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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 Cor.-Wood, Struthers & Co. (jointly). **Bids**—Expected July 18. **Information Meeting**—July 23 (11 a.m. EDST) at 90 Broad St., 19th floor, N. Y.

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).

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.

Gulf, Mobile & Ohio RR. (6/28)

June 6, 1962 it was reported that this road plans to sell \$1,575,000 of 1-15 year equipment trust certificates. **Office**—230 S. Clark St., Chicago. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—June 28 (12 noon CDST) in Chicago.

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).

Iowa Public Service Co. (8/27)

June 6, 1962 it was reported that this utility plans to offer stockholders the right to subscribe for an additional 320,468 common shares on a 1-for-10 basis. **Address**—Orpheum-Electric Bldg., Sioux City. **Underwriters**—(Competitive). Probable bidders: Blyth & Co.; Carl M. Loeb, Rhoades & Co.; Ladenburg, Thalmann & Co.-Wertheim & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Kidder, Peabody & Co.-White, Weld & Co. (jointly). **Bids**—Expected Aug. 27.

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.

Jersey Central Power & Light Co.

June 6, 1962 it was reported that this company plans to sell \$11,000,000 of first mortgage bonds due 1992 in the fourth quarter. **Address**—Madison Ave., at Punch Bowl Rd., Morristown, N. J. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co.-Salomon Brothers & Hutzler-Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Kidder, Peabody & Co.; White, Weld & Co.

Louisville & Nashville RR. (6/13)

May 23, 1962 it was reported that this road plans to sell about 6,045,000 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.

Missouri Power & Light Co. (7/17)

June 6, 1962 it was reported that this utility plans to sell \$6,000,000 of first mortgage bonds due 1992. **Office**—106 West High St., Jefferson City, Mo. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; White, Weld & Co. **Bids**—Expected July 17.

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).

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 construc-

tion. **Office**—441 Stuart St., Boston. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Kidder, Peabody & Co.-White, Weld & Co. (jointly); Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.-Lehman Brothers-Equitable Securities Corp. (jointly); First Boston Corp.; Kuhn, Loeb & Co.

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 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.

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).

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.

Rochester Telephone Corp. (7/19)

June 6, 1962 it was reported that this company plans to issue \$12,000,000 of debentures due 1987. **Proceeds**—To repay bank loans, and redeem outstanding 4% debentures due 1963. **Office**—10 Franklin St., Rochester, N. Y. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Eastman Dillon, Union Securities & Co.-Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co. **Bids**—Expected July 19.

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) Probable bidders: First Boston Corp.; Halsey Stuart & Co., Inc.; White, Weld & Co.-Kidder, Peabody & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Blyth & Co., Inc. (jointly); Eastman Dillon, Union Securities & Co.-Equitable Securities Corp.-Drexel & Co. (jointly); Morgan Stanley & Co. **Bids**—Expected Nov. 28. **Registration**—Scheduled for Nov. 1.

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.

Our New Foreign Credit Insurance Association

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quested by buyers of higher limit policies must include at least two of the credit reports referred to, plus any special credit or financial data that is deemed to be necessary.

I should emphasize that increased limits are applicable to outstanding unpaid shipments. Therefore, the exporter should limit his requests for increased limits to the maximum value of his shipments outstanding at any one time. He should not base requests on the amount of annual sales.

Rate Basis

The rates for credit insurance are based on just two factors: one, the credit terms extended, two, the country to which the goods are being shipped. The political risk, it should be noted, is greater in some countries than others.

The exporter can determine his premium on a monthly basis, according to shipments, by referring to a schedule of rates attached to the policy. A 10% advance premium is required. This is credited against the final premium at the end of the year, or applied to the policy for the new year. Insurance agents and brokers are familiar with this convenient plan for paying premiums.

Exports covered by confirmed or unconfirmed letters of credit and exports to Canada need not be reported to the insurance company. All other exports, however, must be reported. Otherwise, there would be an adverse selection of risk — meaning that exporters could insure only those shipments where the credit risk was poor.

We are now developing a contract form of policy which will protect the exporter from the time he receives an order until the order is delivered and paid for.

We are also developing a policy to apply to the medium term credit field, a period from one to five years as contrasted with the 180 days to one-year period for the short term policy. We expect to have this policy in force by early summer.

Over 300 Policies Issued

Though we opened our doors for business less than three months ago, it is encouraging to be able to report that already we have issued more than 300 policies with an aggregate insured liability of \$160 million. On this basis, it is reasonable to expect that our liability will exceed \$750 million by the end of this year in the short term field alone.

New Jersey, with its major port facilities at Port Newark, Port Elizabeth and Camden, will play a vital part in this program. As one of the nation's larger industrial states, New Jersey has an important stake in the area of export trade. One only need examine the recent report made by Secretary of Commerce Luther Hodges to assess the Garden State's role. In 1960, exports from this state totalled \$897 million and all indications are that this figure will increase substantially. I feel certain that the Foreign Credit Insurance Association will be an important factor in helping to develop New Jersey's export growth potential.

Confident Business Will Expand Nation-wide

The picture country-wide is equally bright. While most of our business today has developed in the metropolitan New York area — about 75% of the total — I am confident our range of business will soon expand to the rest of the

nation. We have hardly scratched the surface.

The seriousness of the current foreign trade situation requires that we explore every possible avenue to develop additional export business. The United States cannot afford to spend more abroad than it gets back. The President has warned that we must meet foreign business competition. He said recently: "We must harness the energies of all our people to the vital task of keeping our industry competitive and expanding our exports."

Working in cooperation with the nation's business community and the Export-Import Bank, our goal at FCIA is to do just this.

At this juncture I would like to explain some of the features of the policy.

It is an annual contract which covers 95% of the exporter's political risk and 85% of his credit risk.

The commercial credit coverage simply says: "The insurers will indemnify the insured in U. S. dollars for 85% of the amount of the insured's loss incurred in connection with eligible shipments caused by the occurrence after shipment of: (a) insolvency of the buyer; or (b) failure of the buyer to pay to the insured within six months after due date of payment of the gross invoice value, in whole or in part, of products delivered to and accepted by the buyer." Any loss insured under the political risk coverage, of course, is excluded under the commercial coverage. Credit insurance is available to exporters through your insurance representative. Through him you can obtain an explanatory brochure, application forms and a sample policy.

To bring the story of the Foreign Credit Association to the attention of all American exporters is a tremendous task. We know that exporters realize the hazardous nature of insuring credit risks. We are confident, however, that the new credit insurance program will succeed here as it has in many other countries. In the U. S., as elsewhere, it is essential that an exporter must be satisfied that his buyers are entitled to his credit.

Credit insurance is not intended to be a substitute for credit departments or for management ability.

It—like any form of insurance—is made available to provide coverage against the unforeseen and the unexpected.

After our program is fully operative, an exporter no longer should be hesitant to compete in the foreign markets. He will be on equal or better footing with exporters of other countries who have long enjoyed export guarantee insurance.

The government and the insurance industry—working hand-in-hand—offer the exporter every reasonable protection against both political and credit risks.

Because the credit insurance policy is assignable, we believe it will be easier for the exporter to obtain loans from his bank. We realize that bank loans are made on the basis of balance sheets and records, nevertheless, it is reasonable to assume that the banks will more readily make loans knowing that their clients, as well as themselves, are protected by credit insurance.

In turn, the advantages of credit insurance will extend to suppliers of exporters. Though indirectly, they too will benefit.

We all recognize that our foreign trade must be expanded. Our unfavorable trade balance must be corrected. To do so, we must sell more in the world markets.

We can no longer depend upon our internal consumption to balance our economy, which produces much more than we consume.

This excess must find its way to other countries.

Twenty-one nations have similar credit insurance programs. Canada has had such an operation since 1946 and Great Britain since 1918. Both are successful. The programs also appear to be successful in the other countries.

It is time, don't you think, to catch up.

Our government and the members of FCIA believe that credit insurance will play a vital role in putting the United States up front in the world's exporting race.

Members of

Foreign Credit Insurance Ass'n
Ed. Note: The following is a list of the companies which were members of the Foreign Credit Insurance Association as of May 17, 1962. Participations range from \$25,000 to \$100,000, with the bulk of the companies being in the first-named category.

Aetna Casualty and Surety Co.
Aetna Insurance Co.
Allstate Insurance Co.
American Casualty Co. of Reading, Pa.
American Employers' Insurance Co.
American Home Assurance Co.
American Mutual Liability Insurance Co.
Atlantic Mutual Insurance Co.
Boston Insurance Co.
Camden Fire Insurance Association
Celina Mutual Insurance Co.
Cincinnati Insurance Co.
Commercial Union Insurance Co. of N. Y.
Consolidated Mutual Insurance Co.
Continental Casualty Co.
Cosmopolitan Insurance Co.
Cosmopolitan Mutual Insurance Co.
Empire Mutual Insurance Co.
Employers Mutual Liability Insurance Co.
Export Insurance Co.
Fireman's Fund Insurance Co.
Firemen's Insurance Co. of Newark, N. J.
General Insurance Company of America
Great American Insurance Co.
Hanover Insurance Co.
Hartford Accident and Indemnity Co.
Hardware Mutual Casualty Co.
Home Insurance Co.
Insurance Company of North America
Jefferson Insurance Company of New York
Liberty Mutual Insurance Co.
Lumbermens Mutual Casualty Co.
MFA Mutual Insurance Co.
Middlesex Mutual Assurance Co.
Monarch Insurance Company of Ohio
Mutual Service Casualty Insurance Co.
National Casualty Co.
National Fire Insurance Co. of Hartford
National Union Fire Insurance Co.
Nationwide Mutual Insurance Co.
New Hampshire Insurance Co.
Pacific Insurance Company of New York
Peerless Insurance Co.
Phoenix Assurance Company of New York
Phoenix Insurance Company of Hartford
Potomac Insurance Co.
Providence Washington Insurance Co.
Public Service Mutual Insurance Co.
Quaker City Insurance Co.
Reliance Insurance Co.
Royal Indemnity Co.
St. Paul Fire and Marine Insurance Co.
Seaboard Surety Co.
Security Mutual Casualty Co.
Springfield Insurance Co.
Transit Casualty Co.
Transport Insurance Co.
Travelers Indemnity Co.
Tri-State Insurance Co.
United Benefit Fire Insurance Co.
United States Fire Insurance Co.
United States Liability Insurance Co.
Universal Insurance Co.
Washington General Insurance Corp.
Wolverine Insurance Co.
Worcester Mutual Fire Insurance Co.
Zurich Insurance Co.

*Formal approval of application, by the Governing Committee is expected shortly.

*An address by Mr. Sheehy before the Export Opportunities Conference of the New Jersey State Chamber of Commerce, Newark, N. J.

Sudler Opens Branch

COLORADO SPRINGS, Colo. — Amos C. Sudler & Co., has opened a branch office at 12 East Boulder, under the direction of William T. Lorenz.

Williston & Beane Branch

J. R. Williston & Beane has opened a branch office at 360 Lexington Avenue, New York City, under the management of Harvey J. L'Hommedieu.

With Calif. Investors

LOS ANGELES, Calif. — Walter Sedach, formerly with Mora and Co., has joined the staff of California Investors, 6544 Olympic Boulevard, members of the Pacific Coast Stock Exchange.

F. Eberstadt Names Officers

F. Eberstadt & Co., Managers & Distributors, Inc., 65 Broadway, New York City, has announced the appointment of three new officers: John F. Van Deventer and Donald A. Young as Vice-Presidents and Robert Smith as Secretary and Treasurer.



John F. Van Deventer



Donald A. Young



Robert Smith

Mr. Van Deventer joined F. Eberstadt & Co. in 1951 and has been a Vice-President of Chemical Fund since 1952, specializing in the drug and oil industries. Prior to joining Chemical Fund, he was associated with Bankers Trust Co. and General Aniline & Film Corp.

Mr. Young joined the Eberstadt firm in 1952 and became a Chemical Fund Vice-President in 1956. He specializes in the photographic, glass and rubber industries.

Mr. Smith, a certified public accountant, joined Eberstadt in 1961. Before that, he was with Price Waterhouse & Co. and later with the law firm of Debevoise, Plimpton & McLean.

F. Eberstadt & Co., Managers & Distributors, Inc., a wholly-owned subsidiary of F. Eberstadt & Co., acts as investment manager for Chemical Fund, Inc. and distributes the Fund's shares to the public through securities dealers.

TAX-EXEMPT BOND MARKET

Continued from page 6

Philadelphia National Bank. Reoffered to yield from 1.70% to 3.50% for a 3.30% coupon, investor demand has been good with today's balance \$1,750,000.

The Florida State Board of Education sold \$7,250,000 School revenue (1963-1982) bonds on behalf of 14 counties on Tuesday and the award was split between three groups. Ira Haupt & Co. and associates purchased \$4,360,000 of bonds; The Interstate Securities Corp. group bought \$1,640,000 of bonds and the balance of \$1,250,000 were purchased by Halsey, Stuart & Co., Inc. and associates. This issue was also in good demand, with the overall balance \$1,500,000. The bonds were sold on behalf of 14 counties under the State School program and is payable solely from funds allocated for this purpose to the counties by the State Board of Education. The money is largely derived from state motor vehicle revenues.

Another important sale on Tuesday involved \$5,000,000 Hillsborough County (Tampa), Florida special tax school district No. 1 bonds due 1964-1981. The issue was bought by The Chase Manhattan Bank syndicate at a net interest cost of 3.1784%. This winning bid compared very favorably with the second bid, a 3.18% net interest cost, which was made by the Halsey, Stuart & Co., Inc. group.

Other members of the winning syndicate include Morgan Guaranty Trust Co., Chemical Bank New York Trust Co., Kuhn, Loeb & Co., Philadelphia National Bank, Shields & Co., Ladenburg, Thalmann & Co., Wertheim & Co. and Stone & Webster Securities Corp. The bonds were offered to yield from 1.90% to 3.35% and as we go to press a balance of \$1,455,000 remains in account.

On Wednesday May 6, the City of Lake Worth, Florida awarded \$1,800,000 water and electric revenue (1965-1988) bonds to the syndicate headed jointly by The First Boston Corp. and Dominick & Dominick at a net interest cost of 3.5702%. The runnerup bid designating a 3.571% net interest was made by Smith, Barney & Co. and associates. The bonds

were offered to yield from 2.25% in 1965 to 3.60% in 1986. The 1987 and 1988 maturities carried a 3 1/4% coupon and are offered at a 3.75% yield. Investor interest in this well rated bond was excellent with the present balance being \$170,000.

Wednesday's largest sale was \$6,750,000 Springfield, Mo., public utilities revenue (1965-1987) bonds which were awarded to the Harriman Ripley & Co. group at a net interest cost of 3.19%. Other members of the winning group were Smith, Barney & Co., Phelps, Fenn & Co., Goldman, Sachs & Co., and John Nuveen & Co. The second best net interest cost was entered by the Halsey, Stuart & Co., Inc. group at 3.223%. The bonds were offered to yield 2.00% in 1965 to 3.35% in 1986. The last maturity (1987) carried a 2% coupon and was offered to yield 3.85%. As we go to press the unsold balance is \$1,050,000.

On Wednesday the City of Spokane, Washington sold \$3,513,000 City improvement bonds (1964-1987) to the Bankers Trust Co. group at a net interest cost of 3.08%. The second bid, designating a 3.10% net interest cost, was made by the Wertheim & Co. group. The bonds were sealed to yield 1.90% in 1964 to 3.25% in 1987. Other members of the winning syndicate include Kidder Peabody & Co., Goldman, Sachs & Co., Laidlaw & Co., A. G. Becker & Co., R. H. Moulton & Co.; William P. Harper & Son & Co. At the close of business on June 6 the unsold balance is \$1,384,000.

New York City Transit Issue in The Making

As the market for municipals has backed away from its recent high level the likelihood of attracting revenue bond projects into the sphere of negotiation has become more remote. However, Phelps, Fenn & Co., Lehman Brothers, White Weld & Co. and B. J. Van Ingen & Co. as joint managers are to negotiate \$92,000,000 New York City Transit Authority revenue bonds. The proceeds will be used to purchase 724 new cars and the financing is anticipated prior to the fall.

The State of TRADE and INDUSTRY

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mary for some of the principal money centers follows:

Week End.	(000s omitted)	1961	%
June 2	1962	1961	
New York	\$14,224,416	\$13,896,673	+ 2.4
Chicago	1,250,000	1,232,940	+ 1.4
Philadelphia	1,038,000	989,000	+ 5.0
Boston	698,656	710,322	- 1.7
Kansas City	409,017	388,684	+ 2.9

Steel Production Data for the Week Ended June 2, 1962

According to data compiled by the American Iron and Steel Institute, production for the week ended June 2, 1962, was 1,536,000 tons (*83.1%), as against 1,646,000 tons (*88.4%), in the week ended May 26.

Production this year through June 2 amounted to 48,181,000 tons (*117.6), or 29.7% above the period through June 3, 1961.

The Institute concludes with index of Ingot Production by Districts for week ended June 2, 1962, as follows:

District	Index of Ingot Production for Week Ended June 2, 1962
North East Coast	66
Buffalo	66
Pittsburgh	84
Youngstown	64
Cleveland	97
Detroit	111
Chicago	83
Cincinnati	93
St. Louis	86
Southern	96
Western	102
Total	85.1

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

1962 Steel Output Will Probably Be Largest in Five Years

Steel production this year will probably be the largest in five years, despite the continuing downturn in steelmaking operations, *Steel* magazine predicted this week.

It will not be 115 million tons—as some enthusiasts predicted last December—and it may not reach 110 million, but it is likely to be in the range of 100 million to 105 million tons vs. 98 million tons in 1961.

By quarters, the year will go something like this: 30.6 million tons, 23.5 million, 22 million, 26 million. Fourth quarter production may vary from 24 million to 28 million tons, depending on business confidence, demand for consumer durables, and spending for capital equipment.

Ingot output this week will be less than the 1,620,000 tons that *Steel* estimates were poured last week. Output was 1.6% below the previous week's.

Scrap also continued its decline. *Steel's* price composite on No. 1 heavy melting grade dipped another \$1.16 a gross ton to \$25.17.

Autos Provide Bright Spot in Dull Market

The durable goods sector is one of the few bright spots in an otherwise dull steel market, the magazine said.

New car sales in the middle third of May were the largest for the period since 1955. Third quarter production schedules call for 1.2 million cars, and, tentatively, it looks like 1.8 million cars could be built in the October-December period. That pace would push 1962 production to 6.7 million units.

Electrical appliance makers report shipments are running 10% ahead of last year's. But the manufacturers have built up stocks of finished goods to the point where they are beginning to coast, so steel purchases have been disappointing.

Purchasing agents leave no doubt about the course of steel inventories in the next three months.

Steel's quarterly survey of inventories shows they will decline at the fastest pace since the liquidation in late 1960, following

the poststrike buildup. Thirty-eight per cent (the highest percentage in many months) report overstocks on a wide variety of mill products.

Only U. S. Steel Will Scale Spending Down

Despite stock market gyrations, steelmakers last week were holding to earlier pledges to spend more for plant and equipment this year than they did in 1961.

Major producers told *Steel* that the profit squeeze will spur more spending than it will deter or postpone. At almost every company in which big projects are underway or in the planning stage, 1962 expenditures will be as large as originally programed.

There is one notable exception: U. S. Steel Corp., the industry's No. 1 producer, has scaled its spending plans down by one-third. In January, the company forecast outlays approaching the \$326 million it spent last year. Now it is figuring on expenditures of about \$200 million, or roughly what it charged for depreciation against 1961 earnings.

If its 1962 outlays are no higher than now estimated, they will be the smallest since those of 1950.

Steel's Improving New Order Rate

July steel ordering may be a little stronger than mills expected, *The Iron Age* reported yesterday.

In recent weeks the new order rate has improved. Important in the gains encouraging producers are some sizable orders for flat-rolled products for July shipment.

However, both mill shipments and operating rates are still moving down, the national metal-working weekly pointed out. The recent slim boost in ordering is needed to support present operations of 50 to 55% of capacity. And, while some mills are encouraged by the recent July ordering, others remain pessimistic about next month's sales.

Both automakers and appliance manufacturers placed sheet tonnages for June and July delivery. One large auto company is ordering heavily for both months. This means July will not be as slow as the mills had feared. But the month will still mark the low point of the sales year.

How much recovery there is later in the third quarter depends largely on auto steel orders for 1963 model cars. The July tonnages seem earmarked for closeouts of 1962 production runs.

One supplier points out its July tonnage for a large automaker is the largest for any July in the last three years. Two producers which specialize in flat-rolled products say orders have moved up sharply. Another reports a moderate gain.

Right now, sheet demand is running about parallel with the general demand for all steel products. Steel production has dropped to the point where it is not much higher than new orders. What's more, the ratio between mill shipments and new orders is a little distorted.

The reason: Substantial tonnages deferred from earlier months are finally being shipped. For example, one mill says deferrals from other months will make up about 10% of its June shipments.

These "hold" tonnages are adding to mill uncertainty. One wire products sales official comments—"We have as much tonnage as I have ever seen in the hold status. I'd estimate it almost equals the tonnage we have scheduled for the next three months."

While mills watch auto steel buying, other consuming industries are contributing only moderately to the buying picture. Producers supplying the construction steel market say only shapes are showing real activity. Tinplate

shipments are dropping off to a degree. The failure of canmakers to step up ordering has suppliers puzzled.

Auto Output End of May Topped All of Last Year

Output of the U. S. auto industry's 1962 model cars reached approximately 5,416,000 units at the close of operations last Saturday, topping the 5,408,625 passenger cars made in the entire 1961 model year, *Ward's Automotive Reports* said this week.

The statistical agency said the current model run will ultimately be second-best in automotive history, rising some 23% from a year ago to about 6,650,000, bettered only in 1955.

Ward's also said that production during May of upwards of 670,000 cars was second-best volume for the month on record, and highest level of output for the industry since January, 1960.

June output, according to the statistical agency, will be below May only in that one less regular work day is available to the industry. About 30,000 cars a day emanate from the 46 assembly plants devoted to fashioning cars for the domestic U. S. market.

Production last week, estimated at 121,106, dropped 21.4% from the 154,057 cars turned out in the previous session as all but three plants were closed for Memorial Day.

Rail Freight Fractionally Gains Over Last Year's Week

Loading of revenue freight in the week ended May 26 totaled 580,361 cars, the Association of American Railroads announced. This was a decrease of 6,585 cars or 1.1% below the preceding week.

The loadings represented an increase of 1,594 cars or three-tenths of 1% above the corresponding week in 1961, but a decrease of 59,503 cars or 9.3% below the corresponding week in 1960.

There were 14,022 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended May 19, 1962 (which were included in that week's over-all total). This was an increase of 1,901 cars or 15.7% above the corresponding week of 1961 and 3,095 or 28.3% above the 1960 week.

Cumulative piggyback loadings for the first 20 weeks of 1962 totaled 259,781 cars for an increase of 43,954 cars or 20.4% above the corresponding period of 1961, and 49,717 cars or 23.7% above the corresponding period in 1960.

There were 59 Class I U. S. railroad systems originating this type traffic in this year's week compared with 58 one year ago and 53 in the corresponding week in 1960.

Truck Tonnage Up 5% Over Last Year's Week

Intercity truck tonnage in the week ended May 26 was an even 5% ahead of the volume in the corresponding week of 1961, the American Trucking Associations announced. Truck tonnage was 0.9% 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 27 localities, while seven points reflected decreases from the 1961 level. Jacksonville and Oklahoma City terminals reflected year-to-year tonnage gains of 24.3% and 21.3% respectively. Five other terminals cities showed tonnage increases of more than 10%.

Compared with the immediately preceding week, 22 metropolitan

areas registered decreased tonnage, while only 12 areas showed increases.

For each of the last 43 weeks, the first 21 weeks of 1962 together with the last 22 weeks of 1961, an over-all tonnage gain was registered from that of the corresponding week of the previous year. However the year-to-year gain has been narrower during the last few weeks than that found during the first quarter of 1962.

Lumber Output 8.7% Above 1961 Level

Lumber production in the United States in the week ended May 26, totaled 245,891,000 board feet, compared with 240,040,000 in the prior week, according to reports from regional associations. A year ago the figure was 226,266,000 board feet.

Compared with 1961 levels, output rose 8.7%.

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

	May 26, 1962	May 19, 1962	May 27, 1961
Production	245,891	240,040	226,266
Shipments	252,293	243,106	224,565
Orders	233,549	248,503	220,642

Electric Output 11.4% Higher Than in 1961 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, June 2, was estimated at 15,471,000,000 kwh., according to the Edison Electric Institute. Output was 731,000,000 kwh. less than that of the previous week's total of 16,202,000,000 kwh. and 1,584,000,000 kwh., or 11.4% above that of the comparable 1961 week.

Business Failures Continue Down in Holiday Week

Commercial and industrial failures edged down to 280 in the holiday week ended May 31 from 285 in the preceding week, reported Dun & Bradstreet, Inc. Although casualties dipped to the second-lowest level so far in 1962, they exceeded by a moderate margin the 254 occurring in the similar week last year and were fractionally above the 274 in 1960. Some 12% more businesses failed than in 1939 when the pre-war toll came to 249.

Large casualties involving liabilities in excess of \$100,000 dropped sharply to 29 from 43 a week ago but they remained slightly more numerous than the 26 in the comparable week last year. A contrasting increase occurred among smaller failures with losses under \$100,000, lifting their toll to 251 from 242 in the prior week and 228 in 1961.

The week's decline was concentrated in manufacturing, where casualties fell to 46 from 59, and in commercial services, off to 18 from 24. On the other hand, the toll among retailers rose to 141 from 134 in the preceding week and the toll among construction contractors edged to 46 from 42 and among wholesalers to 29 from 26. In all industry and trade groups, mortality matched or exceeded comparable 1961 levels.

Tolls fell off in the holiday week mostly in the Middle Atlantic States, down to 56 casualties from 82 a week earlier, in New England with 5 as against 16, and in the Mountain States with 7 as against 16. In contrast, failures climbed noticeably higher in four regions, including the East North Central, up to 68 from 50, and the South Atlantic, up to 43 from 32. Casualties equalled or ran above last year's levels in three of the six major geographic regions.

Canadian failures dipped to 37 from 40 in the preceding week and were appreciably lower than the 49 in the corresponding week of 1961.

Wholesale Commodity Price Index Inches Above Prior Week

After hitting the lowest level in almost a year in the prior week, the general wholesale commodity

price level edged up fractionally this week, reported Dun & Bradstreet, Inc. Lambs, wheat and rye rose appreciably in wholesale cost, and these gains outweighed by a narrow margin the considerably lower prices quoted for oats, rubber, steel scrap and tin.

On June 4, the Daily Wholesale Commodity Price Index inched to 270.13 from 269.66 a week earlier and also exceeded slightly the 269.46 registered on the similar day last year.

Wholesale Food Price Index Steady At Previous Week's Low

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., held even this week at \$5.74, the year's low set a week earlier. Continuing below comparable 1961 levels, the index was down 3.1% from \$5.92 on the similar date last year and also was short of the \$5.90 in 1960.

Dips were registered during the week in prices at wholesale for corn, oats, lard, cheese, milk, coffee, cottonseed oil, cocoa, eggs and steers. These mild declines were counterbalanced by higher price quotations for wheat, rye, beef, sugar, potatoes and hogs.

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

Retail Sales Ease Slightly

Consumer buying lacked steam in the week ended last May 30, with no substantial pre-Memorial Day rush developing. However, over-all volume did hold a modest edge over the corresponding year-ago level, despite erratic regional patterns. Men's clothing gained more strongly than women's wear, while May white sales generally held even. Purchases of furniture picked up and air conditioners and lawn equipment continued to top the list in home goods shopping. With the vacation season ahead and weather favorably warm, car buying held to a strong level.

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

Nationwide Department Store Sales Up 8% From 1961 for Week Ending May 26

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index reported an 8% increase for the week ended May 26, 1962, compared with the like period in 1961. For the week ended May 19, sales were up 7% compared with the corresponding 1961 week. In the four-week period ended May 26, 1962, sales were 9% above the corresponding period in 1961.

Form Mutual Funds Inc.

MARIETTA, Ga.—Mutual Funds, Inc. has been formed with offices at 902 Hickory Drive to engage in a securities business. Andrew C. Ramsey is President. He was formerly with Budd & Co., Inc.

J. R. Lee Opens

SALT LAKE CITY, Utah — Jack R. Lee is engaging in a securities business from offices at 2070 Logan Avenue under the firm name of Jack R. Lee and Company. Mr. Lee was formerly with Edward L. Burton & Co.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL



WASHINGTON, D. C.—Congress has made very slow progress thus far this session on so-called "must" legislation. The new fiscal year starting July 1 is just ahead. Nevertheless, no major bill has yet become law.

Election years are not regarded as the most productive from a legislative standpoint. This one has certainly been a typical election year on Capitol Hill.

Back in January there was the usual hope that Congress would wind up its affairs early or about the Fourth of July. Then it was moved up to mid-August, and now they are talking about recessing in the early autumn and returning in November after the general election. There is a possibility this will be done, although it would appear the odds are against a recess.

No. 1 Drawback

The other day one member of Congress said he thought that the No. 1 drawback to expeditious legislative action is the well-known (well known to members of Congress) "T and T Club." There are quite a few members of this rather exclusive unofficial club.

The "T and T Club" gets its title from the members who live in heavily populated areas, particularly in the Northeast section of our country, who fly into Washington on Tuesday mornings and fly out again on Thursday afternoons.

Usually there is little, if any business, conducted on Fridays in Congress simply because the "T and T Club" members want to get back home.

Backlog of Pending Legislation

A look at the proceedings on Capitol Hill show that things have moved at a very slow pace. Perhaps scattered primary elections in various parts of the country have been a contributing factor.

The farm bill is still up in the air. So are the medical care for the aged proposal, sugar act extension, postal rate increase bill, the United Nations bond issue proposal, the \$2 billion public works proposal, and Federal pay raise.

There are other important pending proposals, like extension of the Federal excise and corporate tax legislation which is absolutely certain of passage. Then there are proposals to raise the pay of Federal employees, aid to education, the mass transit proposal, the all-important reciprocal trade legislation and foreign aid authorization.

The House Ways and Means Committee has approved the reciprocal trade program, and the House Appropriations Committee has given approval of the foreign aid authorization. The House has

passed the tax revision measure, and the Senate Committee has reported it out favorably.

The Senate got off on a long debate for days after days on the frazzled and old, old poll tax issue. Five states levy poll taxes on voters. Each uses the money for public education. However, many people regard the tax as a terrible thing when a state levies an impost on people who vote in Presidential and Congressional elections.

More recently the Senate got tied up in a long, long debate over the Administration's voter qualification measure. Finally the leadership sidetracked the issue as the session was dragging on and on without producing any real results.

Debt Limit Increase Likely

Congress has been called upon to raise the national debt limit to \$308 billion or \$8 billion more than the present ceiling. This will pass after some stiff opposition. It will also mark the second debt increase voted by Congress this year, and the third in the last year and a half.

There is substantial controversy underway over the proposed postal rate increase. It is a red-hot issue. The House has approved the bill and it is now up to the Senate to either approve it or reject it. Meantime, millions of households each day are having a lot of junk mail put in their mail boxes at the subsidized expense of the people.

The House has before it a Senate-passed bill authorizing President Kennedy to spend \$750 million on public works projects to create employment in sections of the country that have heavy substantial unemployment. The legislation approved by the Senate is in the form of an authorization. The money would have to come in a subsequent appropriation.

Quicker Pace Expected

There are a few mumbblings that if the late Speaker of the House Sam Rayburn were still alive, things would be moving faster. This is debatable.

Obviously, things are going to pick up in Congress before long. Things are going to have to move faster. Once Congress makes up its mind to settle down and work, the law-makers can grind out legislation at a fast clip.

In the states where there is a two-party system, a lot of campaigning is in the offing. Therefore, many members would like to be on the scene. However, there are some who feel that they can campaign effectively with quickie trips home to deliver talks, and at the same time impress the constituents by declaring that it is most important that he remain on the job in Washington on these vital issues. That is an easy way



"The SEC frowns upon that sort of sales approach, Bullsnottel!"

to campaign—if one can get away with it.

Many members of Congress write weekly letters and mail them to the weekly and daily newspapers in their districts or state. One of the most unusual letter writers on Capitol Hill is Senator Stephen M. Young, Democrat of Ohio.

Those Receptions

Sometimes he breaks all "Senate Club" rules because he tells constituents on occasion to go jump into a lake, or simply replies to some of their charges that they do not know what they are talking about.

With Congress biding its time, he wrote his constituents a letter telling them of the feverish social calendar in Washington. He told Ohioans that if a United States Senator accepted all or a majority of the cocktail parties and receptions and dinners in Washington "he could doubtless 'free load' every night."

However, he added that the "wear and tear on him and the loss of sleep entailed would be almost beyond belief." He went on to say:

"Presently with new emerging nations coming along every day, more than 110 nations are now maintaining embassies in Washington. As a rule each embassy holds at least two receptions or cocktail parties a year, to which most Senators are invited. There are at least 17 state dinners.

"Now hold your hats—there are approximately 300 national associations maintaining lobbies in Washington. Many of these lobbying groups invite all Senators to receptions and dinners. A few of

such associations are the Veterans of Foreign Wars, American Legion, U. S. Chamber of Commerce, National Association of Manufacturers, AFL-CIO, just to mention a few."

He then went on to describe what he calls a trend. Said he: "A trend which is increasing, which is really an added horror, is Congressional breakfasts. . . . Most Senators decline."

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

COMING EVENTS IN INVESTMENT FIELD

June 7-10, 1962 (Ponte Vedra, Fla.)

Southern Group Investment Bankers Association Meeting.

June 8, 1962 (Chicago, Ill.)
Bond Club of Chicago annual golf outing at Knollwood Country Club.

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 As-

sociation 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 Whitmarsh Valley Country 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 19, 1962 (Louisville, Ky.)
Bond Club of Louisville annual summer outing and election at the Big Springs Country Club.

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.

Sept. 20-21, 1962 (Cincinnati, Ohio)

Municipal Bond Dealers Group of Cincinnati, annual fall party, with a field day to be held Sept. 21, at the Losantville Country Club.

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NOTES

BOND CLUB OF LOUISVILLE

The Bond Club of Louisville will hold their annual summer outing and election of officers on June 19 at the Big Springs Country Club. Reservations (tariff for members \$15, for guests \$20) should be made with Tyrus R. Davis, The Bankers Bond Co.

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